

AAAMS, Inc.

DBA New York State Automotive Aftermarket Association

Serving the Automotive Aftermarket in North Carolina, South Carolina, Tennessee, Virginia, and New York



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Bulletin No. 641

April 2022

Believe It or Not ... It Has Been One (1) Year!!!

It is certainly hard to believe that it has been one (1) year since the Automotive Aftermarket Association of the Mid-South, Inc. (AAAMS, Inc.) began servicing the members of the previous New York State Automotive Aftermarket Association (NYSAAA). It has been a pleasure working with former NYSAAA Acting Director Fred Forsythe, Jr. and former NYSAAA Bookkeeper Michael Lord. They have been, and continue to be, a tremendous help in this transition.

From my standpoint, the New York members have been wonderful to work with. The majority of former NY-SAAA members joined AAAMS, Inc./NYSAAA last year, and except for a few expected hiccups and the additional one or two (no way you can plan for) hiccups, the combination of the two (2) groups has been a huge success.

For our members in the Southeast, I hope that your experience in our Association has not changed over the past year...because we are truly all in this together.

I urge any member(s) that has questions about our Association and/or our services and programs to contact me at any time...1-800-849-8037 or rlisk@aaamsonline.com.

Thanks to each of you for your continued support!

Randy Lisk, Executive VP - AAAMS, Inc./NYSAAA

AAAS/AAAMS Conference & Vendor Fair

AAAS/AAAMS Conference & Vendor Fair -- June 16-19

We certainly hope that all of our members in North Carolina, South Carolina, Tennessee, Virginia and New York will consider joining the Automotive Aftermarket Association of the Southeast (Alabama, Georgia, Florida and Mississippi) at a Joint Conference and Vendor Fair, June 16-19, 2022, at The Sandestin Golf & Beach Resort, Destin, FL.

The schedule includes a bit of everything...time to enjoy the spectacular Gulf Coast beach and bay, Golf, Destin WaterSports, Deep Sea Fishing and beautiful Hiking and Bicycle Paths on the leisure side...to networking with fellow industry representatives, open Board of Directors meeting for all attendees, Vendor Fair, Silent Auction, Dinner Party and Receptions.

Sponsorship opportunities are also available to our members. Let's enhance the value of our participation toward this event's success by participating in any way possible.

Refer to Pages 7-8 of this newsletter for the Conference & Vendor Fair Schedule and Registration Form (a complete Conference and Vendor Fair packet, including registration information, is attached to the electronic version of the newsletter). For those members that receive a hard copy of "The Horn," please contact Randy for a complete packet.

Express Your Support for The Right to Repair Issue to Your Federal Legislators--It's Easy

Members of Congress have staff dedicated to reviewing all emails that are sent to their office from constituents. The more emails sent on an issue, the more elevated attention the issue gets! Which is why asking you, your coworkers and peers to send an email about right to repair is so critical.

Take action now, go to <u>www.autocareadvocacy.org/take-action-tell-congress-support-right-to-repair</u> to email your legislators today and ask them to support the policies that impact your business. The Auto Care Association's Advocacy Center makes it as simple as filling out your address! If you receive a response let the Auto Care Association know. They would be happy to follow up with their office on your behalf. Please email tod.moore@autocare.org at the Auto Care Association.

Source: Auto Care Association

Right to Repair Bill Introduced in Canada's House of Commons

Brian Masse, MP representing Windsor West, has introduced a bill (C-231) in the Canadian House of Commons to amend the nation's Competition Act to address various vehicle repair issues.

The bill would authorize the Competition Tribunal to make an order requiring vehicle manufacturers to provide independent repair shops access to diagnostic and repair information and to service parts on the same terms and manner as the manufacturers make that information and those parts available to their own authorized repair providers.

Additionally, the proposed legislation would update a voluntary agreement in place since 2009 to include the rights of digital software that will cover future innovations and technology and would ensure consumers have the right to choose where they get their vehicles fixed.

Source: The Greensheet

Industry News

Odometers Soar for All Types of Vehicles

The Lang Report

"The accumulated mileage on vehicle odometers keeps climbing as the age of cars and light trucks spirals upward. In 2021, the typical light vehicle in the U.S. averaged approximately 13,000 more odometer miles than 10 years earlier (2011). There are significant variations in the odometer mileage levels and gains of four major types of vehicles: foreign and domestic nameplates, and cars versus light trucks."

"This is important for aftermarket product growth since older vehicles (with greater accumulated miles) use more aftermarket products per mile than cars and light trucks with lower odometer readings."

Odometer Miles and Product Use: Not all light vehicle travel generates the same aftermarket product use per mile. Aftermarket product use per mile varies significantly depending on the vehicle's accumulated mileage (odometer reading). For example, a vehicle with 150,000 miles on its odometer will typically use more aftermarket products per mile than a vehicle with half that odometer reading.

All Light Vehicles: At mid-year 2011, the average light vehicle in the U.S. had approximately 129,000 miles on its odometer. The accumulated mileage of the average light vehicle increased to over 137,000 by 2016, with average odometer readings topping 143,000 miles during 2021.

Cars and Light Trucks: The average car in the U.S. had approximately 14,000 more miles on its odometer during 2021 than 10 years earlier. Light Truck odometers rolled up less rapidly, posting an average gain of more than 12,000 miles. The difference between foreign and domestic vehicles in accumulated mileage growth has been even greater.

Odometers Soar for All Types of Vehicles

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Domestic Nameplate Accumulated Miles: Between 2011 and 2021, domestic nameplates averaged higher accumulated miles than their foreign counterparts. The average domestic nameplate had an odometer reading of 145,000 miles in 2016, up 6,000 miles from five years earlier. By 2021, the average domestic nameplate had rolled up more than 151,000 miles on its odometer. Domestic nameplates averaged much higher accumulated mileage per vehicle than foreign nameplates in the U.S. during each of these three years.

Foreign Nameplate Odometers: Foreign nameplates averaged approximately 24,000 fewer odometer miles per vehicle than domestic nameplates during 2011. These mileage differences continued during 2016, with foreign nameplates averaging 117,000 odometer miles compared to a much higher 145,000 odometer reading for the average domestic nameplate. By 2021, foreign nameplates averaged approximately 31,000 fewer miles on their odometers compared to the accumulated mileage of the average domestic nameplate in the U.S.

Domestic Cars Average the Highest Odometer Readings: Domestic cars have averaged the highest odometer readings of any major vehicle group in the U.S. for a number of years. During 2011, domestic cars averaged 142,000 odometer miles, much higher than the 129,000 miles for the average light vehicle. Domestic nameplates averaged over 16,000 more odometer miles in 2016 than the average light vehicle. By 2021, domestic cars had pushed their average odometer reading to a record-high: nearly 20,000 miles greater than the average foreign nameplate car and significantly higher than accumulated miles of all light vehicles.

Differences in Odometer Readings Among Four Major Vehicle Types: As mentioned, domestic cars average the highest average odometer reading among light vehicles across the country, followed by domestic nameplate light trucks. Over the past ten years, domestic nameplate odometer readings have soared by more than 25,000 miles, with the majority of this gain stemming from domestic nameplate cars. Foreign nameplate cars ranked third in overall average odometer readings during 2021, up approximately 13,000 miles over the past ten years, followed by foreign nameplate light trucks with an average increase of nearly 12,000 odometer miles between 2011 and 2021.

Aftermarket Implications: The high odometer readings of domestic vehicles coupled with the greater product use per mile as vehicles increase in age are bolstering the domestic vehicle segment of the aftermarket and keeping it from being reduced at a faster rate than would otherwise occur, given the growing share of foreign nameplates on U.S. roads. The increased longevity of vehicles and the soaring value of used cars and light trucks are keeping domestic nameplates on the road for a greater number of years and increasing their odometer readings.

Six Major Takeaways

- Accumulated miles on cars and light trucks are critical to the rate of aftermarket product use, since older vehicles (with higher odometer readings) generate more aftermarket product use per mile than vehicles with fewer odometer miles.
- A typical car and light truck in the U.S. during 2011 had approximately 129,000 accumulated miles, with the average odometer reading soaring by more than 13,000 miles over the next ten years.
- Domestic nameplates averaged significantly more accumulated miles between 2011 and 2021 than foreign nameplates.
- From approximately 139,000 miles on the average domestic nameplate odometer in 2011, domestic nameplates added approximately 12,000 miles to their odometers by 2021.
- Foreign nameplate cars and light trucks on U.S. roads have accumulated significantly less mileage than domestic nameplates. Foreign nameplates averaged approximately 120,000 odometer miles in 2021 compared to 151,000 for the average domestic nameplate.
- Domestic nameplate cars averaged the highest odometer readings of the four major light vehicle groups, topping 161,000 miles at mid-year 2021, followed by domestic nameplate light trucks, foreign nameplate cars, and foreign nameplate light trucks. These odometer mileage differences have implications for the rate of aftermarket product growth of major types of vehicles.

Five Consumer Automotive Repair Trends To Prepare For In 2022

In the 1970s, one of the most popular books for DIYers was John Muir's "How to Keep Your Volkswagen Alive: A Manual of Step-byStep Procedures for the Compleat Idiot." With simple-to-follow instructions, the book was the perfect guide for know-nothing consumers who wanted to do their own repairs on a Beetle's basic engine.

Yet as the years went on, consumers wanted more from their vehicles: more luxury, more technology and more sophistication, complex vehicles that can only be serviced and repaired by professionals. And, with so-phistication comes increased costs to purchase, maintain and repair them. The good news for aftermarket parts and service providers: with higher prices, consumers will look increasingly toward third-party repair shops to keep those costs down.

Here are five trends that we are seeing in automotive ownership that will significantly impact the parts and service aftermarket.

1. The in-store experience is key. Synchrony's recent Major Purchase Journey Study of 3,800 consumers found that when it came to automotive-related purchases, 79% continued to buy instore. And 62% of those who did, visited a local independent retailer, with virtually all of that group preferring to shop locally.

2. Yet online is growing in importance. Most consumers (58%) went directly to the retailer's website. But, regardless of which online method consumers use, in the end, all roads will lead back to the home page, reinforcing the importance of developing and maintaining a compelling, useful and comprehensive web presence. Use search engine optimization to ensure that when customers look for a business, yours will be at the top of the list.

3. Vehicles are aging. The Covid-19 pandemic and the resulting chip shortage have caused a dearth of new vehicles. Therefore, consumers are keeping their cars and trucks longer than ever before - 12.1 years, according to IHSMarkit. The older the vehicle, it is generally greater the cost to service and repair. Repair costs also are rising due to the consumer switch to SUVs and crossovers, which typically cost more than sedans to maintain. When doing business with aftermarket parts and service providers, consumers need to feel they are spending their money wisely.

4. Repair times are increasing. Parts shortages continue to plague the industry, resulting in delayed repair times. Owners will be forced to rent temporary vehicles for longer periods, putting added pressure on the amount of money they're willing to spend to repair their vehicles. Providing a good value to customers is key.

5. Financing repairs helps consumers say yes to necessary parts and service purchases. While there's little that can be done to prevent an expensive repair bill when the work is required, consumers should be made aware of various financing options available in the aftermarket. In Synchrony's Major Purchase Journey Study, 64% said financing makes large parts and service purchases more affordable. Regardless of which credit company aftermarket part professionals and service providers suggest, the financing and payment experience should be simple, with just a handful of application questions and easy, digital account maintenance. With owners keeping their vehicles longer, the need for reliable transportation for work and leisure is paramount. Parts and service providers can take steps now to ease customer concerns and ensure that the aftermarket will always be top-of-mind when it comes to the consumers' need for trusted, reasonably priced vehicle maintenance.

Source: aftermarketNews

Management Notes

Double Your Sales with One Simple Idea

By John Chapin

I recently came across an old sales book: *Secrets of Closing Sales* by Charles B. Roth. In the book he talked about a group of salespeople in Detroit who tried a new idea and increased their sales by 100%. He then talked about another group in NYC who used the same idea and increased sales by 150%. Finally, he cited several examples of individual salespeople who used the idea and increased their sales by as much as 400%.

Once again, what's the number one key to business building and more sales? Right, activity. Making lots of phone calls and/or in-person calls on lots of strangers that are potential prospects. Key number two? Right,

Double Your Sales with One Simple Idea

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having great sales skills. The new idea he's talking about ties in with key number two: sales skills, and these days, this idea is not a new idea, though very few salespeople use it even though it is one of the easiest ways to significantly increase sales in a relatively short period of time. So what is the idea? Role-playing. That's right. Role-playing. Good old-fashioned practice where you practice your sales skills hopefully with other salespeople and your manager but if not, with a friend or family member, your dog, in the mirror, or simply by yourself with none of that. Either way, if you consistently practice all the prospect/client sales situations you're going to run into during the day, you're going to get much better much faster and as a result sell more. When you think about it, role-playing is really akin to professional football teams practicing during the week before games on the weekend. In fact, let's face it, college teams practice, high school teams practice, shoot, even Pop Warner teams practice. And of course, all teams, not just football teams, practice. Can you imagine any professional team in any sport not practicing? Crazy, right? I mean how could they expect to win many games, never mind a championship without practice? At the same, isn't it interesting that we call ourselves professional salespeople and yet, the vast majority of us don't practice. How can you expect to be among the very best without practice?

There are a couple keys to role-playing however. First, you want your responses to be scripted. I know there's still some debate over scripts though I don't know why. Imagine your favorite movie scene for a moment, or one of them. Got it? Great, it's scripted. Your favorite TV shows... all scripted. Obviously, the actors and actresses have memorized and practiced the lines and scenes that you love, and you need to memorize your lines too, but you simply must have what you need to say scripted into as few words as possible, using the most effective words possible. And that leads to point number two regarding role-playing which is: your ultimate success will only be as good as the content in the scripts and how well you know it. You could role-play all day every day, but if you're saying the wrong things, you won't be successful so of course, you want to be role-playing effective material and again, you want to make sure you know it cold. I should be able to wake you up at three a.m., give you a common objection, and have the answer roll off your tongue, no problem.

How much should you role-play? In the beginning, or if you are new to sales, every day until you have all your lines completely memorized. Even at that point it's a good idea to do at least some role-playing every day. Also, sales meetings should always have a role-play portion in which you role-play difficult sales situations you're running into or important upcoming calls. If you are a sales manager or other sales leader, you should be walking by your people when they are in the office and hit them with objections and other sales scenarios.

It still amazes me that almost 100% of the time I start working with a new sales group and I go into the first meeting and start hitting them with objections and other situations they're running into, even the veterans are winging their responses which, by the way, almost always start with something like, "Ahhhhh..."

So, if you haven't already, put together scripts with some great sales content for every situation and scenario you're going to run into: every presentation, every cold call, every follow-up call, every objection, every stall, every close, everything, and start practicing those by role-playing them with other salespeople and your manager and I promise, as long as you're making the necessary calls, you'll see a good increase in your sales numbers.

E-mail: johnchapin@completeselling.com.

Credit Card Sales/Cash Discounts

Since you first opened your door to business you have had 3 methods for receiving payment for your products and services: cash, checks and credit cards. Cash has always been the most acceptable. Not much can go wrong with cash unless it's counterfeit. Checks have been around forever, and we all know the problems their acceptance can bring. It's never the good ones that cause problems, and as long as you follow certain protocols you can eliminate a lot of the problems that come with chasing bad checks. That leaves us with credit cards. A real simple form of payment but it does come with a cost and responsibility. You know that each time you swipe, tap or insert a credit card into your terminal, you are giving that customer a discount and a portion of your profits. That has always left a little bad taste in your mouth. You give John Q. Public a discount and then hear him bragging about all that he does with the rewards that he earns from his credit card use! As a businessman, you know well who is paying for those rewards. What about the guy that pays with cash? He gives your preferred method of payment, receives no discount and leaves your premises with his purchased product. He hears those same stories about people using their "reward cards" and soon he starts using his as well, cutting deeper into your profits!

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Are You Still Paying Monthly Fees to Accept Credit Cards?

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Have you looked at your effective rate recently? What is your cost for accepting credit cards? In the past you shopped credit card companies looking for a better rate to save as much of those costs as possible. If your effective rate is currently 2-2.5% you're about as low as you can expect to go. Would a 0% rate catch your attention? With just a \$15.00 monthly fee you can eliminate all credit card costs! How is this possible? Non-cash adjustment. With Non-Cash Adjustment you are now able to legally pass on credit card usage costs to the ones that should be paying them in the first place, the credit card users. How does this work?

First you need a processor that is set up to accept this type of exchange. Secondly you will need a company that closely works with the processor to provide all the training and signage that is necessary to make this happen. A new terminal may be necessary, but not always. Thirdly, it is important that your sales counter personnel have an understanding of how the process works. While you can expect some kickback from the public you will be surprised to find that they have already seen this new program at other places they have done business.

Non-Cash Adjustment is here and has been for a while. You will see it in many of the restaurants that dot the interstate as you travel. You will see it in many small businesses that have finally found a way to eliminate an unnecessary cost of doing business while adding to the profit margin at the same time. You have already seen it and used it yourself if you pay utility bills. There it may be called a convenience fee. Whatever it is called, it is a way to pass the costs of the credit card acceptance fee on to the rightful owner of that service, the card user.

Should you like to find out more on how you can eliminate your credit card acceptance costs please give us a call at Cocard (919-418-4676). We will be happy to further educate you on how you can make this work for your business.

Association News

In Memoriam: James "Jim" Jufko

AAAMS, Inc./NYSAAA is sad to announce the passing of James "Jim" Jufko, 79, of Baldwinsville, NY, on Saturday, March 26, 2022. Jim was known by many of our New York members and worked for years in the Automotive Parts Industry once he moved to the Syracuse area many years ago.

Jim will certainly be missed by those in our industry, and our sincere condolences go out to the entire Jufko family.

Association Stretch Wrap & Other Shipping Supplies Program

Just a reminder, that your Association has a source for Stretch Wrap and other Shipping Supplies (Tape, etc.) which members are taking advantage of. Please contact Randy for up-to-date pricing at 1-800-849-8037 or rlisk@aaamsonline.com.

Association Holiday Schedule

The Association Office will be closed on the following day:

Memorial Day - Monday, May 30, 2022

- Randy Lisk, Executive VP - AAAMS, Inc./NYSAAA

AAAS & AAAMS CONFERENCE & VENDOR FAIR

June 16-18TH Sandestin Village of Baytowne Warf

Thursday, June 16th		
5:30—7:00 pm	Early Bird Reception and Networking \sim Location TBA	
Friday, June 17th		
5:00 am – 1:00 pm	Deep Sea Fishing ~ 'Relentless' Charter Boat	
	Sponsored by Federated	
2:00—5:00 pm	Executive Leadership Meetings as needed ~ TBA	
C 00 7 00	AAAS Chairman's Welcome Reception and Vendor Fair	
6:00 pm – 7:30 pm	~ Azalea Ballroom—2nd Floor Grand Conference Center	
Saturday, June 18 th		
7:30– 8:30 am	Continental Breakfast & Vendor Fair ~ Azalea Ballroom	
8:30 am	Welcome & Opening Remarks ~ Azalea Ballroom	
	Joe Ward - Chairman, AAAS	
8:45 am	AAAS Board of Directors Meeting—Open to All Members & Attendees	
10:00-10:20	Break and Vendor Fair	
	AAAS Board of Directors Meeting—Open to All Members & Attendees	

9:30 am – 11:30 am	~ Azalea Ballroom—2nd Floor Grand Conference Center	
12:30 pm	Golf Tournament ~Baytowne Golf Club Sponsored by Federated	
6:00 pm	Dinner Party & Silent Auction Sponsored by Millennium Risk Managers	

ONFERENCE	& VENDOR FAII	
ATTENDEE F	REGISTRATION	
Registration Form	RETURN REGISTRATION & PAYMENT TO:	
	AAAS Annual Conference & Vendor Fair	
	11245 Chantilly Parkway Court 🔸 Montgomery, AL 36117	
COMPANY (Submit separate form for each individual/family)	800.239.7779 • 334.834.1848 • f 334.834.1818 • aaas.u	
	denise@aaas.us ~ Denise Webb	
LAST NAME, FIRST NAME, (NAME PREFERRED)	CANCELLATION POLICY: Full registration will be refunded,	
SPOUSE/GUEST LAST NAME, FIRST NAME, (NAME PREFERRED)	if AAAS is notified by May 13th.	
ADDRESS	Conference Fees	
	<u>COSI QIY IOTAL</u>	
CITY, STATE, ZIP	(per person)	
	Conference Fee Package \$ 145	
PHONE FAX	(* Each \$145 Conference Fee Package deal is for one attendee & includes: Friday Evening Reception, Saturday Morning Program &	
E-MAIL	Saturday Evening Dinner Party)	
	Additional conference options:	
CHILDREN (Age 4-12 Half price • Age 3 & under No charge)	Fishing Outing (per angler) \$ 100	
	Golf Tournament (per golfer) \$ 125	
	Late Fee (registration after May 1) \$ 25	
LAST NAME, FIRST NAME, (NAME PREFERRED) AGE	Scholarship Fund Contribution \$	
LAST NAME, FIRST NAME, (NAME PREFERRED) AGE	TOTAL AMOUNT DUE	
ANGLERS	Enclosed \$ Paid by O Check O Visa O MC O Discov	
	Date Signature	
	Card #	
	Billing Zip Code Card Code Exp	
GOLFERS		
	SANDESTIN GOLF & BEACH RESORT RESERVATIONS	
	Lodging reservations must be made directly	
	with the resort at 800.320.8115 or book online:	
	www.Sandestin.com	
(List handicap/usual score)	AAAS Event Group Code: 24A94C	