

## January 2021 Bulletin

## Please Pass Me Along to Share with other Stations!

### **ASSOCIATION CONTEST**

**CONGRATULATIONS TO THE DECEMBER 2020 CONTEST WINNER C & A AUTO OF MAHOPAC, NY.** Please read through this bulletin for your chance to win!!! Call the office with the correct answer to the trivia question and you will be entered in the monthly drawing for a chance to receive a free month's dues; a value of \$45.00.

#### SCHOLARSHIP RAFFLE WINNERS

Thank you to all that participated in our yearly raffle that helps fund the Donald Engledrum Scholarship Award. The winner of the 2020 Scholarship Award this year is Jenna Maneri who is attending SUNY Cortland. Congratulations Jenna and good luck in your studies. The following are the winners of this year raffle drawing:

Grand Prize Winner	Craig Chapman – Granville, NY
2 <sup>nd</sup> Prize Winner	Bill Griese – Harrison, NY
3 <sup>rd</sup> Prize Winner	Frank Perez – Sleepy Hollow, NY

Congratulations to all the winners and again thank you for your support!

#### ATTORNEY'S CORNER INDUSTRY CONSOLIDATION

Many small to medium gas only/convenience store chains have been selling to several of the majors. If you are a single, either you have or will receive a solicitation to sell.

Some examples: Marathon Petroleum has bought 33 Noco Express convenience stores and gas stations and are being rebranded as Speedway, one of the biggest chains of its kind in the nation. Marathon also bought the Express Mart chain and turned those stores into Speedway as well. Hess went to Marathon who promptly rebranded them as Speedway. There are over 4,000 Speedway locations in the U.S. Sunoco has also joined the parade and has begun purchasing gas stations/convenience stores. It is no surprise that our Convenience store/gas station members are under intense financial pressure by the big players.

Every day there are new regulations and new cost mandates that our members have to adapt to and it seems that we are pushing in the direction of having a model with greater economies of scale in order to remain profitable and survive. Large consolidators who have all kinds of scale, both in how they buy merchandise or gas, but also in terms of their operating costs, including information technology and maintenance infrastructure.

The smaller mom and pop enterprises have an extremely, excruciatingly difficult time for them to remain viable with the combination of state-mandated cost increases and regulatory compliance, and competition from larger chains.

Rising labor costs, and operating margins are getting squeezed by competitors such as drugstores and "dollar stores" selling products like beer and chips. What does the future hold for gasoline demand for vehicles, in the face of emission standards and the push to develop electric vehicles.

It is a good business move to join Service Station Dealers and Automotive Services of Greater NY, Inc. The Association can offer you economies of scale in purchasing, in Workers Compensation Insurance, Liability Insurance and Health Insurance. Call Carla or Mandi at 914-698-5188.

#### **REMINDERS**

All employers regardless of size must adopt a sexual harassment prevention policy for their workplace and provide annual antiharassment training for their employees. If you have not taken steps to comply with the law, now is the time to take action. By establishing anti-harassment policies and providing training to employees, employers will be better positioned to defend claims of sexual harassment by demonstrating that they complied with the regulations and took reasonable preventative measures. **Contact the Association for a program kit and renewal.** 

#### LEGAL PLAN

If you have any questions and/or issues, ask the Association for a formal Docket Number and you will have you answer from me usually within 24 hours. Any Member who wishes the complete Legal Plan, ask and the plan will be emailed to you.

Vincent P. Nesci, Esq. Association General Counsel

421 Waverly Avenue, Mamaroneck, NY 10543 -Ph: 914-698-5188 F: 914-698-4787 www.ssdgny.org

#### TRENDS TRANSFORMING THE AUTO REPAIR INDUSTRY OUTLOOK IN 2021

There are several disruptive trends and automotive industry challenges poised to transform the automotive and auto repair industry outlook for 2021 and beyond. Auto repair shops that want to ensure they will survive these disruptive trends and thrive in 2021 and going forward must begin to take steps now to prepare their shops and their staff for a future that will be dramatically different because it will be driven by new and transformative trends. They will require the acquisition of more technologically advanced tools, equipment and machines. Many auto repair technicians will have to be retrained to ensure they have the right skillset to handle the changing auto repair needs in 2021 and beyond.

#### 10 Major Auto Repair Industry Trends

New technology-driven trends are poised to disrupt and transform the auto repair industry. These trends will revolutionize the way automobiles are built, powered and repaired. The key question is how auto repair industry shops will respond to the changing consumer needs for specific types of automobile repair, the technology that will be required to deliver it and the ability to develop new types of partnerships with tool, equipment and replacement parts manufacturers. The transformational automobile design changes are hastening the demise of the low-tech auto repair shop. The following are some of the trends crashing the modern auto repair industry.

1. More Reliable Vehicles

The cars, trucks and SUVs being produced today are more reliable than ever before. Many of them can go years and tens of thousands of miles before they need to change their oil and oil filter. These were the types of maintenance services that brought automobiles into auto repair shops on a regular basis. With synthetic engine oils designed to last a very long time before it needs to be changed and other maintenance and repair services covered by the dealership for several years after the vehicle is purchased, these new, more reliable vehicles will change the auto repair shop's role dramatically.

2. Increased Vehicle Leasing

Another growing automotive trend that will impact auto repair shops in 2021 and beyond is the increase of vehicle leasing rates. Between 2009 and 2016, vehicle lease originations skyrocketed from just over one million to almost 4.5 million. And that trend of consumers choosing leasing automobiles over buying them is expected to continue. That means significantly less maintenance and repair work for automobile repair shops unless they form partnerships with companies that lease automobiles. 3. Reduced Demand for Replacement Auto Parts A reduce in the demand for replacement auto parts is another trend that's anticipated to hurt the auto repair industry going into 2021. With the advancements being made in automotive technology, vehicle owners are finding it increasingly difficult to repair and maintain their vehicles themselves. As a result, shares in major auto parts stores like O'Reilly Automotive have fallen about 22%. Industry experts say the higher quality components being produced today last longer and warrant less frequent need for automobile repairs and industry demand may continue to be soft in 2021 and beyond.

4. Growing Preference for Having Dealerships Handle Repairs

In recent years, automobile owners have shown a growing preference for having their maintenance and repair services done at automobile dealerships. This has led to a steady decrease in the number of people who take their vehicles to local auto repair shops. Some auto industry experts say this trend is related to the increase in the number of people who lease their automobiles from the dealerships. The challenge for local auto repair shops is to find a way to tap into that market.

5. Digitization, Increasing Automation and Electrification The increasing use of these features in modern automobiles have revolutionized the auto repair industry and is putting pressure on auto repair shops to upgrade their technology to be able to provide maintenance and repair services for digitized, automated and electric automobiles in 2021 and beyond. Owners of these cutting-edge vehicles must be confident local auto repair shops have the trained technicians and technology to properly repair these technologically advanced vehicles.

6. Enhanced Telematics and Connectivity

New vehicles increasingly have telematics embedded in them. Training in telematics is becoming critical. Consumers must know the local auto repair shops can handle these new technologically-advanced automobiles and have the right parts to do the repairs the vehicles need whether its to their telematics, connectivity or sophisticated computer, electrical and mechanical systems. They must also market the competency of their shops to properly deal with the telematics and connectivity of even the latest, most cuttingedge, newer vehicles. According to the Auto Care Association, being able to deal with this trend and determining who has access to the data is essential for the success of auto repair shops and the industry.

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#### 7. Shortage of Techs

Another trend the auto repair industry faces is the retirement of millions of shop techs. The concern is there are not enough properly trained automobile technicians to fill those millions of jobs now available. The Auto Care Association's newly created job board is part of their proactive approach to addressing the auto repair tech shortage they will face in 2021 and ongoing. They are working with universities to teach STEM courses to aspiring automotive technicians and with automobile manufacturers to fill the job creation pipeline with millions of well-prepared automotive technicians.

8. Connectivity Services, Shared Mobility and Feature Upgrades

New business models that combine and are driven by connectivity services, shared mobility and feature upgrades are a new trend with the ability to expand the automotive revenue pool by more than 25%. That will significantly diversify and increase the on-demand, data-driven, mobility services. It can increase the demand for aftermarket products and services by as much as 50%. The auto repair industry must be able to update and upgrade the autonomous technology platforms through the use of software-based systems on-demand in privately used vehicles to meet the personal needs of vehicle owners as technology advances.

#### 9. Emerging Markets

Developments in emerging markets are triggering dramatic economic changes. This trend is accelerated by changing consumer ownership preferences and the rise of a number of new automotive technologies. Despite the upcoming shift toward shared mobility, global sales of automobiles will continue to grow, albeit by a lower 2% annual rate by 2030. It's anticipated that beginning in 2021, e-hailing and car sharing services will grow significantly in cities and suburbs in Europe, Asia and North America. This higher utilization of shared vehicles will create more wear and tear and a greater need for the services of well-positioned automobile repair service chains.

#### 10. Game-Changing Disruption

Most auto industry experts agree the automotive industry is faced with imminent, widespread, game-changing, disruption. No one is certain what this trend will make the industry look like over the next 10 to 15 years. Some are calling it the "2030 automotive revolution". And the automobile repair industry faces the challenge of positioning itself to take advantage of the type of changes coming to the automotive value chain that includes traditional vehicle manufacturers, suppliers, consumers and markets.

#### **5 Must Know Statistics**

The statistics on the latest automotive trends show the auto repair industry is in a good position going into 2021.

- 1. Research shows in 2021 there will be an estimated 76 million vehicles aged 16 years or older in the United States.
- The number of vehicles 5 years old or less is predicted 2. to increase by almost 25%.
- 3. It's estimated that by 2021, 18% of American households will use an auto repair service at least once a vear.
- Automobiles that are age 12 years or older are 4. anticipated to increase by 15%.
- 5. In the past decade, the average length of time new and used automobiles are owned has increased 60%.

#### **A Bright Future**

The future is very bright for the automobile repair industry. The key is for its members to position themselves properly. People in traditional and emerging markets are driving hundreds of millions new and used automobiles that will need to be upgraded, repaired, serviced and maintained. More importantly for the auto repair industry, independent auto repair shops perform 75% of the aftermarket automobile repair services. If automobile repair shops are diligent and proactive in investing in the latest and most-effective tools, equipment and technology and make sure their service technicians are properly trained, they will continue to be profitable in 2021 and beyond.

As seen on www.linchpinseo.com

SSDGNY is a member of TST. Because you are members of SSDGNY, you are automatically able to receive certain benefits from that organization. This means:

- **Discount** Live Seminars
- Discount Yearly Big Event & Trade Show
- Discount Live Simulcast / Webcasts
- **Discount On-Line Videos**
- Watch Members only Videos •
- **Discount Tools and Equipment**
- Access to Members only Store
- Discount Training Materials (Books)

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#### ARE YOU READY FOR 2021!

ARE YOUR PERMITS, LICENSES (INCLUDING YOUR OWN AND YOUR EMPLOYEE'S DRIVER'S LINCENSES VALID)?

ARE YOU DISPLAYING SIGNS MANDATED BY D.M.V. AND OTHER GOVERNMENT AGENCIES INCLUDING POSTING OF LICENSED INSPECTORS AT INSPECTION STATIONS?

ARE YOU COMPLETING AND FILING THE IMMIGRATION FORMS FOR ALL NEW EMPLOYEES, "I-9"? ARE YOU COMPLETING AND FILING THE N.Y.S. "NEWLY HIRED EMPLOYEES" FORM?

ARE YOU CHECKING YOUR VAPOR RECOVERY EQUIP. & COMPLYING WITH NEEDED **5 YEAR** TEST?

ARE YOU PROPERLY DISPLAYING THE OPERATING INSTRUCTIONS FOR NOZZLES USED IN THE VAPOR RECOVERY SYSTEM?

ARE YOU PREPARED TO MAINTAIN DAILY, ACCURATE, GASOLINE INVENTORY RECORDS AS REQUIRED BY LAW (**DIP BOOKS** ARE AVAILABLE FROM YOUR ASSOCIATION)?

ARE YOU MAINTAINING THE PROPER COLOR CODE ON YOUR GASOLINE FILL LINES?

ARE YOU DISPLAYING THE OIL SIGN: <u>"WE ACCEPT</u> WASTE OIL FOR RECYCLING"? ARE YOU HANDLING USED OIL FILTERS PROPERLY?

ARE YOU DISPLAYING THE SIGN: <u>"WE MUST ACCEPT</u> VEHICLE BATTERIES FOR RECYCLING"?

ARE YOU MAINTAINING THE FILE OF <u>M</u>ATERIAL <u>S</u>AFETY <u>D</u>ATA <u>S</u>HEETS (MSDS)?

ARE YOU AND YOUR EMPLOYEES AWARE OF THE POSSIBLE HEALTH HAZARDS ASSOCIATED WITH THE VARIOUS CHEMICALS AND THE PRECAUTIONS THAT SHOULD BE TAKEN?

HAVE YOU FILED YOUR **"COMMUNITY RIGHT TO KNOW"** FORM ON STORED SUBSTANCES IN **N.Y.C**.? THE DEADLINE IS **MARCH 1<sup>ST</sup>**.

ARE YOU A PARTICIPANT IN YOUR ASSOCIATION'S HEALTH INSURANCE PLAN?

ARE YOU MAINTAINING A SAFE WORKING ENVIRONMENT? ARE ALL YOUR FIRE EXTINGUISHERS AND SUPPRESSION SYSTEMS PROPERLY CHARGED AND WORKING? **SAFETY IS FREE! USE IT GENEROUSLY.** 

ARE YOU USING APPROVED REPAIR ORDER FORMS? ARE YOU PROVIDING <u>ALL</u> INFORMATION REQUIRED ON THE ORDER FORM BY D.M.V.?

ARE YOU A MEMBER OF YOUR ASSOCIATION SPONSORED **WORKER'S COMPENSATION** GROUP? THOSE WHO ARE RECEIVED DIVIDENDS FOR OVER <u>30</u> YEARS. ARE YOU ALSO PROVIDING **DISABILITY** INSURANCE FOR YOUR EMPLOYEES AS REQUIRED BY N.Y.S. AS WELL AS THE **NY PAID FAMILY LEAVE**?

# ARE YOU IN COMPLIANCE WITH YOUR COMPANY'S **SEXUAL HARASSMENT POLICY AND TRAINING PROCEDURES**?

ARE YOU PROVIDING QUALITY REPAIRS? ARE YOU USING QUALITY PARTS? DON'T CREATE FUTURE PROBLEMS WITH A FALSE ECONOMY?

## ARE YOU AND YOUR TECHNICIANS MAKING TIME FOR EDUCATION (**WORK SMARTER NOT HARDER**)?

ARE YOU MAINTAINING A CLEAN, ATTRACTIVE LOCATION? LOOK AROUND, YOU MAY BE SURPRISED. ARE YOU MAINTAINING A SENSIBLE PROFIT MARGIN? YOU <u>CANNOT</u> SURVIVE WITHOUT IT. ARE YOU PREPARED TO SIT DOWN WITH ACCOUNTANT AND REVIEW YOUR OPERATIONS?

ARE YOU PERFORMING INSPECTIONS PROPERLY? **DO** IT RIGHT OR DON'T DO IT AT ALL! ARE YOU GIVING WRITTEN INSPECTION APPOINTMENTS? WRITTEN APPOINTMENTS MUST BE ON YOUR LETTERHEAD.

IN N.Y.C., HAVE YOU APPLIED FOR A RETAIL CIGARETTE LICENSE WITH CONSUMER AFFAIRS? AND EVERYWHERE, DO YOU CARD FOR CIGARETTES AND ALCHOHOLIC BEVERAGES?

IF YOU HAVE DUAL ISLANDS WITH *SELF SERVE/FULL SERVE*, IS THE **"HANDICAP"** SIGN POSTED?

**ARE YOU READY?** ONLY <u>YOU</u> KNOW THE ANSWER. IF YOU'RE UNSURE, CALL YOUR AREA REP. OR THE ASSOCIATION FOR HELP.

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#### NEW OXFORD HEALTH NSURANCE RATES

The Oxford Plans are renewed on January 1<sup>st</sup>. If you are interested in subscribing to one of these plans please contact the association for pricing or check our website at <u>www.ssdgny.org</u>.

#### 2021 PREDICTIONS: THE FUSION OF SAFETY AND CONVENIENCE

This year, society embraced e-commerce like never before. When the COVID-19 pandemic forced people to stay home and made everyone hyper-aware of their susceptibility to germs and viruses, consumers turned to digital platforms not for convenience, but for comfort and safety.

E-commerce options like contactless payments, online ordering and delivery and subscription programs saw an explosion of new adoption by consumers—and by brands trying to appeal to those consumers—because it was the safest option available. Moving forward, consumers will continue to use these digital channels, but they'll have resumed looking for the ease of use and convenience that they demanded before the pandemic.

There are three trends expected to make waves in the convenience store industry in 2021:

1. Convenience store shoppers who temporarily prioritized safety over convenience will expect both. After a years-long focus on creating frictionless environments for customers, c-stores switched gears in 2020 and began focusing on touchless experiences instead. The shift was evident both in new offerings, like online ordering and curbside pickup, and in tone. Brands emphasized the safety of these offerings over the convenience by signaling that they were "touchless" options.

Moving forward, customers will still expect that enhanced level of safety, but their patience for learning new platforms and using clunky workarounds will wane. C-stores will need to adopt technologies that both limit physical contact and minimize friction.

2. The industry will continue to experiment with drivethrus and curbside pickup. Drive-thrus were especially lucrative for restaurants this year: the drivethru represented 42% of all restaurant visits in the second quarter and increased a further 13% in July, when many restaurants began to reopen. Convenience stores—especially those with made-toorder food offerings—are looking to capitalize on this trend. Over this past summer, Wawa announced plans to build a drive-thru and curbside pickup-only store in Pennsylvania. Consumer preferences for options like these are likely to continue into 2021 and beyond.

3. Recurring digital revenue streams will become a staple of the convenience industry. The accelerated shift toward e-commerce brought on by the pandemic means that consumers are developing a preference for omnichannel engagement with their favorite brands, where loyalty, payment & ordering work together seamlessly.

That preference also applies to recurring payments in the form of subscriptions. Customers are already accustomed to paying this way for everything from groceries to pet supplies, and now subscriptions are straddling the digital and physical realms, with programs like Cumberland Farms' coffee subscription and RaceTrac's fuel discount program.

The convenience industry is about to see a boom in recurring digital revenues like these, thanks to new solutions coming on the market. These will make it faster and easier to prop up a subscription program that runs alongside existing loyalty programs, and will also provide novel ways for convenience retailers to differentiate their brands. *As seen on CSP News* 



If you or someone you know has an expired driver license, time is running out to renew. The DMV just made it even easier to renew online — almost anyone whose license expired or will expire March through December can renew online and submit their vision test up to one year later. It takes just a few simple steps to complete the process. Use the link below to find out more or pass the link on to someone you know. Thanks for helping the spread the word!

https://dmv.ny.gov/how-renew-license

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NYSIF has a new PPE credit program. Their Personal Protective Equipment (PPE) Premium Credit Program rewards you with a credit of up to 5% of your annual premium (capped at \$500) for the purchase of PPE and other eligible items. It's an easy way to save money while protecting your employees and taking steps toward a safe reopening.

This credit is designed to help offset the cost of vital PPE and safety-related items needed to help protect workers from the COVID-19 virus. Eligible equipment includes masks, goggles, gloves, gowns, hand sanitizer and other COVID-19 safety related items. Once a policyholder logs into their online account, it only takes a moment to upload their receipts and apply for the credit. Policyholders will see the credit reflected on their next bill. Visit https://ww3.nysif.com/ppecredit/index to get your credit.

#### WELCOME NEW MEMBERS

Advantage Auto Repair Stony Point, New York

**Bay Diagnostics** Brooklyn, New York

Ferry Auto Care Dobbs Ferry, New York

Riverdale Management Group LTD Bronx, New York

#### REFERRALS

If you know of a station that needs our services and is interested in becoming a member, refer them to us and upon signing you will receive a \$50.00 Amazon gift card. If you know of someone interested, please contact our Sales Representative Bill Griese at 914-227-0144.



#### CLASSIFIEDS

For Sale: Powersports Dealership for sale, Motorcycles, ATVS, UTVS, Snowmobiles, Generators/power washers. Parts dept. Service dept. 8500 sq, ft. building on 8 acres. Rent or buy. Kawasaki and Arctic Cat, Kymco, Generac generators. We are located on the Newburgh/Marlboro NY, RT 9w. High traffic road. Check our website bigboyztoysny.com Call Tony 845-781-3082 cell.

For FREE: 20 Drums of Waste Oil. We will load onto any truck. Please call Mario at 914-948-0900.

For Sale: NYS Inspection machine & license in Orange County. Asking \$20,000 or best offer. Please call Greg at 845-782-2505.

For Sale: Dutchess County opportunity: 6 bays, 5 lifts, 2 - 10ft doors, 2 - 12ft doors, 2 bath, break room, stock room, large reception and office areas, ample blacktop parking, fenced yard, town water, busy intersection and much more. NYS Inspection facility. Zoned for auto repair, autobody and auto sales. Call 845 - 483 - 0400, Monday - Thursday, 9 -3.

#### **TRIVIA QUESTION**

In what organization will you automatically be able to receive benefits if you are a member with SSDGNY? Call the office with the correct answer for a chance to win a free month's dues.

I hope you enjoyed reading this month's bulletin. If you have any questions please call the association. We are here to help you and your industry.

Regards, Carla Obalde

**Operations Manager** 

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