# YARDTALK

Issue 3

The Official Publication of the Automotive Recyclers of Michigan

Spring 2017

## The President's Message

## Another Successful Road Show in the books!

s anticipated, we just wrapped up our 9<sup>th</sup> Annual ARM Road Show & Networking Conference and it was another



Jason Fisher

great success!
From Thursday's
(freezing cold
and wet) Golf
Outing...which
in talking with
those in attendance, they still

had a good time...to the ever so popular Friday Bus Tours to Premier Auto & Truck parts, J & R Truck Parts, and Weller Auto Parts.

I received a lot of great feedback and compliments for Friday's lunch choice location at the new Cedar Springs Brewery, recently voted West Michigan's "Best New Brewery". A special thanks goes out to Grace Baumgartner at the brewery for putting on a spectacular lunch in a very relaxed atmosphere.

As always, the yard tours were once again a great success. I would like to personally thank all of those that toured my facility on Friday. It's like getting ready for a graduation open house—tons Continued on page 6

## ARM Wraps Up Another Successful Road Show at Weller Auto Parts

By Daniel Gray

eller Auto Parts in Grand Rapids, MI once again opened their facility Saturday morning and welcomed different yards from around the Midwest to an informative and educational day.

RD Hopper, ARA's current president, opened the day Saturday with a look at how our industry is viewed by other agencies and industries including law enforcement and compliance enforcement. RD noted that most recyclers are depicted as villains even though many Recyclers are proponents of the

various environmental laws and reporting requirements. He noted that some in our industry may be shocked at this perspective, but for most of us it's par for the course. RD asked that everyone get involved with their state and national associations to help educate the public and our elected officials about our industry.

Theresa Colbert, of Car-Part.com, entertained a Saturday morning audience



Thank you to the Weller family for hosting our 9th Annual ARM Road Show and Business Networking Conference.

on the importance of building a team vs. "assembling a group of employees." Theresa stressed the importance of customer service and showed that everyone is part of customer service, not just salespeople. Theresa Colbert also hosted a panel of core buyers that answered questions about how to best sell cores for the most profit. ARM would like to thank Theresa for great presentations.

Bill Stevens gave a seminar on how to increase sales. Bill is a 3<sup>rd</sup> generation recycler and partner in Profit Team Consulting. His seminar focused on how to make money one-on-one by developing relationships with customers. Bill drew on his experiences to share his techniques for getting a customer's

Continued on page 18



# Our Assembly Optimized Workflow helps YOU Sell more Recycled Parts!





Shops see savings in real time!

Another innovative product from our recycling family to yours

- EMS Pro is integrated with all 3 estimating systems
- Our enhanced write back integration is available on select estimating systems



 Insurers and shops see real time delivery, real time part availability, images and Car-Part certified recyclers

859-344-1925 • http://products.Car-Part.com



## **ARM Road Show Success Continues**

"Tomorrow is

often the busiest

day of the year."

— Old Spanish proverb

think I may have become a procrastinator as I look at my desk and see all the deadlines looming at me and all I want to do is find some "fun time." I'm not whining, just facing the truth. I'm sure you know that feeling, especially this time of year when we're all experiencing a little spring fever and want to get our docks in, go out in the boat with that new fishing rod,



**Barb Utter** 

hit the links or like me, just open the cottage for another year and yet we all have schedules that just keep getting longer and our guilt a little heavier. I saw an old Spanish proverb that said, "Tomorrow is often the busiest day of

the year." Isn't that the truth?! Right now my

tomorrow is very busy.

I'm sure for most of us, our tomorrows will always be busy, not because we're procrastinators, but because that is who we are, just busy people who want to stay

current on what is happening in our industry. Just ask those busy people who attended our 9th Annual Road Show & Business Networking Conference...wow, what a great event it was. The Wellers certainly rolled out the welcome mat. From the minute we arrived until that last person left, their gracious hospitality and generosity set the stage and provided us with the perfect venue for our 9th Road Show to be successful and for that, we all are so very appreciative. It's funny how things seem to work out all for all the right reasons. As we were planning for this year's event, we had hoped we could be on the west side of the state because over the past eight years we have circled our entire state and were starting over and then I received the call from Skip and Chris. Hooray, dreams do come true. And then as were planning the Road show, we realized this year we would celebrate ARM's 45th anniversary since our founders signed our Articles of Incorporation and Harry Weller (Junior) was one of those founding members. What better place to celebrate than in Junior's Garage and celebrate we did! A huge thank you to the entire Weller Family from all of us at ARM for making another successful Road Show possible. Your commitment to ARM and our industry is etched in the history books and we are so grateful your commitment has continued for four generations. Thanks for sharing with all of us.

The turnout was terrific and everyone seemed to be happy they took the time out of their busy lives to attend. Even the diehard golfers who played in freezing weather on Thursday had a lot of laughs and it appeared a great time was had by all, even those who stopped play after a couple of holes. When recyclers set their mind to something, nothing can stop them.

I honestly believe that when Brad Rose and some of our other past presidents came up with the Road Show idea, they knew they were on to something, even though it was unique at the time. They were confident

that it would work because recyclers like to explore someone else's yard and recyclers are always willing to share what works and what doesn't. All you had to do was be on our Friday Yard Tour with 105 plus inquisitive recyclers to know that is a truism. During our great lunch at the Cedar Springs Brewery, the

networking, the laughing and sharing was a sight to behold. Even the weather cooperated. Wade O'Boyle, MDEQ and Denise Quick, MDOS, joined us on Friday as well and we all had the opportunity to chat with them in a relaxed environment that made for a great Q & A time that we seldom have the opportunity to have with our state agencies. A perfect day for a lead-in to a perfect evening.

We opened the Trade Show with our outstanding vendors from all over the country providing us with the latest products, services and technology needed if we are to continue to be successful and survive in today's world. They truly are an important part of our entire event. Thanks so much to each and every one of them for their expertise and support. I always tell the vendors, we work hard and we play hard and Friday night was a true example of that statement. We had great dialogue taking place with members and those outstanding vendors, we had great food and lots and lots of comradery. A special thanks to Glenn, Jason, Gordon and "Fred" for keeping us entertained. And a huge thank you to all of our past presidents for your vision and for your continued support in every aspect of our Road Show and our Association. You truly are always

Continued on page 12



#### **OFFICERS**

President

Jason Fisher, J & R Truck Parts

1st Vice-President

Gordon Middleton, Middleton Auto Parts

2nd Vice-President

Sarah Schram-Pilcher, Schram Auto &

Truck-Lansing

Secretary/Treasurer Ross Lewicki, Highway Auto Parts

Immediate Past President

Bill Fox Fox Auto Parts Inc.

**Executive Director** Barbara Utter

#### **BOARD OF DIRECTORS**

Brian Bartels, LKQ West Michigan

Lance DeKeyser, George's Auto Parts

Jayson Doren, Morris Rose Auto Parts

Ted Dusseau, Dusseau Auto Parts

Stefan Gravis, East Bay Auto Parts

Daniel Gray, Doug's Auto Recyclers

Gary Hooper, Hooper Auto Recycling

Glenn Neuner, Neuner's Automotive

Recyclers, LLC

Jeff Schalm, Ernie's Auto Parts

Slater Shroyer, Shroyer Auto Parts

Kenny Whipple, Ken's Auto Parts

#### **2016-17 ARM COMMITTEE CHAIRPERSONS**

Legislative

Chair - Ted Dusseau Co-Chair - Slater Shroyer

Member Services Chair - Gordon Middleton Co-Chair - Daniel Gray

Meetings/Conventions Chair - Ross Lewicki

Co-Chair - Jason Fisher

Fundraising/Scholarship

Chair - Jayson Doren Co-Chair - Kenny Whipple

MICAR

Chair - Daniel Gray Co-Chair - Kim Gray

#### YARDTALK is published quarterly.

Statements of fact and opinions are the responsibility of the author alone and do not necessarily imply any opinion on the part of the officers, director, or members of ARM.

You may address articles or letters for publication to either:

**ARM Office** 

Beth Dessert

bdessert10@yahoo.com

7550 S. Saginaw Suite 9 Grand Blanc, MI 48439

## **Calendar of Upcoming Events**

June 19, 2017 17th Annual Kent Utter Jr. Memorial Scholarship

> **Golf Outing** Links of Novi Novi, MI

10th International Roundtable Conference September 6-8, 2017

Niagara Falls, Canada

November 1-4, 2017 ARA 74th Annual Convention & Expo

Dallas, TX

## **FUTURE RECYCLERS**

Congratulations to proud parents Laurie and Adam Lieberman and grandparents Marta and Michael Lieberman of August Pohl Auto Parts in Benton Harbor on the recent birth of their daughter and granddaughter, Scarlett Lylah Lieberman, born May 4, 2017.

#### **NEW MEMBERS**

Midwest Auto Truck & Spring, Canton, MI GLE Scrap Metal, Warren, MI 👄



## **ARM's Members Only Storm Water Compliance Program**

The Michigan Department of Environmental Quality (DEQ) issued a new industrial storm water permit that took effect on April 1, 2016. This new permit includes complicated and challenging permit requirements that specifically apply to auto recyclers.

- Designed to make compliance easy and affordable
- · Professional technical assistance and onsite guidance
- Report preparation
- MiWaters database submittals
- Organization: procedures, forms, and Storm Water Manual
- Coordination of laboratory services
- · Coordination with DEQ
- Education and training
- Discounted cost for MICAR Members

#### For more information contact:

The ARM office at 800-831-2519 or arm@mi.automotiverecyclers.org -or-Dave Kendziorski at Stormtech (414) 943-1773 or dave@stormtech1.com



Do you want to be a part of something great?

Are you currently on MWR?

If so, then why haven't you joined MWRP?

Give us a call today!

800-696-1720 ext 101

It's FREE!

We are doing great things!

## **Scrap Report**

| Foundry Steel \$205.00 gt                |
|--|
| Auto Cast (clean) \$240.00 gt            |
| Motor Blocks (uncleaned) \$190.00 gt     |
| Flattened Bodies (picked-up) \$155.00 nt |
| Batteries                                |
| Radiators 1.46 lb.                       |
| Aluminum (clean)                         |
| Whole Aluminum Transmissions 15 lb.      |
|  |

Thanks to Bob Bennett at Padnos Iron & Metal, Holland, Michigan

Prices current as of press time. Prices are subject to change and may vary according to volume and location.

## **OUR INSURANCE PROGRAM SMASHES THE COMPETITION**

Our specialized program partners with the finest, most secure, "A" rated insurance carriers and covers over 2000 yards nationally. We have been serving the insurance needs of businesses like yours for more than 30 years.

#### **COVERAGE**

Liability • Property • Inland Marine
Crime • Auto • Umbrella
Workers' Compensation • And more

#### **OFFERING**

Dedicated Claims Handling • Personalized Service
Competitive Rates • Higher Limits • Broader Coverage
Lower Deductibles • Specialized Coverage



This is a comprehensive program with the coverage you want at a price you can afford.

For more information or the name of an agent in your area who has the exclusive rights to this program, contact:

www.gjsullivan.com CA Lic. #0613886 Deborah Mesko, Vice President, Program Division (800) 235-5485 meskod@gjs.com

## The President's Message

Continued from page 1

and tons of work for a short one hour tour, but worth every second of prep time!

Friday evening's social & networking events including dinner (food was spectacular by the way), raffles, and live auction were another huge success all due in part to you guys! ARM and its Board members cannot thank you enough for your continued support and contributions. Without this show we would not have the strong state association that we have today!

A special shout out to the Vendors once again. It is their continued attendance, bringing us the industry's latest and greatest technology, tools, and resources, that again allows us to put on such a great show for all of those in attendance.

I was pleasantly surprised with Saturday's attendance by all of you. Especially early Saturday morning, as we all know, for most of the social networking does not stop Friday night with the conclusion of the live auction. Many of you (ok myself included) seem to find multiple locations to "solve the industries problems" late into the night...lol.

Saturday brought a great lineup of seminars, speakers, and of course more vendor demo's and informational seminars. I feel your ARM board did a real nice job of making sure there was something there for all in attendance. If you only take away one thing from these seminars and implement it into your facility it makes it all worthwhile.

It was great seeing our current 2017 ARA President RD Hopper there as well. It was nice to not only have our state level represented at the show, but also the national level. RD was very informative as to what your national association is working on for you on a

## **Advertising Opportunity**

Prime advertising space is available for purchase in *YardTalk*.

## INSIDE BACK COVER FULL PAGE AD includes 4-COLOR INK

For rates or more information, please contact the ARM office at (800) 831–2519 or send an email to arm@mi.automotiverecyclers.org

continued basis, with the emphasis being on OEM parts data. This is a potentially huge game changer for our industry. As I am writing this article, legislation has been reintroduced in the House...to be continued.

To round out Saturday, as many could not stay or had other commitments (understandably), we introduced our first of what is to be annual "Top Dog" competition. This was introduced this year as a way of recognizing our ever so hard working production staff who as we all know a lot of times do not get the recognition they deserve. Well let me tell you, if you were in attendance for it, you walked away knowing that this event was truly a highlight of the entire Road Show!

For the approximate 20 or so production staff in attendance, this was their moment to shine and boy did they! There was not a one of them that did not walk away from this event with a "puffed" chest and smiles from ear to ear! It was such a huge hit we will definitely be giving it a prime time spot for next year's show!

A very big special thanks to the Wellers for hosting such a great event!

Which brings me to my closing thought/comments... We can ill afford to let the momentum slow down or stop with these Road Shows. We had more recycler representation from out of state recyclers (some as far away as Georgia) then we have ever had before. I personally received very positive feedback with all saying they would love to be back next year. Not only that, but some do not even have a state association in which to attend such a great event. It is up to us to keep this thing growing.

Whether you are a large facility who has already hosted once in the previous 9 years, or a facility who is on the fence, we would love to hear from you! We will make it work, as we have demonstrated in years past. I wouldn't trade any size, shape or form recycler facility or even associate member facility, for a stuffy, overpriced conference room venue. We owe it to ourselves as an association to keep this great thing we have going...rolling.

As my Presidency winds down here in a few months, no matter what my capacity is in the association I will always pledge to be a part of the committee that continues to work feverishly year in and year out to bring this great venue to you!

Thanks again to all who were in attendance.

Summer is fast approaching – let's make it a great one! 

⇔

## **Creating a Lawsuit-proof Warranty**

#### By Slater Shroyer

n our last issue, I pointed out some of the problems that arise when large-ticket items such as engines or transmissions are installed by less-than-competent "mechanics." While self-styled mechanics who are not licensed are technically working illegally, this doesn't always prevent customers from being able to win a lawsuit – even if the part is incorrectly installed.

Many recyclers are now adding additional terms to their warranty disclaimers stating that their merchandise must be installed by a certified technician. While this is a good first step, even certified mechanics can damage a part through improper installation. Furthermore, failure to properly reprogram a vehicle's control modules may cause the item not to work properly. Reprogramming may also trigger a vehicle to enter a "learn" mode giving the appearance of a part failure such as improper shifting for a period of time.

To combat the complaints and potential returns, several recyclers have added specific instructions and disclaimers to their invoices and part tags. A recent dispute involved a transmission that was drained before being shipped. The installer was located in a separate state and purported to be a certified mechanic, but his failure to install a filter or add the proper amount of fluid caused the item to lock up. The warranty claim centered around the argument that the recycler had not properly tagged and labeled the item as "drained" and therefore should be liable for the damages. As of this writing, the dispute is still awaiting resolution. The recycler might have considered attaching a pre-printed tag (such as those available through several ARM Associate Members) to guard against this argument.

Before the days of digital cameras and images, many recyclers relied on permanent heat-tabs to identify their Continued on page 27



## The Next Environmental and Safety Crisis

#### By David Kendziorski

This article is not about the Takata airbag recall. It is about pyrotechnic (explosive) airbags from all manufacturers that enter the salvage stream every year. Of course, some airbags can be removed and sold – but this crisis is about the millions of airbags that have no market.

How should the recycling industry handle undeployed airbags? At this point, there are far more questions than answers, but I'll outline the issues as I see them:

#### **Background**

The number and variety of airbags continues to grow. The average new vehicle has over 10 airbags, and includes frontal, side torso, side curtain, knee, rear curtain, center, seatbelt, and even pedestrian airbags

Pyrotechnic airbag canisters use either a propellant to produce gas or compressed gas to inflate the airbag. Early canisters used sodium azide as the propellant to produce nitrogen for inflation. While sodium azide was phased out of canisters in the mid 1990s, some of these canisters are still out there. A common substitute was guanidine nitrate, as well as other nitrates (Takata seems to have been alone in using ammonium nitrate instead). The propellant is rendered harmless when the airbag is deployed. Some new canisters use compressed gas (e.g., nitrogen or argon at 3000-4000 psi) to achieve inflation.



### **Undeployed Airbags Pose a Risk**

While some of the airbags would be destroyed as the vehicle is being shredded (potentially releasing propellant residue), other airbags could deploy (detonate) as the vehicle is being shredded. But many of the airbag canisters – which resemble a small puck (propellant)

or a tube (compressed gas) – may survive the shredding process without full deployment. This leaves the possibility that surviving canisters could accidentally detonate on the conveyor, in a metal pile, or in the fluff. Detonation could occur near workers or propel shredded material (or send the tube itself like a rocket) towards workers, leading to significant injury.

Scrap consumers (foundries, steel mills, and aluminum smelters) also do not want undeployed airbag canisters in their scrap feed because of the risk of explosion and other hazards. Consumers typically prohibit undeployed airbag canisters from their feed stock. This is forcing many shredders to take action to reduce or eliminate the number of undeployed airbags being sent to their scrap consumers.

## **How to Address Undeployed Airbags**

Undeployed airbags can either be detonated, or removed for disposal. Detonating airbags either inside or outside the vehicle can be done, but it is extremely time consuming and most recyclers believe it is far too dangerous. Crawling under a dashboard to attach a couple alligator clips to an airbag is not a job for me. Removing and stockpiling airbag canisters poses its own set of safety and hazardous waste risks. Canisters could potentially be set off by a spark or even static electricity. In 2016, a truck hauling undeployed Takata inflators exploded in Texas, killing one person and injuring four.

One ultimate solution would be for the auto manufacturers to install a master deployment switch to safely and quickly deploy all airbags before crushing or shredding a vehicle. The technology for such a switch already exists.

But even if master switches became available, there would still be well over a hundred million airbags in the vehicle inventory for the next 15+ years – posing a continued risk to auto and scrap recyclers and related industries. Perhaps the airbags could be removed from salvage vehicles for safe disposal. Each year, millions of recalled Takata airbags are being removed and transported to resource recovery companies that recycle the metal and plastic and dispose of the hazardous waste. Could such a disposal process be expanded to address all undeployed airbags? Who would pay for such removal, transport, and disposal?

Stay tuned... 👄



## **Around Our Industry**







## Comprehensive Parts Data Legislation Reintroduced in U.S. House

Rep. Adam Kinzinger (R-IL) reintroduced a bill — H.R. 2460 — in the U.S. House that will provide professional automotive recyclers with access to all OEM parts data. In the last Congress, he succeeded in getting a provision enacted into law that provides this information on safety recalled parts. ARA has worked with the Congressman for over two years on this new legislation and has fine tuned the bill to have the accessible data include:

"Each original equipment manufacturer (OEM) part name included with such vehicle, a description of each such part, each part number (including any superseded and successor OEM part number), any other part identification number (such as a serial number) and distinguishing marking of each such part, and the software of each such part (if applicable)...Build sheet information...Additional information as determined by the Secretary."

ARA applauds Congressman Kinzinger for his thoughtful consideration and action on this issue critical to the future of automotive recycling. An effort to secure cosponsors for the new legislation was the goal of the recent ARA Hill Day and there was much interest by his colleagues. As a result, the bill will have at least two original cosponsors.

## ARA Leadership Meets with Federal Trade Commission Representatives

Recently ARA leadership, members, CEO, Counsel and staff met with representatives of the Federal Trade Commission (FTC) to discuss the anti-competitive and possible monopolistic nature of certain actions by auto manufacturers. This meeting is a continuation of a meeting held last summer with the FTC to explore disparaging marketing practices of the automotive manufacturers towards recycled Original Equipment Manufacturer (OEM) parts.

ARA CEO Michael Wilson provided the FTC attorneys and staff with a power point presentation that was educational in nature about the professional automotive recycling industry and its inventory management systems. He and other ARA participants, including ARA President RD Hopper, specifically noted the proliferation of automotive parts coupled with the static contractual constraints under which the recycling

industry has to work.

The meeting lasted over two hours and clearly opened up a mutual dialog with the federal agency tasked with overseeing anti-competitive and monopolistic market practices. ARA is and will continue to follow up with the FTC on their many requests for access to parts data and fair competition.

## ARA Members Meet in Washington, DC for Another Successful Hill Day and Legislative Summit

ARA leadership, members and staff recently met for the Association's annual Hill Day, Legislative Summit and Board of Directors meeting in Washington, D.C. In a packed agenda, ARA held a Board meeting on the first day which included ARA Committee and budget reports. The second day included the state-focused Legislative Summit where participants representing 15 states shared legislative updates and discussion focused on how to handle older vehicles without a title, the value of electronic stolen vehicle systems, varied stormwater enforcement and other actions. In the afternoon, attendees participated in a leadership training session. On the third day, ARA members visited with their elected officials.

The message ARA brought to Capitol Hill this year was to educate their Members of Congress — House and Senate — and solicit cosponsorship support for legislation that would require auto manufacturers to provide professional automotive recyclers with all parts data. Meetings were held with over 45 Congressional offices and 17 of those meetings were with the Member of Congress. ARA members were successful in getting at least 2 cosponsors for the House legislation and dozens of offices are now studying the issue and seriously interested in providing support.  $\clubsuit$ 

Articles reprinted with permission from ARA

Need information? Have a question? Send us a note!

You can reach the ARM office via e-mail.

Our address is:



arm@mi.automotiverecyclers.org



## Are you interested in getting more \$ for your parts?

For 35 years Jensen Auto has gone from an auto wrecking yard to a core supplier and continually looking to advance and update all our processing of our core procurement. In most cases out-of-state buyers are only looking for the harder-to-find parts to buy. They may pay a premium for those parts leaving the balance in most cases 70% left at a much lower price that what Jensen Auto can pay. Jensen Auto not only competes with them on the hard-to-find part pricing, but we consistently beat them on the more common parts. This puts more money into your pockets! We are looking forward to meeting you to discuss and understand the methods and pricing structure you are currently selling by. Our goal is to provide excellent service and pricing, and to build relationships with Automotive Recyclers. We are, aggressively wanting to buy starters, alternators, AC compressors, power steering pumps, gear boxes, rack & pinions, and wiper motors. Contact Tom, Adam, Jon, or Troy at: 810-679-9846 or via email at info@jensenparts.com, tom@jensenparts.com, adam@jensenparts.com jon@jensenparts.com, or troy@jensenparts.com.



## From the Desk of Your Executive Director

Continued from page 3 there for ARM.

It is always exciting and somewhat of a blessing to see your labors come to fruition and actually fall into place. But I must admit, there is always that fear that we played so hard on Friday that Saturday morning might not be well attended. But that was not the case this year. To see so many very busy people make the effort to get up early and appear to be bright eyed (well most were) and eager to attend the seminars, workshops and training was unbelievable. Hats off to the committee for providing a variety of topics that covered so many aspects of your business. It is always our hope and our goal that each of you will each take away at least one new idea or one new product or an easier, more efficient way to do some everyday task to help improve your business operations and from the comments we have received, I think our goals were accomplished.

We added a new event this year that recognized the production staff of our members that made a huge and lasting impact and it was probably the highlight of the

RECYCLING
World Leader in Recycling!
Buyers and Processors of Catalytic Converters and Dealers/Brokers of Non-Igrous Metals

CALIFORNIA ILLINOIS INDIANA

MICHIGAN OHIO TEXAS

BOO-697-5556

www.LegendSmeltingRecycling.com

weekend for me. Granted, by Saturday afternoon I'm totally exhausted so perhaps I can be a little more emotional than usual, but when those employees were recognized for the importance of their contribution to the success of the companies they work for and you saw the smiles on their faces and the high-fives and pats on the back, all I can say is "wow" and it was very difficult to choke back the tears. True "Top Dogs," each and every one of them. They were so proud and so appreciative and so happy to know someone cared. And by the looks on the faces of their bosses, they were just as proud. I only wish that room had been packed, but I can assure you, we will make sure next year it will be. It was a great way to end a great Road Show.

In today's ever changing, volatile world where change is happening faster than we could ever imagine, it is refreshing to see us all together, chatting, sharing, learning and just keeping up on current happenings within our industry. That is truly what our Road Show is all about. An informal gathering of recyclers who care about the future, who want to succeed and be in on the cutting edge of the latest in technology, products and services so they are prepared for the changes ahead. It is a place where relations are made or renewed, where we form lasting industry connections, always a venue for new ideas, new inspirations and new visions, and a comfort zone knowing we are all experiencing similar issues and that collectively we can make an impact on finding the solutions. As busy as we all are, I truly hope we are never too busy to procrastinate just a little so we can find the time to get together and to work together for our future and for the future of our industry.

Thank you so much to each and every one of you who helped to make our 9<sup>th</sup> Annual Road Show & Business Networking Conference a great event.

Hugs, Barb

## Like us? We hope so!

Become our friend on Facebook: www.facebook.com/automotiverecyclersofmichigan



Plan deliveries and track your drivers with EZ-Route! Created by a salvage yard for salvage yards!

> Integrates with Pinnacle Checkmate Hollander ITS

## **Your Deliveries**

## Your Deliveries on EZ-Route





## Reduces or Eliminates Driver Overtime Reduces Fuel Costs Increases Customer Satisfaction

Go to ez-route.com/demo to see a demo video

EZ-ROUTE.COM 419-747-0100

## **State Capitol Update**



**By David Gregory of Kelley Cawthorne** *Legal & Government Relations Counsel to ARM* 

**MAY 2017** 

## SECRETARY OF STATE DISCUSSES RECENT SALVAGE TITLE CHANGES AT ARM ROAD SHOW

Denise Quick of the Secretary of State's (SOS) office spoke to ARM members about recent changes in Michigan's salvage vehicle title law at the annual Road Show event. In late 2016, the SOS sought changes to legislation dealing with salvage vehicle title inspectors.

The amendments sought by the SOS was not related to the original purpose of the bill. However, the amendment was adopted during the "Lame Duck" session in December. The amendment, which became part of 2016 PA 369, requires a certification from a licensed mechanic prior to converting a salvage title into a road title. Specifically, the salvage title inspector must certify that:

THAT ANY REPAIRS PERFORMED ON THE VEHICLE WERE DONE IN A WORKMANLIKE MANNER, AS CERTIFIED ON A FORM PROVIDED BY THE DEPARTMENT BY A PROPERLY LICENSED MECHANIC IN THE APPROPRIATE SPECIALTY.

The necessary certification is included in new forms provided by the SOS.

At the Road Show, Ms. Quick said that there are over 25,000 salvage vehicle title inspections per year in Michigan. She added that the SOS has become increasingly concerned about the quality of inspections and the quality of repair work involved given the increasing volume of salvage vehicle inspections.

Ms. Quick offered guidance and answered multiple questions about the new law at the Road Show. She also offered to provide a special dealer training session for automotive recyclers in the near future.

## "ANTI-STEERING" LEGISLATION RE-INTRODUCED IN THE STATE SENATE

State. Sen. Joe Hune (R-Livingston Co.) recently re-introduced his "anti-steering" auto parts legislation from last session. The bill would prohibit an insurer from requiring that an auto repair facility "use a specific vendor or pro-

cess for the procurement of parts or other materials." See SB 291 in Senate Insurance Committee.

Like last session, the association for automotive repair facilities, ASA, supports the bill and the insurance lobby opposes it. After much debate, the ARM Legislative Committee has taken a neutral position on the bill. There is simply no consensus within the automotive recycling industry about the impact, pro or con, of the proposed legislation. Moreover, the bill is not likely to move any time soon, giving ARM additional time to consider the issue.

#### **THE 2018 ELECTION IS HERE**

Gov. Rick Snyder cannot run for re-election in 2018 due to Term Limits. The jockeying for position to replace him has already begun. Former State Sen. Gretchen Whitmer is the leading candidate for the Dems. She was recently endorsed by retired Kelley Cawthorne co-founder Frank Kelley.

Other possible, but not announced, candidates for the Dems include U of M Regent and trial attorney Mark Bernstein, the son of "1-800 Call Sam" Bernstein. Also considering a run is another famous trial attorney, Geoffrey Fieger, who lost "bigly" to Governor John Engler in 1998. Some media outlets have even mentioned the name of former ARM President and current Westland Mayor Bill Wild as either a candidate for Governor or Lieutenant Governor for the Dems.

The leading GOP candidates include current Attorney General Bill Schuette and sitting Lieutenant Governor Brian Calley. Schuette has famously battled with Governor Snyder over the Flint water crisis and other issues. Calley is already spending big money for online ads to establish an identity separate from Gov. Snyder. Look for Calley to formally announce soon. Schuette has a significant lead over Calley in most polls, but more than half of GOP primary voters polled are undecided.

Some familiar names are looking to fill Schuette's AG role, at least on the Republican side. Look for sitting House Speaker Tom Leonard (R-DeWitt) and sitting State Sen. Tonya Schuitmaker (R-Lawton) to make a run for Frank Kelley's old job.

Secretary of State Ruth Johnson is also Term Limited in 2018. However, look for her to a return to the Legislature to replace Term Limited State Sen. Dave Robertson (R-Grand Blanc).

## State of Michigan 2017 Dealer Training Bulletin

The Michigan Department of State is offering full-day training in Lansing to assist all classes of licensed vehicle dealers and their staff on the basic requirements of the Michigan Vehicle Code. There are no course registration fees.

- **Pre-registration is required.** Registration is first come, first served at **www.Michigan.gov/SOS**. Use this link to get to the self-registration page.
  - If a course date does not appear in the drop-down menu, it means the class is full.
     Please register for another date, or check back at a later date for openings.
  - Picture ID is required for entry into the building where training is held.

#### · Who should attend?

- Any class A, B, C, D, E, F, G, R, or W dealership may attend full-day trainings.
- Dealership owners, managers, sales & office staff.

#### What will be covered?

- Michigan.gov/sos and other state Web sites
- Vehicle Trade-In Credit
- 2017 Vehicle Registration Fees
- TR-210/TR-209 Secured Interest Change on Title Process
- Dealership Records
- Dealer Plate Usage
- Your Questions

## Training Dates, Times and Locations:

| Date:              | Day:      | Hours:        | Location:                  |
|--------------------|-----------|---------------|----------------------------|
| June 22, 2017      | Thursday  | 10 am to 4 pm | Operations Center, Lansing |
| June 27, 2017      | Tuesday   | 10 am to 4 pm | Operations Center, Lansing |
| August 2, 2017     | Wednesday | 10 am to 4 pm | Operations Center, Lansing |
| August 14, 2017    | Monday    | 10 am to 4 pm | Operations Center, Lansing |
| August 22, 2017    | Tuesday   | 10 am to 4 pm | Operations Center, Lansing |
| September 6, 2017  | Wednesday | 10 am to 4 pm | Operations Center, Lansing |
| September 7, 2017  | Thursday  | 10 am to 4 pm | Operations Center, Lansing |
| September 12, 2017 | Tuesday   | 10 am to 4 pm | Operations Center, Lansing |
| October 10, 2017   | Tuesday   | 10 am to 4 pm | Operations Center, Lansing |
| October 19, 2017   | Thursday  | 10 am to 4 pm | Operations Center, Lansing |
| November 8, 2017   | Wednesday | 10 am to 4 pm | Operations Center, Lansing |
| November 16, 2017  | Thursday  | 10 am to 4 pm | Operations Center, Lansing |

In the online registration module, if a course does not appear in the drop-down menu, it means the class is full. Please register for another date, or check back at a later date for openings.

For questions or assistance with registration, contact the Business Regulation Section at 517-373-9294.

We do take periodic breaks and a lunch. There is an on-site cafeteria and nearby fast-food.

Operations Center, 7285 Parsons Drive, Dimondale 48821 (go to building #4, on map #2)

## Truth in Mileage!

#### By Jason Fisher

as anyone reading this ever had a member of your sales staff broker a part from another facility, and thought they were buying the cream of the crop from the listing results?

So much so they took it a step further (as trained) and sold a 3 year parts and labor warranty with that nice low 60k mile unit?

Then, 3 months later, the unit fails, and by happen chance you run the Carfax on that vehicle the part was harvested from an low and behold, in fact the vehicle did not have 60k miles – rather 160k miles! Leaving you paying out lots of money on a severely misrepresented unit!

UNFORTUNATELY, this happens more often than you think!

In today's information technology that we all have at our fingertips, there is zero room for this, and if you are a still stuck in the 70's and 80's way of doing business – please stop!

Most of you have heard of Carfax?

I would very strongly recommend everyone be using this service to not only verify miles on certain units you may be brokering in, but almost more importantly, on your own inventory!

We all have had the vehicle(s) that comes in from the auction facility with no recorded miles (actually more and more frequent now). Well, instead of doing the "open the door and see if it has rust on the inner lip" to determine miles, or even better yet "open the driver's side door to see if the seat is worn out with the stuffing gone out of it" to determine miles, I would strongly



734-216-2732 www.cateredcoffee.com

You can have our complete cappuccino service at your next event anywhere in southeastern Michigan!

Our portable cappuccino bar can be set up anywhere, inside or out, anytime of day, for early morning breakfasts until late night after glow parties.

encourage you to use Carfax.

I know URG, as a member, has special pricing on the Carfax lookups, as low as \$4.95 per lookup. Well worth the uncertainty of either not having your inventory represented as accurately as possible, or even worse yet, the "misrepresenting" of miles by another facility.

I would encourage your sales staff (with your permission of course) if they have any reservations on a potential brokered in part to run a Carfax on the unit in question. For most YMS (yard management systems) the potential sellers VIN# can be found in the search results screen.

Even with Carfax, if the last reported miles were two years ago, estimate in your YMS based on the average of 16,000 miles per year (on top of last recorded miles), then put a note in your Dismantlers Report for them to "verify miles, estimated off Carfax". Then go back into your MVR and make the adjustments needed.

As far as other facilities "shootin' from the hip" as to miles – to help pad their bottom line – please stop. Again in today's information age misrepresentation will only hinder your bottom line, definitely not help it.

Do we have to pay more for the lower mileage vehicles to part out? Absolutely we do. But there is a premium on the sale for those "true" good low mileage units.

We are all in this industry together. Help us help you. With what seems to be an infinite number of makes and models out there today it is impossible for all of us to carry the full inventory needed to supply our customers with what they need. For this reason we rely on brokering (upwards of 20-25% of total sales) good quality used OEM parts, and it is of utmost importance that they are represented as accurately as possible to ensure not only the continuation of brokering parts – but the integrity of our industry as a whole.

I'm sure 99.9% of you know our industry by default receives a bad "mark" to begin with. Let's all work to change that for the better – not make it worse!

Let's continue to build upon what so many of us have spent our lives tirelessly trying to promote, and make better – not hinder it. 

⇔

## Recycle! Recycle! Recycle!

# Join us in *Dallas, Jexas*November 1–4, 2017



AUTOMOTIVE RECYCLERS ASSOCIATION • (571) 208-0428 • www.a-r-a.org

**REGISTER** @ www.araexpo.org

## 9th Annual ARM Road Show & Business Networking Conference

Continued from page 3

attention in the two to five minute phone conversation typical of a sales call and explained how to make a connection in a short period of time.

Don Hendricks gave two presentations, the first of which covered social media. Don discussed how all aspects of social media including Facebook, Twitter,



Google, and your company's website are interconnected to each other. Each platform feeds off customer traffic, links and content and the traffic from each one drives the others. Don also stressed that customers really want to know who you are and social media is a direct link to your customer base. Don's second presentation built on this and focused on how to ship more products through online outlets to customers in other regions and states.

An expert panel of recyclers were asked their opinion on a wide array of issues and policies facing recyclers today. Warranties and compensation topped the list



during the discussion with recyclers engaging in a lively discussion regarding the merits and pitfalls of compensation structures for sales associates and production staff being based on full commission, hourly, or a hybrid model. Everyone agreed that while warranties can be intimidating initially, they are ultimately a great value for the customer and this carries significant benefits for recycling facilities.

Dave Kendziorski, MICAR program manager, Paul Secker of SAS forks, and Joe Wright from Dorman Products were there to provide free hazmat, fork lift, and hybrid battery training to ensure everyone is doing their best to keep employees safe and the environment clean. Thanks Dave, Paul, and Joe for providing this necessary training for our members.

As a new additional level of training, Dave Hoogterp of Fire-Fighter Sales and Service gave a presentation on disaster prevention and fire-extinguisher safety.

At the end of the day came one of my favorite parts of the meetings, which will hopefully become an



annual event. Bill Stevens introduced our employee recognition roundtable. Production staff members from multiple facilities were honored for being the "top dog" in their respective category. All other production staff members attending were given the chance to pull a ticket from a hat. Prizes ranged from VIP parking for the week, bay or toolbox cleaning by their boss, and lunch with the boss at the location of their choosing. Most bosses were unaware they were on the hook for these rewards, but were more than happy to oblige.  $\bigoplus$ 

## **2017 ARM ROAD SHOW HIGHLIGHTS**

























## **2017 ARM ROAD SHOW HIGHLIGHTS**























## 1st Annual "Top Dog" Competition a Huge Success!

#### By Jason Fisher

ow! If you had to leave early from Saturday's portion of the Road Show at Weller's, you truly missed one of the absolute highlights of the entire weekend.

As a committee, while putting together the format for this year's Road show, it was decided that we needed to pay homage to our production staffs as they are the ones in the trenches – a lot like a lineman is in football – yet they receive virtually no credit for the successes of our companies.

So we decided to change that this year and give the thanks and recognition to them instead of per say our sales staff.

No one ever would've imagined it would be such a big hit! We focused on two categories, "U" (unbolted) and "W" (warehouse) combined, as well as "Y" (yard)



pulls separate. We then divided the entrants by facility size...one category being 20+ total employees, with the other being 21+ plus total employees. So In the end we gave out "cash" prizes to the top 2 entries in each facility size category. If this wasn't enough let me tell you, what followed after that was the biggest hit of the event!





We decided that all participants who submitted their data numbers, who did not receive a cash prize, would be allowed to draw from a hat – various "good deeds" their boss or manager would do for them in return for their hard work. These included deeds such as "your boss will take you out to lunch", "your boss will clean your tool box and tools", "you will be boss of production for a day", and even "you are entitled to one extra vacation day this year" – to name a few.

So, one by one as they came up and reached into the bucket to draw, the comradery amongst all of them, and the anticipation as to their coveted good deed coming their way, was more than some could handle as the "hootin' and hollerin'" commenced, then followed by high fives and I even saw one chest bump!

This followed with a group photo at the end that was not lacking one smile from ear to ear!

To be there as an owner, manager, or supervisor and see this was absolutely priceless! I have no doubt the production staff that was in attendance went into work Monday proud as peacocks and continued the comradery and lifted spirits with their fellow co-workers!

It is these little things, or big things in this case, that we can and should continue to do for all or our production staffs daily.

I encourage all of you reading this to take time out of your busy hectic schedules, gather up your production staff and simply say "thanks". If it is in you to take it another step further and reward them on your own accord, I promise you, it will not go unnoticed by them!

We will definitely be giving this a Prime Time slot in next year's Road show!

Thanks to all who were in attendance. We are looking forward to making this special event grow even bigger for next year!

# Thank You Road Show DIAMOND SPONSORS















## **2017 VENDORS**

**ACE/MCI Commodities** 

Alta Equipment Company

Assured Partners of Minnesota

**Buddy Automotive** 

Car-Part.com

CarEggs.com

**CCC Information Services** 

(CCC Pinnacle)

Checkmate by Car-Part.com

**Commercial Forms** 

**Recycler Supply** 

Crush U Pull It Software

**Dorman Products** 

E-Z Crusher

**EZ-Route** 

Earl's Battery & Charger Service Inc.

Ferrous Processing & Trading Co.

Fire-Fighter Sales & Service

G-Cor Automotive Corp.

GJ Sullivan Co.

Hollander

Hotsy-Central Cleaning

Systems, Inc.

Legend Smelting and Recycling

McNichols Scrap Iron & Metal Co.

PartsTrader

**Phoenix Automotive Cores** 

PMR Inc.

Rebuilders Automotive Supply

Right Way Control

SAS FORKS.com

**United Catalyst Corporation** 

U-R-G United Recyclers Group

Worldwide Equipment Sales of Michigan

Young Insurance Agency

## **2017 ARM ROAD SHOW HIGHLIGHTS**





















# Thank You!

The Automotive Recyclers of Michigan would like to sincerely thank the following members and friends for their most generous support of our 9th Annual Road Show and Business **Networking Conference.** 

#### **Auction Donators:**

Car-Part.com Commercial Forms **Dorman Products** Doug's Auto Recyclers George's Auto Parts Highway Auto Parts J & R Truck Parts Middleton Auto Parts Northlake Auto Recyclers Pete's Auto & Truck Parts Premier Auto & Truck Parts Rebuilders Automotive Supply Schram Auto Parts Worldwide Equipment



## **Speakers & Trainers:**

Theresa Colbert Don Hendricks Dave Hoogterp **RD** Hopper Dave Kenziorski Paul Secker Bill Stevens Joe Wright

Denise Quick, Senior Analyst, MDOS Wade O'Boyle, Environmental Quality Analyst, MDEQ

#### **Tour Hosts:**

Chris & Scott Kooienga, Premier Auto & Truck Parts Jason Fisher J & R Truck Parts The Weller Family Weller Auto Parts, Grand Rapids

#### **Panelists & Facilitators:**

Dan Miller Legend Smelting and Recycling Katrina Hall Rebuilders Automotive Supply Steve Penoyer Phoenix Automotive Cores Mark Carr ACE/MCI Commodities RD Hopper, ARA President Sonny's Auto Salvage Marty Hollingshead Northlake Auto Recyclers Jennifer Benson

Go Go Auto Parts Kim Gray Doug's Auto Recyclers Jason Fisher, ARM President J & R Truck Parts Gordon Middleton

Middleton Auto Parts

## **Road Show Directory Advertisers:**

Car-Part.com McNichols Scrap Iron & Metal Co. OmniSource-Michigan

**Auctioneer:** Glenn Neuner, Neuner's Automotive Recyclers



**Bartenders:** Past Presidents: Kim Gray, Ron Elenbaas, Kenny Whipple, and Gary Hooper. Board of Directors: Sarah Schram Pilcher



Photography: Jenny McDonald, Grand Valley Auto Parts



Special thanks goes out to Earl's Battery Service for once again hosting the coffee bar.



















Have you ever sat around and griped about the rules and regulations that face our industry?

Do you say to yourself "I wish there was something I could do" or wish you had a say in what changes are made or what new Bills are passed?

Here is your chance to be heard!

Send your non-corporate check (personal or LLC checks only) made payable to ARM PAC at 7550 S. Saginaw, Suite 9, Grand Blanc, MI 48439

Together we are making a difference!!

# Membership is POVER

When you join ARM, you'll become part of an association that is stable and viable in this everchanging time in our industry. We are committed to providing you with the services, benefits, information and support necessary to help you meet and maintain the standards you and your customers have come to expect and demand as you compete in today's global markets. We believe the following benefits strengthen the value of your Direct membership.

- **ARM Storm Water Compliance Program**—This *Members Only* program will assist members in qualifying for the new permit option that will save money and reduce the risk of noncompliance.
- **ARM Safety Program**—The safety program helps members comply with the safety regulations that are administered by MIOSHA.
- MICAR Program—Michigan Certified Automotive Recycler.
- MICAR Plus Program—Michigan Certified Automotive Recycler Plus.
- **Kelley Cawthorne Consulting**—Legal and Government Relations Counsel to ARM protecting your interests in Lansing.
- ARM PAC—ARM Political Action Committee.
- MIARC—Electronic parts finding tool for ARM Direct Members.
- **Kent Utter Jr. Memorial Scholarship Fund**—Providing financial assistance for college and secondary education to ARM Direct Member's employees for over 10 years.
- **YardTalk** Newsletter—Official Publication of the Automotive Recyclers of Michigan.
- Annual Road Show & Business Networking Conference—Hosted each year by a different ARM member at their facility.
- **ARA Savings 4 Members Program**—This buying group leverages the collective buying power of 2.1 million member businesses.
- Sterling Payment Technologies Credit Card Processing Discounts—Sterling B2B Group has partnered with ARA and State Affiliates, including ARM, to offer discounted rates on credit card processing.

**Renew your membership today!** Membership packets for current members were sent out in early August. Contact the ARM office at 800-831-2519 or arm@mi.automotiverecyclers.org if you did not receive yours. **New Members** can contact the ARM office for an application or fill one out from our website www.automotiverecyclers.org and return it along with your licenses to the ARM office with payment in full of \$495 to 7550 S. Saginaw, Suite 9, Grand Blanc, MI 48439 to be considered for membership.

## **FUN CAR FACTS & TRIVIA**

## **By Cindy Wedding**

- 1. What is the official name for Buick portholes?
- 2. Who was the "Boss", as in the Boss 302 and 429 Mustangs?
- 3. Starting with what model year did all U.S. cars come equipped with dual master cylinder brake systems?
- 4. What was the first mass-produced OHV V8 A?
- 5. The Chevy 409 is the bigger version of what engine?
- 6. When did Chevrolet begin producing their famous small block engine?
- 7. What model year did Pontiac's V8 debut?
- 8. Why did the Mustang get bigger for 1971?
- 9. The decal on a Buick Nailhead said "Wildcat 445". What is 445?
- 10. In what model year did Pontiac start using the split grille and the arrowhead emblem? ←

696l '01

- 9. Torque in ft-lbs.
- 8. To hold a bigger engine.
- displacement of 265 cubes. 7. In 1955, the 287 cubic inch "Strato Streak" V8 was introduced.
- 6. The first Chevy small block entered production in 1955 and had a
  - .848. 2
- 4. The Oldsmobile Rocket was the first mass-produced OHV V8 in 1949.
  - 3. Federal law mandated dual master cylinders for 1967.

ssoa siu o

- 2. Bunnies Knudsen, Larry Shinoda chose the name "Boss" as a homage
  - 1. Cruise Air Venta Ports.

**Answers:** 

The deadline for the next issue of the Automotive Recyclers of Michigan *YardTalk* newsletter is August 18, 2017. If you would like to place an advertisement or submit an article, please call the ARM office at 800-831-2519.

## **Creating a Lawsuit-proof Warranty**

Continued from page 7

parts and as proof that engines were not over-heated after installation. Most recyclers are now attaching pictures of every item to their files to use as proof during a warranty or return dispute. It is now being recommended that the warranty disclaimer reference the use of images to discourage fraudulent returns.

Regarding a recent legal dispute over an improperly installed engine, I asked Ray Fisher from ASA Michigan

B-n-T Tents Inc
616-647-9617
www.b-n-ttents.com

Brian Tront
Owner

S124 West River Dr
Comstock Park, MI 49321
brian@b-n-ttents.com

if he had any suggestions which could be helpful to mitigate a lawsuit involving a used part. He suggested that recyclers should keep a written description of testing and inspection procedures as well as documentation that these were followed for each individual part. While this might be a simple checklist, the proof that an inspection was performed can be an invaluable defense in a court case.

It may also be useful to launch an awareness campaign aimed at informing consumers about the importance of using licensed mechanics. Most members of the general public do not know how to identify whether their installer is properly licensed much less the requirements set forth in the Michigan Vehicle Service and Repair Act.

As the industry continues to address the issue of warranties and returns, ARM welcomes you to share your experiences with us so that we can compile the most effective solutions from our collective history. Please contact the ARM office at 800-831-2519 with any suggestions you may have in this area.



Automotive Recyclers of Michigan 7550 S. Saginaw Suite 9 Grand Blanc, MI 48439



## One sweet ride.

Discover how OmniSource can put you in the fast lane in automotive recycling. With more than 70 collection and processing facilities and a vast transportation network, we're one of North America's largest, oldest, and most-trusted recyclers of ferrous and nonferrous scrap. We provide customized solutions powered by cutting-edge technology, superior logistics, and unparalleled customer service. Let us help you maximize your profit. Take us for a test drive today.

With OmniSource, you're always in the driver's seat.

Any Metal. Anywhere. Anytime.



www.omnisource.com

For more information contact

Dan McDonald damcdonald@omnisource.com (517) 817-2794 office (517) 740-8046 cell