

The President's Message

With the approach of our 2019 Road Show, the theme of which is Teamwork, I've been thinking a lot about what this means. Of course, it's obvious that we all recognize ourselves and our employees as



part of a team and we recognize that without good teamwork success and growth is very difficult. We all

know that from our buyers to our salespeople we all need to be on the same page and working towards the same goal. How come so many of us struggle to get every one of our employees on the same page then? Some of you may not, but I know I sometimes do. I know that even though my team has the same goal in sight there can at times be a disconnect or disagreement on what we all need to do to get there. Unfortunately, many of our sales people have never done inventory or dismantling and conversely many of our inventory and dismantling specialists have Continued on page 6

Automotive Recyclers of Michigan HYBRID TRAINING FOR RECYCLERS

April 25, 2019

By Slater Shroyer

A RM is pleased to be able to offer our members the opportunity to send dismantlers to hybrid battery and high voltage battery training on April 25, 2019. This will be an in-depth full day training seminar conducted by Salvage Wire expert Andy Latham.

The training will include explanations of hybrid and electric vehicles as well as an overall look at common features they all share. Members will then learn about high voltage safety and how to de-power a high-voltage system. Andy also teaches techniques and requirements for moving and towing hybrid vehicles. He will go over proper battery storage and best management practices.

The training is designed specifically for vehicle recyclers and is accredited by the Waste Management Industry Training and Advisory Board. Participants will be tested at the end and issued a WAMITAB accredited certificate for training records.

You MUST pre-register to attend this training. Attendance is limited to 40 people and seats are filling up quickly. ARM members will be given the first opportunity to attend before open seats are offered to non-members. The cost for this 6-hour training is \$95.00 per person for ARM members. Non-members wishing to participate are invited to do so, the cost for non-members is \$150.00 per person.

Due to the high demand and extremely limited capacity, ARM will be offering a second training session in Grand Rapids on July 17, 2019. Registration forms can be downloaded at:

www.automotiverecyclers.org



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From the Desk of Your Executive Director

Here's What's Happening in Your Association

irst let me begin by wishing each of you a very happy 2019. By the time you read this we'll most likely be past wearing green and celebrating St. Patrick's Day. It is so hard to believe it is already March. I hope each of you had glorious holidays and you have begun the New Year full of enthusiasm, good health



and have great new hopes and plans for the year ahead.

So much has been happening here with your association since I last gave you my annual report, that I thought this would be the perfect opportunity to bring you up to date so you can make plans and add

Barb Utter

some dates and events to your calendar. It gives us something to look forward to instead of focusing on this very cold, snowy weather. I'm trying hard not to be "Debbie Downer", constantly whining, after all it is winter and we do live in Michigan by choice and it is good for business, BUT enough is enough. Just when I was having a mini melt down watching it snow.... again, I received a call from a member who immediately changed my attitude. Before I share all that is happening at ARM, I want to share what made me forget the whining and be reminded of why I am so grateful for what I have and for the friends and support we all have being part of the ARM team. Go to the Detroit Free Press website, search for Father Tom Lumpkin, and read the stories about this amazing man and his family of homeless people and I think you will be uplifted and reminded of all we have as we face our challenges and issues. It certainly puts everything in perspective doesn't it? It's time to concentrate on the positive and to count our blessings that we have each other. I also think we should begin sharing with each other all that we do to help make our communities a better place for everyone so we're going to begin having a column in the newsletter, starting with this issue, called "Community Corner." It's time we share our blessings so please let me know yours. Now, on to what's happening at ARM.

In December I had the opportunity to spend an entire day with other ARM members when we attended an

all-day environmental compliance workshop for the automotive salvage and scrap metal industry that was hosted by the MDEQ. The main focus was on the new storm water regulations that are required by all of you that have storm water permits. It is imperative that you are in compliance. As many of you know, this is not any easy process, but if you are an ARM member you know we have had assistance available to you. Your Association is taking it a step further as Dave Kendziorski is having a Storm Water Workshop on Saturday, April 27th at the Road Show. Do miss out on this opportunity for assistance.

"If you don't know where you are going, you probably won't end up there."

— Forrest Gump

On January 7th ARM was asked to participate in a MDOS Dealer and Repair Associations Stakeholders meeting in Lansing. Our President Ross Lewicki, and Past Presidents' Kim Gray and Slater Shroyer and I attended this very informative meeting. Not only we were updated by the Office of Investigated Services on the current trends, issues, and upcoming changes that were going to happen with the statewide rollout of the Customer and Automotive Records System (CARS), which was very helpful, but we also had the opportunity to share ideas and similar concerns with the Department and all the other Associations in attendance. The benefit from the face to face dialogue was invaluable as we all had the opportunity to better understand what each of our rolls entail and how we must continue to work cooperatively to achieve the ultimate goal of informing our memberships on all issues and changes that affect their businesses so they can continue to be in compliance. We all agreed this meeting was invaluable and the Department assured us there will be more.

While we have kept you updated on the CARS rollout, we are excited to bring you an additional bonus. Katie Bower, Director of Business Compliance and Regulation Division of the MDOS Office of Investigative Services *Continued on page 7*



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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.

Please address articles or letters for publication to:

ARM Office 7550 S. Saginaw Suite 9 Grand Blanc, MI 48439

Calendar of Upcoming Events

| April 2, 2019 | ARA FLARES Program Future Leaders of automotive Recycling Educational Summit Washington D.C. | |
|-------------------|---|--|
| April 3-4, 2019 | ARA Hill Days and Legislative Summit Washington Auto Show Washington, D.C. | |
| April 11-13, 2019 | URG Training Conference Hyatt Regency Grand Cypress Resort Orlando, FL | |
| April 25-27, 2019 | ARM Road Show & Business Networking Conference Worldwide Equipment Sales, LLC Livonia, MI | |
| May 23, 2019 | International Round Table on Auto Recycling (IRT) Dunston Hall Hotel-Historic Wymondham Norfolk, England | |
| May 31, 2019 | Kent Utter Jr. Memorial Scholarship Application Due Updated Application on ARM Website | |
| June 17, 2019 | ARM 19th Annual Kent Utter, Jr. Memorial Scholarship Golf Outing Links of Novi Novi, MI | |
| Oct. 10-12, 2019 | 76th Annual ARA Convention & Expo Charlotte Convention Center Charlotte, NC | |

NEW MEMBERS

Please give a warm welcome our newest ARM members...

Direct Member:

U.S. Auto-Wayne, Inc. – Brad Horton & Victor Cretu, Wayne, MI (formerly Scrap Buster's U-Pull-It Auto & Truck Parts)

Associate Members:

Junk Car Medics – Rochester, NY

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The President's Message

Continued from page 1

never had to deal directly with our customers. It is easy for a buyer to criticize a salesperson for discounting a part but is the buyer aware of what the salesperson had to do to make the sale at all? A salesperson can criticize a dismantler or parts puller for not getting their part off and ready for delivery immediately but is the salesperson aware of the dismantler's work load and all of their other responsibilities? I believe that this disconnect often comes down to not fully understanding what our other team members do and how difficult their jobs can be. Because of this there can be frustration, blame, and criticism. When our team members criticize their teammates and fail to show appreciation for the hard work they do for each other, it creates a feeling of me versus you. For example, think of a quarterback hurling non stop criticism at his offensive line for not giving him enough time. The guarterback isn't taking into account that the other teams defense is far superior to his team's offense and instead of being grateful to his offensive line for working their butts off



to give him the limited time he has, he berates them. By the end of the game what do his linemen do? They start letting the defense get by without much struggle so they can show him how hard they were fighting for him before he began criticizing them. This shows the fundamental breakdown of a team. A wedge has been driven between teammates because of criticism and ungratefulness. In order to break this downward spiral teammates should use PRAISE and UNDERSTANDING. Praise your coworkers for the hard work they do for you, express how grateful you are that they did get that part off today even though they were buried with orders. Understand that we all make mistakes sometimes, that we all have bad days. Understand that sometimes you're to blame for something not done right. When teammates begin to praise each other and show understanding they begin to lift each other up. They begin to look past the faults and they begin to amplify each other's best qualities. In short, they begin to work as a team. Of course, having a team that works as a team is only the first step to success but it takes much more to have a GREAT team. Luckily for you, our 2019 Road Show is going to cover a number of topics that can help you have a GREAT team. I hope I'll see vou there. 🖨

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BE A PART OF THE MOVEMENT

From the Desk of Your Executive Director

Continued from page 3

will be joining us during lunch on our Friday Road Show Yard Tours to bring us up to date on the latest happenings of CARS. This is truly a great opportunity, not only to meet Katie and hear firsthand about CARS, but you will also have the opportunity to ask any questions or voice concerns you may have. So mark your calendars and join us on the Road Show Tours on Friday, April 26th.

We have been aware of how essential it is for us to continue to provide you with hybrid training as many more of you have been receiving these high voltage vehicles which can be lethal and provide a fire risk if not handled properly. So, I'm extremely happy that we are able to have Andy Latham present two all-day sessions for our members, one each on both sides of the state for your convenience. This training is accredited by Waste Management Industry Training and Advisory Board and participants will be tested. Those who meet the required standard will receive a WAMITAB accredited certificate. I attended one of Andy's sessions at an ARA Conference and just knew we needed him to come to Michigan. He not only is extremely knowledgeable, but he has a passion for what he presents and I must admit, he put the fear of all fear in me. This is a must for anyone who deals with these vehicles. Space is limited to 40 people and as I write this article our April 25th session in Livonia has only a couple of spots left. We haven't as yet sent out the registration form for the July 17th session in Grand Rapids and already members are asking to reserve their spot so be sure to make reservations for you and your employees.

And as you can see from reading through this newsletter, we have been very busy planning our 11th Annual Road Show & Business Networking Conference, April 25-27, 2019 at Worldwide Equipment Sales in Livonia. The entire weekend has been planned to have a positive impact on you and your team of employees by having you attend the workshops, listen to the speakers, and *Continued on page 13*



Don't Eat Yellow Snow

By David Kendziorski ARM Storm Water Program

ell, that got your attention. What does the average six-year-old, the mailbox at your house, and Michigan snowfall have in common? Don't overthink it. The answer is 45 inches. That's the average height of the first two, and the average annual snowfall in Detroit for the third.



When that snow melts, that's the equivalent of about 4 inches of water, or a half million gallons, that flows off a five-acre auto recycling facility to the nearest lake or stream.

But that's not crystal clear snowflake water. Snowmelt carries pollutants that have accumulated in the snow throughout the winter. That includes airborne contaminants, deicing chemicals (salt and additives), anti-skid grit (sand), oil and grease (slush washing the undersides of vehicles and your equipment), metal wash off, and sediments eroded from thawing unpaved roadways in early spring. Vegetation is dormant and there's less infiltration (natural cleansing) into the soil. Frozen catch basins and ice-blocked channels result in shallow ponded water that causes more erosion and resuspension of sediments.

Snowmelt runoff in early spring can contribute to the deterioration of water quality because these elevated levels of pollutants are being discharged to sensitive

waterways. Rivers and lakes awaking from freezing are frail ecosystems. Food supplies are sparse, nutrient cycles are slowly developing, and fish and other aquatic life are starting to reproduce.

Here are some suggestions on what you can do to minimize the adverse impacts of snowmelt:

- Spring cleanup: Start sweeping as soon as snow is off the pavement. Clean out catch basins and replace the filters. Clear ice blockages. Clean up debris left by melting snow piles.
- Control erosion: Bring in stone or crushed rock to stabilize muddy unpaved roadways. Temporarily minimize equipment traffic in erosion-prone areas, including roads with ponded water. Stabilize eroded channels with mulch, geotextile fabric, or rock. Revegetate as soon as suitable weather occurs.
- Minimize use of deicing salts and chemicals, or perhaps stated another way, don't use excessive amounts of deicers beyond what you need for the safety of your employees and customers.
- Keep your outfalls clean: Your outfalls are where storm water is discharged from your facility. Do not place extra equipment or debris at your outfalls. These are also not good places for your snow piles. Your outfall locations should be the cleanest parts of your facility.
- Maintain your storm water treatment systems. Spring is a good time to replace absorbent booms, filter fabrics, and filter media (sand, peat, zeolite). Ponds work year-round, although the sedimentation may be less effective in spring due to more dissolved and fine-particle pollutants.

A good goal is for your spring snowmelt to be just as clean as your rainfall runoff is during the rest of the year. I'd like to think that taking these precautions can help our 45-inch-tall, six-year-old kids enjoy safe drinking water, care-free swimming, and rewarding fishing for years to come.

In with the old. Out with the new.

Recycling — it's all about sustainability. By reusing steel from end-of-life cars, appliances, machinery, bridges, and buildings, we conserve the earth's resources for future generations. OmniSource collects and processes steel scrap, much of which is supplied to Steel Dynamics to be melted and converted into new steel. Working as one, SDI and OmniSource take in the old ... to create the new.

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A Busy Day for Many ARM Members

By Barb Utter

On December 11th a large number of ARM members and their employees joined other Michigan businesses for an all-day comprehensive Environmental Compliance Workshop for the Auto Salvage and Scrap Metal Industries, hosted by the MDEQ at Genesys Conference and Banquet Center in Grand Blanc. It was also of interest to many local officials, code enforcement officers and other environmental, health and safety professionals.



As stated in the workshop registration packet, the auto salvage and scrap processing businesses are involved in the management and processing of automotive salvage and scrap metal and are subject to many environmental regulations. (Of which we are all very well aware of.) The focus of this day-long training session was planned to help scrap processors

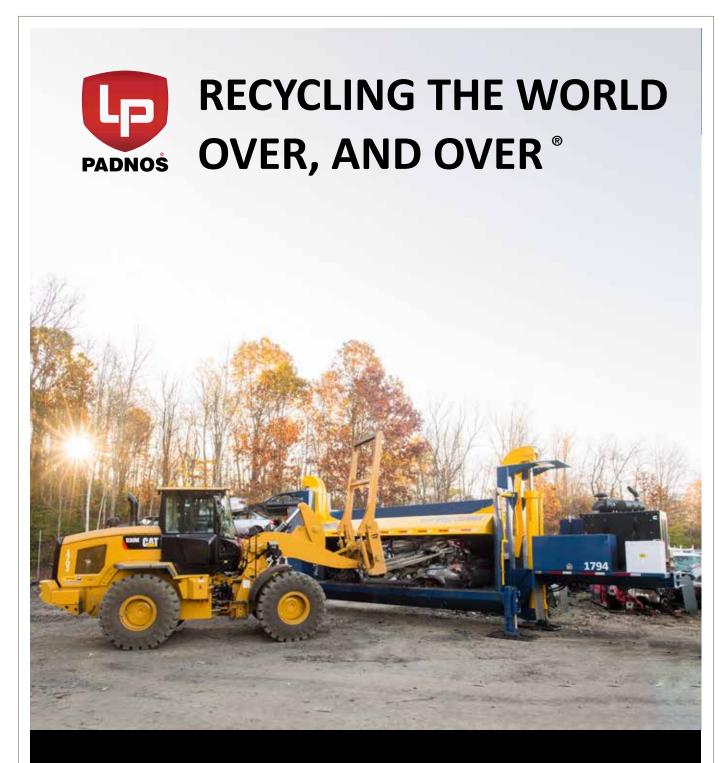
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and automotive recyclers understand and comply with state and federal environmental regulations. We were given a detailed presentation on the new Storm Water requirements and a how-to do Visual Assessment & Benchmark Monitoring, also a visual presentation on how to navigate MIWater, as well



as sessions on Waste Management, Air Regulations and Outdoor Torching and Environmental Release Reporting. Several MDEQ and MIOSHA staff members were on hand to answer questions and provide handouts and resources from various departments. It was a sell-out event and I applaud all of our members who were in attendance. As Maya Angelou said "If you don't like something, change it. If you can't change it, change your attitude." While it was a very long, tedious day, I think we all left with a better understanding and attitude of what we each have to accomplish in order to be in compliance. \clubsuit



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Autocatalyst Recycling Outlook for 2019

By Becky Berube

ooking back is always easier than looking forward. And last year was a good year for autocatalyst recycling. And for 2019 the outlook remains positive.

The demand for new automobile catalyst climbed to record levels last year amidst a shortage of palladium (Pd), a surplus of platinum (Pt), and an increasing supply of rhodium (Rh). You can see from Figure 1 that palladium makes up most of the precious metals contained in autocatalyst or catalytic converters.



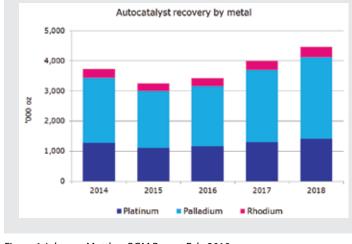
The strong demand for autocatalyst, increased vehicle recycling, and a short supply continues to push the Palladium price higher. Lower demand from the decrease of consumption of diesel vehicles in Europe combined with an increase of secondary supply from recycling continues to hold the Platinum price down. Stricter emission standards will increase Rhodium loadings, but that metal will still be in surplus. This is good news for palladium since palladium loadings have been increasing, mostly in the US market, in autocatalyst since the 1990s. At that time the palladium technology was less advanced and the fuels less clean, which means more palladium was added than platinum removed. At the same time, palladium was historically less than half the price of platinum.

Johnson Matthey in its PGM Market Report dated February 13, 2019, states that the secondary supply of palladium grew by 10 percent in 2018, after having a 20 percent gain in 2017. This is due to the increase in vehicle recycling once the scrap steel price bounced back from its lows during 2015 – 2016.

And considering "dieselgate," Germany's car emissions fraud scandal, there have been stricter vehicle testing procedures and tighter emission limits on heavy duty vehicles. This contributes to higher demand for autocatalyst and use of Platinum Group Metals (PGMs), namely, Pt, Pd, and Rh.

Even with the decreased use of platinum in three-way catalyst over the past 20 years, and the reduction of diesel catalyst production which uses more platinum, a small rise in increased demand for platinum will come from fuel cell technology in automotive applications and stationary power generation over the next several years. See Figure 2 on page 14.

Continued on page 14



"Recoveries of palladium from automotive scrap again climbed at doubledigit rates in 2018, in the wake of a 20% gain the previous year."

Figure 1 Johnson Matthey PGM Report Feb. 2019

From the Desk of Your Executive Director

Continued from page 7

participate in discussions together as a team so that when you return to work you are all on the same page and truly understand each other's roles. Studies are showing that more and more companies have found that face to face team meetings are crucial for growth. I'm confident you will find a lot of value for you, your employees and your business at this year's Road Show. And of course there is always the added bonus of networking with vendors from across the country and with your fellow recyclers with a little fun thrown in the mix.

Please mark your calendars for June 17th for our 19th Annual Kent Utter Jr. Memorial Scholarship Golf Outing...yes, I know it is hard to believe looking outside right now, but spring and golf are just around the corner. You will find a registration form in this newsletter so reserve a spot for your team. By supporting this event you help us help our students pursue their dreams. Also, please make sure to check out our new website. Kathy has been very busy trying to keep it updated along with all the other busy projects we have going on here in the office. Check your information we have listed and if you need to have it update, please let her know your changes.

As you can see, we're off and running in 2019. Our core purpose is to provide you with the latest information, tools, resources, and services you need to move forward in this fast paced, ever changing world we live in. We are optimistic about the future of our industry and committed to help you, our members, address the concerns and challenges you face. ARM will continue to be your champion, but we need you to be involved and to let us know what you need and want. As Forrest Gump said, "If you don't know where you are going, you probably won't end up there." Help us help you!

I'm looking forward to seeing everyone in Livonia. 🖨

Love & Hugs,

Barb

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Autocatalyst Recycling Outlook for 2019

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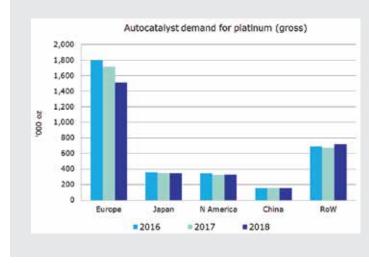
As emission standards tighten in most countries, rhodium loadings will also increase. Still this metal is expected to continue to be in surplus.

Recently, I asked Philip Newman, the Director of Metals Focus (@metalsfocus), a London-based independent precious metals consultancy group to comment on the outlook for platinum and palladium in 2019. Here is what Philip had to say.

Platinum has fallen to a record discount to gold of \$526. That said, Metals Focus still expects platinum prices to eventually firm this year, especially towards end-2019. However, this is premised on our view of a stronger gold price. In other words, platinum will continue to face headwinds of unsupportive supply and demand. palladium market, which this year is expected by Metals Focus to reach 1Moz.

Looking ahead, we believe palladium prices will continue rise this year. Even so, palladium's record high prices increase the risk of near-term profit taking, although any downturn in the palladium price should be short-lived.

In summary, 2018 was a great year for both vehicle and autocatalyst recycling. At this time, 2019 looks to be more of the same. This is why we, at United Catalyst Corporation, believe that recyclers can get the most from their converters with the scientific process of selling converters on assay. For questions about selling converters on assay or copies of this article or previous articles in this series, email me or go to unitedcatalystcorporation.com.



"Automotive platinum consumption set a five-year low in 2018, but should stabilise or even rise over the next few years."

Figure 2 Johnson Matthey PGM Report Feb. 2019

In trying to gauge professional investor sentiment in recent weeks, the absence of up-to-date CFTC data has led us to review Nymex open interest. Having fallen for much of January, open interest has since risen through to mid-February. In our view, subdued weak institutional sentiment towards platinum indicates that the rise in open interest represents an increase in gross short positions.

Palladium has continued to strengthen this year, achieving a new record high of \$1,439 on January 17. Key to this is the ongoing physical deficit in the



Becky Berube serves the recycling community as United Catalyst Corporation President, she writes a monthly educational column for the industry, serves as co-chair of the ARA Annual Convention Educational Programming Committee, is on

the administrative team for the ARA Peer Mentoring Program, and is an Executive Committee member of the IPMI. She can be reached at 864-834-2003 or by email at berube@unitedcatalystcorporation.com.

FUTURE RECYCLERS

We are so happy to welcome our newest recyclers.

Congratulations to:

Grandparents Carrie & Jason Fisher of J & R Truck Parts and parents Ashley & Scott Lowing on the birth of Mya Lynn Lowing, born January 16, 2019.

Dave Kendziorski, ARM MICAR Program Manager, on the birth of his granddaughter Gwyneth Mae, born February 20, 2019.

Proud parents Karrie & Jake Rea and grandparents Jack & Pam Rea of Michigan Truck Parts in Westland on the birth of George Joseph Rea on May 9, 2018.

BEST WISHES

ARM sends their very warmest wishes to Bob Bennett on his recent retirement from Louis Padnos Iron & Metal. Not only has Bob provided us with our newsletter Scrap Report, but he has been an active supporter and dear friend of ours since as long as we can remember. Have fun and enjoy this new chapter in your life Bob and please know you will be dearly missed.

We also want to congratulate Ray Fisher, former President & Executive Director of ASA Michigan on being selected to head the national Automotive Service Association as their Executive Director/ President, effective January 2, 2019. Ray is an outstanding leader, colleague and friend. It has been a pleasure for ARM to partner with Ray and ASA Mi on many issues, including our MICAR Plus program. We will miss him being in Michigan and I will certainly miss our friendship, conversations and sharing of ideas, but it is exciting to know that this dedicated and knowledgeable professional will be sharing his expertise on the national level. This is certainly a benefit to all of us and our respective industries. \bigoplus

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Around Our Industry



Important Update on New EPA Airbag Rule

As previously reported, the Environmental Protection Agency (EPA) released a rule providing a conditional exemption for "dealerships, salvage yards and other locations" from some hazardous waste regulations allowing for a "more expedited removal of defective Takata airbag inflators". Important conditions for this exemption are listed below.

ARA has attended an EPA-sponsored webinar explaining the new rule and also spoken with ISRI on this issue for further clarification about its impact on automotive recyclers. While auto service centers look to benefit the most from the rule, effective November 30, 2018, automotive recyclers should be covered by an exemption that clarifies who is a "generator" of hazardous waste, i.e., the rule exempts salvage operators who removes defective airbags and sends them to a proper facility for processing. Recyclers and "affected entities" will be allowed to send defective airbags and airbag parts to certified disposal facilities that handle hazardous waste under the Resource Conservation and Recovery Act (RCRA). These facilities will be considered the "generator" of hazardous waste, not the recycler.

Some conditions do exist and have to be adhered to by the automotive recycler who is required to handle the airbag safety. EPA specifies:

"Conditions of exemption are modeled after current industry practices and are designed to ensure that the exempted airbag waste is managed safely and is appropriately destroyed and not diverted back into vehicles. The conditions for the airbag waste handler are:

- Maximum 250 discarded airbag modules or airbag inflators stored at the airbag handler
- Storage time limit of 180 days
- Packaged and shipped in a container designed to address risk posed by inflator
- Container labeled "Airbag Waste Do Not Reuse"
- Maintain shipping records and confirmation of receipt for 3 years (Ordinary business records such as bills of lading are sufficient; electronic records acceptable.)"

will determine if any further revisions are needed. EPA tentatively plans to publish a "final" final rule by September 2019. EPA will also work with the states on implementing the rule because some state requirements may be more stringent than the federal requirements. However, "EPA encourages the states to follow the federal requirements for airbag waste in order to help facilitate the airbag recall."

Update on "Waters of the U.S."

ARA is closely monitoring federal action on the controversial "Waters of the United States" (WOTUS) rule and will continue to work with the Federal Stormwater Association (FSWA, of which ARA is a member) and other business groups to make sure that new federal regulations do not impose serious regulatory burdens on automotive recyclers' grounds and properties.

As previously reported, the Administration has tasked the Environmental Protection Agency (EPA) with rescinding and rewriting the 2015 rule.

ARA participated in a recent conference call with the FSWA and Federal Water Quality Coalition regarding a December 11, 2018 EPA proposal to simplify the rule. The challenge relates to defining what is absolutely, federally mandated. Eastern versus western states have very different views and policy issues regarding water policies and issues. The FSWA and Coalition have started drafting comments identifying significant issues such as the six different categories of waters, ephemeral versus intermittent waters and also issues associated with ditches.

WOTUS is controversial for many reasons. The 2015 rule was purported to provide clarity to the definitions of what are considered "navigable rivers and interstate waterways" but a number of court decisions have left the rule ambiguous. The federal government, through EPA and the Army Corps of Engineers, would have had jurisdiction over regulating a broad spectrum of tributaries and wetlands. The industrial, farming, rural electric cooperative and real estate sectors have been objecting to the broad and questionable definitions. As Senator John Barrasso (R-WY), former Chairman of the Senate Environment and Public Works

There is a comment period on this new rule and EPA

Around Our Industry



Committee stated, "The WOTUS rule would have put backyard ponds, puddles, and prairie pot holes under Washington's control".

Important Update for All ARA Members: Automaker Recalls and Your Business

Dear ARA Member,

As you know, for over three years ARA has regularly met with the National Highway Traffic Safety Administration (NHTSA) to discuss implementation of federal law passed in December 2015 that provides recyclers with recalled parts data. While the pace of regulatory action has been challenging, these meetings are important opportunities to communicate directly with regulators about the necessary steps needed to provide efficient, effective and comprehensive identification of defective recalled automotive parts.

During these meetings and in additional discussions on Capitol Hill and with the automakers themselves, ARA has remained committed to the belief that the solution must be fully-integrated into each industry inventory management system in order to capture active recalls at the point of inventory and the point of sale.

In the absence of regulatory action, ARA wants to make members aware of a new tool available to the industry through The National Salvage Vehicle Reporting Program (NSVRP). As announced on today's Town Hall with the ARA Executive Committee, NSVRP has offered an API to allow recyclers' inventory systems to query the NSVRP database in real time to check for recalls. This service will be provided free of charge and over the past several weeks, ARA has been working hard to connect each management system with NSVRP. As of today, Hollander, Car-Part.com, Crush and Buddy Automotive have agreed to integrate the NSVRP tool into their systems.

ARA believes that the NSVRP tool is a good solution for automotive recyclers based upon the information available and the challenges facing the industry to keep up with automotive safety recalls. With the NSVRP tool, recyclers should have the ability to check for recalls during routine, full-inventory spot checks as well as prior to purchasing vehicles. ARA encourages members to continue to implement and refine operational procedures within their business to check for automotive recalls and to contact individual management systems for details about NSVRP integration.

ARA continues to urge all members to be sure they are familiar with the laws related to the recall process. For example, some of the possibly applicable Federal laws are referenced below:

Representative Laws to Protect Drivers From Automotive Safety Defects

- In 1966, Congress passed the National Traffic and Motor Vehicle Safety Act (NTMVS Act) which prohibits the sale of new motor vehicles and motor vehicle equipment that fail to comply with an applicable Federal motor vehicle safety standard (FMVSS).
- Over 30 years later, in 2000, Congress passed the Transportation Recall Enhancement, Accountability, and Documentation Act (TREAD Act) that extended the NTMVS Act prohibition to cover the resale of used equipment [possibly meaning parts] subject to recall that have not been fixed.
- 12 years after that, Congress enacted the Moving Ahead for Progress in the 21st Century Act (MAP-21) in 2012 which provided for a recall database with an individual VIN look-up tool which was established as www.safercar.gov.
- On December 4, 2015, President Obama signed into law the Fixing America's Surface Transportation Act, or "FAST Act" which includes a provision requiring automobile manufacturers to include in their recall reports the name, description and part number of defective component parts. Under the FAST Act, NHTSA now has the authority to impose civil penalties of \$21,000 for each applicable recall violation.

Please be advised that the foregoing list or laws and/or regulations is provided for informational purposes only, is not legal advice and may not be an exhaustive list of applicable law. If you have any questions about the laws that apply to recalls, please consult your individual legal counsel.

Articles reprinted with permission from ARA

State Capitol Update



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

FEBRUARY 2019

MICHIGAN LEGISLATURE IS OFF TO A SLOW START

The Michigan Legislature is off to a slow start with 46 new members out of 110 in the House and 31 new members out of 38 in the Senate. Look for things to pick up considerably with Governor Whitmer's first budget message in early March.

One thing to watch for in that budget message is exactly how the governor plans to pay for "Fixing the Damn Roads." Legislative Republicans have expressed some willingness to look at new road funding, or at least dedicating all sales taxes on gas to road purposes.

In contrast to an otherwise slow start, the Republicancontrolled Legislature moved swiftly to reject Governor Whitmer's first executive order re-organizing state government. The order in question involved **renaming the Department of Environmental Quality (DEQ)** as the **Department of Environment, Great Lakes, and Energy (EGLE)**, as well as dissolving regulatory oversight boards which include members of industry.

This was the first such legislative rejection of a gubernatorial executive order in over 42 years. The governor has since submitted a new order which does not include dissolving the oversight panels and that order is expected to stand.

NEW SUPER COMMITTEE IN THE HOUSE

When the new Legislature finally gets up to speed, look for a new "Super Committee" in the House to slow things down a bit. The new committee is the House Ways & Means Committee, chaired by Rep. Brant Iden (R-Kalamazoo County). Under new House rules, the Ways & Means Committee is one of only four (4) committees which can report bills directly to the floor. Its anticipated that most policy bills (bills which don't spend money) will run through their first committee and then through the Ways & Means Committee for "further vetting."

The stated reason for this is to improve the quality of bills during the committee process and to prevent the all too common practice of re-writing bills on the House floor which often causes a great deal of confusion and agitation among rank and file members.

This second committee review process is common in Washington, D.C., but new to Michigan. There is almost no doubt it will slow down the pace of the legislative process in the House, even if it improves the quality of public policy.

MINIMUM WAGE & PAID LEAVE LAWS HEAD TO MICHIGAN SUPREME COURT

Last fall, the Republican Legislature adopted and amended so-called Citizen Initiated Laws increasing the state Minimum Wage and adopted a new Paid Leave law. A Citizen Initiated Law is one in which the citizens collect enough signatures and then submit a question to the Legislature. The Legislature may approve the measure, in which case it becomes law without going to the governor. The Legislature may also reject or fail to act, in which case the measure goes to a vote of the people.

With Minimum Wage and Paid Leave, the Legislature adopted the measures and they became law. However, the Legislature later amended the measures to, according to critics, "water them down."

In the case of Minimum Wage, the Legislature slowed down the phase-in period for \$12.05/hour from 2022 to 2030. The current state Minimum Wage is \$9.25/hour.

As to Paid Sick Leave, the original law called for 72 hours paid leave and applied to all employers. The Legislature reduced this to 40 hours and exempted companies with less than 50 employees. Both laws are scheduled to take effect on March 29.

State Capitol Update



Both measures were approved in the post-election Lame Duck session of 2018 and both proved controversial. The primary question is whether the Legislature has the power to "adopt and amend" a Citizen Initiated Law in the same legislative term.

Since that time, individual legislators have asked for an opinion from new Democratic Attorney General Dana Nessel, with the expectation that she will answer "no" to the Legislature's ability to adopt and amend in the same session.

In the meantime, the Republican-controlled Legislature has officially requested an advisory opinion from the Michigan Supreme Court. The expectation from the business community is that the state supreme court would likely answer "yes" to the Legislature's ability to adopt and amend, although the state supreme court has been somewhat unpredictable of late.

Please keep in mind that an attorney general opinion, if issued, is not binding on the courts. In addition, the Michigan Supreme Court does not have to issue an advisory opinion when asked. The bottom line is that, for now, we have a new Minimum Wage Law for all employers and a Paid Sick Leave for large employers set to go into effect at the end of March.

Like us? We hope so!



Become our friend on Facebook:



Automotive Recycling Owners' Focus on Governmental Activities is Essential

By Michael Wilson

Nost people have heard the old adage "If a tree falls in a forest and no one is around to hear it, does it make a sound?" Around the globe, a similar question should be posed as to whether if governmental activity is occurring and no one hears about it, does it have an impact on individual automotive recycling owners? Clearly, the answer is yes.

A significant effect

While many professional automotive recyclers bemoan government and politics, the reality is that both have a significant effect on the success of your business. Many entrepreneurs ultimately overcome governmental barriers to run a successful operation, but the question is, at what cost? What capital improvements, equipment or other enhancements could have been secured if a rule or regulation had been prevented before significant financial burdens ever come into effect. I can assure you, any industry's preemptive striking down of a potential harmful rule or requirement is significantly less expensive than allowing regulatory infections to afflict the industry.

The actual explanation

While many people have heard the "tree falling in the forest" adage, how many know the actual explanation? The answer is: the impact of the sound of a tree falling in a forest creates enough sound waves to visibly vibrate the leaves on neighboring trees. Thus, sound is a physical phenomenon, not just something coming into the ear of a listener. Whether there is someone there to hear it or not, sound waves are produced if a tree falls.

Activity and consequences

I can guarantee you that whether or not automotive recycling owners pay attention to government, there will be activity and consequences. Industry indifference or inadequate action will be met with waves of unfavorable rules and restrictions that will affect your business' financial bottom-line.

It also important that all owners and leaders realize that an industry's governmental activity should not be onesided. Just as in sports, it is essential to have a wellarticulated offensive as well as defensive strategy. In 2015, French automotive recyclers were rewarded for their aggressive approach with a national statute introduced into the consumer code that obligated vehicle maintenance and repair professionals to offer consumers the option for utilizing used parts along with new parts. The long-awaited measure takes effect April 1 of this year and specifically requires vehicle maintenance and repair professionals to display, at their public facility entrance, consumer information that reinforces the consumer's right to opt for the utilization of used parts. It further requires this information to be available on the maintenance or repair facility's public website.

Adversarial competitors

Over my nearly twenty years in the professional automotive recycling arena, I can assure you that your automotive recycling activities are the focus of conversations every single day in some corner of the world. It might not be your local zoning commission, but today someone in your state, province, territory or country is talking about issues that affect the way your business is conducted. These discussions include unelected government regulators or adversarial competitors seeking an advantage over your business interests in the marketplace.

Scary business reality

Does this business reality scare to you as an owner? Of course, it does. Are you willing to actively participate in the process to address these concerns, or do you feel that you, as one individual business owner, cannot really make a difference? Automotive recyclers should heed the Irish statesman Edmund Burke's famous words, "Nobody made a greater mistake than he who did nothing because he could do only a little." With the challenges of more complex motor vehicles, data demands and dynamic global markets, it is imperative that business owners engage in the important policy discussions of the day.

If you are don't participate, it allows your competitors to steer decisions that are more advantageous to their business model? Your participation in the process provides the checks and balances to ensure the situation is equitable for all automotive recycling industry stakeholders. It is important to note: who is at the table along with who is not influences whose voice is heard during the decision-making process. If this conversation was about your weekly or monthly revenue numbers, would you sit idly by without aggressively engaging to sustain and grow your sales?

You will be affected

Just as the tree falling in the woods, sound waves reverberate whether someone is there or not, so too will the effects of governmental activity. If you chose not to actively participate, or ignore what is happening, you will still be affected. You will still have to pay, whether others determine you must pay – not once but continuously for as long as the requirement is in place or you are in business.

The time is now!

This activity you have chosen not to focus on is significantly affecting your business monetarily. Just because you choose not to engage yourself does mean the cost will be any less. In fact, financial burdens could be significantly higher than they could have been.

The time is now to get involved at all levels of politics and governmental activities. It should be you that

determines the outcome of decisions that drive the future of your business. Those decisions should not be according to the desire of individuals or competitors with interests that conflict with yours. However, for advantageous decisions to be made concerning the future of your business, you will have to become involved in the process of decision making.



Michael E. Wilson, Past Chief Executive Officer of the Automotive Recyclers Association.

As the chief executive of the Automotive Recyclers Association (ARA), from 2007 through 2018,

Wilson played a key role in the professional automotive recycling industry in the United States and around the globe. Under his leadership, the ARA emerged as a major force in promoting effective competition in the international markets for replacement automotive parts. Wilson can be reached at <u>michaelewilson01@</u> <u>gmail.com</u>.

Your Invitation to Attend!

11th Annual ARM Road Show & Business Networking Conference

Informative Seminars & Workshops Vendor Demonstrations New Technology Introductions Exciting Tours & Specialized Training Great Food + Fun Family Activities! On location at **Worldwide Equipment Sales, LLC** in Livonia, MI

April 25-27, 2019

For more information contact Barb Utter at the ARM office:

800-831-2519 or e-mail: arm@mi.automotiverecyclers.org



11TH ANNUAL ARM ROAD SHOW & BUSINESS NETWORKING CONFERENCE

Tentative Schedule of Events



THURSDAY, APRIL 25, 2019

12:00 noon

ARM Golf Outing Detroit Golf Club South Course Detroit, MI

Thursday evening Networking at Embassy Suites by Hilton Livonia

FRIDAY, APRIL 26, 2019

8:45 a.m. Yard Tours: Bus departs Embassy Suites, Livonia

9:30 a.m. – 12:00 noon Tour Ryan's Pick-a-Part, Detroit, and Holbrook Auto Parts, Highland Park

- 12:30 2:00 p.m. Lunch at Hop Cat Restaurant, Royal Oak Speaker: Katie Bower, MDOS Director of Business Compliance & Regulation Division
- 2:30 3:30 p.m. Tour Highway Truck Parts, Ferndale

2:00 p.m. ARM Registration opens at Worldwide Equipment Sales, Livonia

4:00 p.m.

Bus returns to Embassy Suites by Hilton, Livonia

5:00 p.m.

Welcome, Ribbon Cutting & Opening of Road Show at Worldwide Equipment Sales, Livonia

5:00 p.m.

Cash Bar & Happy Hour with the Exhibitors

5:00 – 8:00 p.m.

Road Show Exposition Hours

6:30 p.m.

Dinner with Exhibitors

8:00 p.m.

Live Auction, Raffles, Last Man Standing, Fun & Comradery with Fellow Recyclers & Vendors

SATURDAY, APRIL 27, 2019

8:00 a.m. – 4:00 p.m. Registration Table Open

8:45 a.m.

Welcome by ARM President Ross Lewicki & Continental Breakfast

9:00 a.m. – 9:55 p.m. Seminar: "Selling Used Parts in an Online World" Speaker: Theresa Colbert, On-the -Ground Representative for Car-Part.com

10:00 – 2:00 p.m. Catered Coffee's cappuccino bar

10:00 – 10:55 a.m. Seminar: "What I Learned About Business from Working in Sports" Speaker: Amanda Zmolek – Industry Relations Analyst for Copart

Forklift Training: Trainer: Paul Secker – Senior Advisor for SAS Forks

11:00 – 11:55 a.m. Hands- on Workshop: "Fi

Hands- on Workshop: "Finding Common Ground on Parts Grading" Facilitators: Ross Lewicki, Jayson Doren, Daniel Gray & Slater Shroyer

12:00 – 12:30 p.m.

"Top Dog" Production Recognition Presenter: Jason Fisher Prizes to be awarded

12:30 – 2:30 p.m. Road Show Exposition, Demonstrations & Buffet Lunch with Vendors

1:30 – 2:00 p.m. Presentations/Drawings

2:05 – 2:55 p.m. Seminar: Storm Water Compliance Workshop Speaker: Dave Kendziorski, ARM MICAR Manager (A must attend if you have a Storm Water permit)

3:00 p.m.

Open Forum Discussion

"Recyclers' Hot Topics "

Moderators: Ross Lewicki, Theresa Colbert, Amanda Zmolek & ARA EC

Wrap Up/Tear Down

11TH ANNUAL ARM ROAD SHOW & BUSINESS NETWORKING CONFERENCE Member Yard Tours



We have a great day planned for one of our most popular and well attended events...our Member Yard Tours. We will begin the day meeting the bus at our host hotel, the Embassy Suites by Hilton Detroit-Livonia/Novi in Livonia. Our first stop will be Ryan's Pick-a-Part in Detroit. From there we are off to Holbrook Auto Parts in Highland Park, followed by a great lunch at Hop Cat in Royal Oak. While at the restaurant we hope to have the Director of the Business Compliance and Regulation Division of the MDOS join us for some department updates on the new recently launched CARS program. Following lunch, we are heading to Ferndale to complete our full day of tours at Highway Truck Parts. Then it is back on the bus where you can catch a little R & R on our way back to the hotel where you can pick up your vehicle and join our vendors at Worldwide Equipment Sales for a great trade show and fun evening with your fellow recyclers.







Ryan's Pick-a-Part Self Service Auto & Truck Parts

Ryan's Pick-a-Part was purchased by Marty Lewicki in 2000 and is located in Detroit. At the time it was called Ryan's Hubbell Auto Parts and was a six acre full serve salvage yard. In 2010 it was converted to a self-serve yard and began to acquire neighboring properties. It has since grown to 23 acres, is a member of the ARM MICAR Program and is also the home of Rex Metal Recycling.

Holbrook Auto Parts

Holbrook Auto Parts has been proudly serving the Detroit community for over 75 years, since before I-75 when Holbrook Road ran through Detroit. In 2000 they changed ownership and started a major makeover. The new management relies on their Christian values to guide the way they do business. Their closelyknit team prides themselves in conducting fair business and helping customers in any way they can. They have one of the best selections of automotive parts for foreign and domestic cars. They carry an extensive inventory of new and tested used parts for almost every make and model and will special order parts for you if they don't have them in their inventory. They also offer installations on all parts they sell and will deliver your parts to you. Through all of their changes of which they now have four locations, they credit much of their success to the support of the community and their relationship with their customers.

Highway Truck Parts

Highway Truck Parts in Ferndale is family owned and operated. It was purchased in 2001 by Marty Lewicki. It was a 7 acre full serve yard called Northend Holding Station. After operating as Ryan's Northend Auto Parts for almost twelve years, it was renamed Highway Truck Parts in 2013 with a focus on full size trucks and vans. Their friendly team associates are highly skilled and extremely knowledgeable about finding the right OEM recycled auto and truck parts, top-rated aftermarket components and re-manufactured parts for your vehicle. They back each and every purchase with their standard 90 day warranty and offer excellent extended warranty coverage at an additional charge. They are also a member of ARM MICAR Program.

11TH ANNUAL ARM ROAD SHOW & BUSINESS NETWORKING CONFERENCE About Our Speakers & Workshops





David Kendziorski President, Stormtech, Inc.

David Kendziorski, President of Stormtech, Inc., has over 20 years of experience as an environmental consultant for the auto recycling industry. Dave manages innovative compliance and certification programs that are sponsored by auto recycler trade associations in Wisconsin, Michigan, Minnesota, and California. Dave helped ARM develop the MICAR program 10 years ago and serves as the Program Manager. He is a frequent speaker at association conventions and events, offers several training programs

for recyclers each year, and writes quarterly articles for several trade newsletters and magazines.

Storm Water Compliance Workshop

All auto recyclers who discharge storm water runoff from their facility and are not located within a combined sewer service area require a storm water permit. Since 2016, DEQ has been phasing in new permits for auto recyclers. Before your current permit expires, you must apply for a new permit. When DEQ sends you a Certificate of Coverage (COC) – the clock starts! You have 6 months to submit compliance documents to MiWaters. The compliance requirements are complicated, but this Workshop will make it easy to do it yourself!

- Step-by-Step Procedures
- Sample and fill-in-the blank SWPPPs
- Sample Site Maps
- Sample Requests to Forego Benchmark Monitoring (You want to do this!)
- Sample Benchmark Monitoring Plan (If you must sample)
- How to Collect Storm Water Samples (If you must sample)
- Best Management Practices
- Inspections:
 - Routine Housekeeping/Preventive Maintenance Inspections
 - Comprehensive Site Inspections
 - Storm Water Visual Assessments
- Annual SWPPP Review

If You Have a Storm Water Permit, Attend this Workshop!



Amanda Zmolek Copart Industry Relations Analyst

What I Learned About Business from Working in Sports

Between the years I spent working at GreenLeaf/LKQ and my time at Copart, I spent 4 years working for the Dallas Cowboys. I'll share some lessons I learned about business from sports and some tips and tricks for social media that I picked up while running the pro shop Facebook and Twitter accounts. Bring your sports and social media questions, and don't worry – you don't have to be a Cowboys fan to attend.

Amanda Zmolek is the industry relations analyst for Copart, an online vehicle auction with more than 125,000 salvage and clean title vehicles available to bid on each day. She started her career with GreenLeaf Auto Recyclers in 2006 and has a marketing degree from San Diego State and a marketing MBA from UT Arlington. In 2015, after spending a few years working for a professional football team running their pro shop social media accounts, she decided that auto salvage is her home and has been at Copart ever since. Amanda is on the ARA Awareness Campaign Committee and is proud to serve as the Copart account representative for auto recyclers. Contact Amanda at 972-391-5759 or amanda.zmolek@copart.com.

11TH ANNUAL ARM ROAD SHOW & BUSINESS NETWORKING CONFERENCE

About Our Speakers & Workshops





Theresa Colbert | Sales & Training Specialist

Hello Auto Recyclers of Michigan!! I think I have met most of you by now but if not, let me introduce myself. My name is Theresa Colbert and I am with Car-Part.com. I am privileged to be your "kick off" speaker at the 2019 ARM Road Show!

I hope to see all of you there for a fun filled day of learning and training! Because, as one young man told me recently " If I am going to spend a weekend away from my family and my children I need to learn some-

thing that is valuable for my company and my future! If not, I would rather stay home!"

His words really hit home! Which is why I have been thinking about this "kick off" for weeks! What do YOU want to learn about? What is valuable to YOUR future? After speaking with several recyclers, I feel that images, inventory and internet sales are OUR future!

Which brings me to our Kick Off topic – SELLING USED PARTS IN AN ONLINE WORLD.

Images – are you using them to the full potential? **Inventory** – is yours delivered as described? **Internet Sales** – where are your customers seeing your parts? I hope to see you there!!

Theresa Colbert is an on-the-ground representative for Car-Part.com. She consults with dismantling yards to help them decide which products in the Car-Part suite best fit their needs and shows them how they can optimize their part listings for online sales through eBay, Brokering, and Trading Partners. She does this by emphasizing the importance of accurate part grading and high-quality part images. She also stresses the huge value that cores have in today's market.

Theresa has been with Car-Part.com almost 8 years. Previously, she worked at Nu-Parts Automotive Products for 10 years. Prior to Nu-Parts, she was the manager at Winter Auto Japanese Engines in Glendale, Arizona, and at AAA Economy Auto Parts in Phoenix, Arizona. With over 25 years of industry experience, she has seen the auto recycling world from almost every point of view.

Theresa is on the Pennsylvania association event board, the Colorado association event board, speaks at industry trade shows, and writes a monthly article in *The Recyclers Power Source*, the *Toolbox* and several state association publications. Theresa also volunteers with ARA in fundraising and the new mentoring program.

When she is at home, she loves to spend time with her family, play with her dogs, cook, and watch football.



Paul Secker | SAS Forks

Paul Secker is Senior Advisor at S.A.S. of Luxemburg, LLC, manufacturer of SAS FORKS. Formerly being involved in the family salvage yard for 20 years, 10 years in the yard and shop, and 10 years as Operations Manager, Paul has a thorough understanding of the workings of auto recyclers. Paul's father Elmer Secker, an Industrial Engineer, founded the family business back in 1968. After years of operating the salvage yard, and observing the challenges yards and auctions have with moving cars, SAS FORKS has developed a unique approach engineering attachments that has proven to stand up in the Auto Recycling Industry. Paul graduated from the University of

Wisconsin-Stevens Point with a degree in Business Administration, and has attended forklift safety classes at Northeast Wisconsin Technical College, in Green Bay, WI. The last 15 years Paul has been working in the fork manufacturing business. Paul has worked side by side with Elmer for the last 30 years, and expert Engineers at SAS FORKS yielding great insight into the engineering practices. Paul is a member of SME (Society of Manufacturing Engineers) and has attended conferences on Product Safety, Fabrication, and Stress Analysis. Paul presently speaks with customers on a daily basis, identifying capacities of various equipment, and helping customers specify the correct forks based on their operations. Paul has developed unique insights of fork use, inspection, and safe operation.

Basic Forklift Safety Training

OSHA requires forklift operators to be trained. For the safety of your employees and customers this is an important topic worth your attention. Forklift accidents result in thousands of injuries in the US each year. Learn operational dynamics and increase your awareness of safety features. A discussion about forklift and wheel loader safety is included. This presentation is meant to provide a classroom introduction to safety, the practical 'road test' portion is not included.

11TH ANNUAL ARM ROAD SHOW & BUSINESS NETWORKING CONFERENCE About Our Workshops



HANDS-ON WORKSHOP:

"Finding Common Ground on Parts Grading"

A picture is worth a thousand words, but what are we to do when pictures are not an option? Production staff are one of the most important roles within your company. Part grading and accurate descriptions is their most difficult task. Is a 1cc/hr. dent to the production staff a 5cc/hr. dent to your salespeople or customer? Effectively implementing an accurate grading culture throughout your company is the first line of defense against costly returns and damage credits.



- » How much money are you losing because production, inventory, and salespeople aren't on the same page when describing and grading your inventory?
- » Are your parts being filtered out of search results due to using incorrect descriptors?
- » Will a dismantler grade differently than a salesperson?
- » Will your shipping managers grade differently than both your sales staff and production staff?

Join us to learn how you can effectively utilize the tools you already have to your advantage. We are looking forward to meeting you at the 11th Annual ARM Road Show & Business Networking Conference on location at Worldwide Equipment Sales in Livonia to learn how to increase profit, decrease credits, returns and make more customers happy.

You and Your Entire Team Will Want to Participate in this Worthwhile, Interactive, Hands-On Parts Grading Session with Other Recyclers. Participate in Contests of Knowledge, Chance and Skill and Win Prizes.

ROUNDTABLE OPEN FORUM DISCUSSION:

"Recyclers Hot Topics"

This is one session you and your team members will not want to miss. This highly interactive open forum will provide all of us with a relaxed platform as we tackle together the tough issues facing our industry. Moderated by ARM president Ross Lewicki, Theresa Colbert of Car-part.com, Amanda Zmolek of Copart and Marty Hollingshead, the newest member of ARA EC, this session will incorporate audience participation, address our concerns, our challenges and any and all issues that are on your mind, as well identify how some recyclers have turned some of their challenges into opportunities. Share your experiences and learn from your peers.

11TH ANNUAL ARM ROAD SHOW & BUSINESS NETWORKING CONFERENCE

Events



THURSDAY'S FUN DAY OF GOLF & NETWORKING

We are once again kicking off our Road Show with a fun, relaxing day of golf and this year you are in for a special treat. You have a once in a lifetime opportunity to enjoy a round of golf and great networking at the prestigious Detroit Golf Club, who is also the host of the 2019 PGA Rocket Mortgage Classic Golf Tournament June 27-30.

Founded in 1899, the Detroit Golf Club remains an exclusive private golf club where there are no shortcuts in the quest for perfection. Through the years they have grown from their original 100 golfers, but their dedication to providing an upscale, golf-centered private experience has never wavered as they continue that traditional feel and sense of comfort and the desire to preserve the unique history of their club and their courses.

There are two 18 hole courses at the Detroit Golf Club and we will be playing the South Course. A bag drop is available for your convenience and you are encouraged to change your shoes in the locker room. Proper golf attire is required on the golfing grounds. Men's attire is golf shirts with sleeves, long or short sleeve turtle or mock turtle necks, golf slacks or Bermuda-type golf length shorts, not more the 4" above the knee are acceptable. No denim, cargo shorts, tee shirts, tanks, cut offs, or gym shorts may be worn. Proper decorum dictates all shirts must be tucked in. Hats are to be worn in the manner in which they were intended, with brims facing forward. For the women, golf skirts not more than 4" above the knee, shorts not more than 6" above the knee, slacks, and sleeved and sleeveless shirts are acceptable. No denim, jogging shorts, tube tops, halter or strapless tops are allowed on the golfing grounds.

The courteous and professional staff of the Detroit Golf Club are committed to exceeding your expectations while you are enjoying an exciting day of outstanding golf and great comradery as we begin our 2019 ARM Road Show & Business Networking Conference. We're looking forward to seeing you on the links.



3RD ANNUAL "TOP DOG" COMPETITION...DON'T MISS IT!

Back by popular demand! We would like to encourage owners/managers to get as many of their production staff members involved in this year's 3rd annual "Top Dog" competition.

For those of you in attendance for last year's contest, you know the extreme success we had in recognizing individual accomplishments in the areas of Production. The job positions that rarely get the recognition they deserve...yet are many times the back bone to all of our success. The fun and smiles those employees had during last year's contest was priceless...this year will be sure to be a lot more of the same!

So please plan on participating this year by simply filling out the #'s sheets that will be passed out via

the ARM office via email well before this year's Road Show. Your taking 20 minutes out to provide ARM with your individuals production numbers will yield far reaching dividends on employee comradery as well as a renewed sense of motivation.

This year we have given it a prime mid-day Saturday time slot...so as to really encourage increased participation as well as provide a max audience for these individuals to receive their well-deserved recognition.

To request an entry form, email the ARM office at <u>arm2@mi.AutomotiveRecyclers.org</u> or go to our website: <u>www.automotiverecyclers.org</u> to download our 2019 ARM Road Show Member/Attendee Registration under Events/ Road Show. The "Top Dog" entry form is on page 15.

11TH ANNUAL ARM ROAD SHOW & BUSINESS NETWORKING CONFERENCE

Events



2nd Annual "LAST MAN STANDING" EVENT

Don't miss the 2nd Annual "Last Man Standing" event this year at our 2019 ARM Road Show!

Back by popular demand! A great way to support your ARM association.

So participate, it is easy...bring your checkbook and your passion to support ARM!

We will ask anyone willing to make a monetary donation to ARM to please stand up. We will progressively go up in increments depending on crowd's participation.

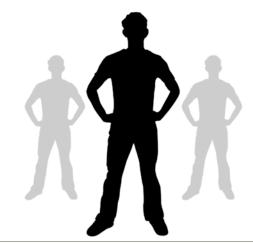
It is 100% ok to let your competitive side show and not allow your fellow recyclers outbid you for the crown of "Last Man/Facility Standing".

This year's top contributor will receive half off their ARM annual dues, a featured article about your business in our newsletter, a 30 day website ad on our site, as well as a plaque declaring you the "2019 Last Man/ Facility Standing!"

Last year's event was a huge hit and success due in part to the active participation of so many facilities. It sure beats being asked to sell cookies and candies!

Please be sure to attend this fun event on Friday night April 26th.

Your continued support of ARM is very much appreciated!



COME JOIN THE FRIDAY NIGHT FUN!



BACK BY POPULAR DEMAND!

Once again we have a whole lineup of fun activities and prize winning opportunities planned for Friday night's gala of good times!

Join us for...

Pirate Poker!

Buy your initial hand of 5 cards, then throughout the night discard and select a new card—up to 10 times (for a fee)! Need that one extra card? In the live auction we will raffle off a "wild card". The winning high bidder will be able to use that card for any card needed to "win the big prize!"

Pick Your County!

We will have a map of our great state of Michigan with all the counties clearly shown. Purchase as many counties as you like, once the state map is full we will draw the "big winner".

Live Auction!

We will be having a live auction with a great array of items that everyone will have fun competing for and if you would like to donate a special item to this lively event, please contact the ARM Office at 800-831-2519.

"KEY" Prize Winner!

Throughout the live auction there will be (4) "key" items*. If you are the high bidder on one of those items you will then be called up to select one of four keys that will unlock the lock on the "big prize". So in addition to winning your auction item, you stand a one in four chance of winning the "big prize"! You will not want to miss out on this—it is sure to be a great time had by all. Trust us we know! SEE YOU THERE!

*Actual prizes will be determined and displayed prior to bidding.

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| Please return this Registration Form and Payment by June 1, 2019 | | | | | | | |
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| Continental Breakf New York Strip Ste Burgers and Dogs 50/50 Raffle Silent Auction Putting Contest The Links of Novi is lo 50395 10 Mile Rd. (bet and Wixom Road, Sout (248) 380-9595 | ak Dinner on the Turn ocated at: ween Milford Road | Monday, Ju 10:00 a.m. S Three hours o service Gifts ar | DF NOVI une 17, 2019 hotgun Start open beverage <i>after golf!</i> ad Prizes eryone! | Mail Registration to: Automotive Recyclers of Michigan 7550 S. Saginaw, Suite 9 Grand Blanc, MI 48439 (810) 695-6760 • (800) 831-2519 Make checks payable to: ARM Special Events DEADLINE IS JUNE 1, 2019 | | | |

To submit your registration form, fill out your information and email completed form to arm2@mi.AutomotiveRecyclers.org, fax to 810-695-6762, or mail to Automotive Recyclers of Michigan, 7550 S. Saginaw Rd., Suite 9, Grand Blanc, MI 48439. If you have any questions please call the ARM office at 810-695-6760.

COMMUNITY CORNER

Share your personal and professional news of accomplishments and celebrations with *YardTalk's* "Community Corner" by emailing your news and photos to the ARM office at arm@mi.automotiverecyclers.org

The Weller Family Contributes in a Big Way... Helen DeVos Children's Hospital Opens West Michigan's First Pediatric Cardiac Intensive Care Unit

G RAND RAPIDS, Mich., January 9, 2019 – Helen DeVos Children's Hospital is proud to open West Michigan's first dedicated pediatric cardiac intensive care unit (PCICU). The new unit will provide world-class care to the growing number of pediatric patients with congenital heart disease and will better serve the needs of more patients in its pediatric intensive care unit (PICU). The unit officially opened today and was funded through generous philanthropic support.

The PCICU at Helen DeVos Children's Hospital is one of only three in the state of Michigan and the only in West Michigan. The new unit is part of the Congenital Heart Unit and Specialty Services located together in the children's hospital, with the goal of allowing patients to begin, continue and complete inpatient care in one location with one unified team of clinicians. "Helen DeVos Children's Hospital is proud to take a leadership role in offering advanced specialized care for pediatric cardiology patients," said Bob Connors, MD, president of Helen DeVos Children's Hospital. "The cardiology and cardiovascular surgery program at Helen DeVos Children's Hospital is nationally-ranked by *U.S. News & World Report*, and we are honored to now be able to better serve the community with the addition of this new unit."

Patients who will receive care in the PCICU at Helen DeVos Children's Hospital include:

- All pre- and post-operative cardiovascular surgical patients requiring intensive care
- Cardiac catheterization patients, both pre- and post-procedure, requiring intensive care



COMMUNITY CORNER

- Patients with primary cardiac disease (either acquired or congenital) requiring intensive care
- Patients with other organ system disease and acquired or congenital heart disease requiring intensive care where the cardiac condition is contributing to or worsening the patient's illness
- Some neonates with a diagnosis of congenital heart disease

The new six-bed unit will allow cardiac patients to receive specialized, multidisciplinary intensive care from the pediatric critical care and Congenital Heart Center teams. This unique model of cardiac intensive care leverages the expertise of each specialty together as one.

In addition to being nationally-ranked by *U.S. News & World Report,* the hospital is also one of just 11 centers in the U.S. to receive a distinguished three-star rating from The Society of Thoracic Surgeons, the highest star rating for excellence in patient care and surgical outcomes. Helen DeVos Children's Hospital has also



earned a Beacon Gold Award for Excellence by the American Association of Critical-Care Nurses for employing evidence-based practices to improve patient and family outcomes. \Leftrightarrow

Member Spotlight

As most of you have been in this business for a long time, you have probably heard of Eagle Auto Parts. Did you know that we are getting ready to celebrate 1 year under new ownership?

In March 2018, Matt Ghazal bought and re-opened Eagle Auto Parts in Three Rivers, MI. Although Matt is already a successful business owner, Eagle is excited to announce to the ARM family that from



day one of the new ownership, Bert Hovenkamp, has been with us every step of the way! He has set a name and standard in this industry that we are eager to build on and learn from. We are hoping that if you

have not already given us a chance to prove to you that we uphold the same respect and quality that Mr. Hovenkamp has established,



we would love to gain the opportunity to work with you again!

We know that Bert has worked very hard over the years to build a stellar and trustworthy relationship within this industry. Eagle would like to continue that relationship and be an important part of the ARM association. So please, don't hesitate to give us a call! We look forward to establishing our own relationship with each and every one of you in the years ahead.

Updated Rule for Disposal of Solvent-Contaminated Wipe

By Sue Schauls, Executive Director of Iowa Automotive Recyclers & Sue Schauls Consulting On July 31, 2013 the rule that governs the disposal of solvent-contaminated wipes was finalized to exempt spent solvent-contaminated wipes from hazardous waste regulations if the waste meets certain criteria. Effective January 31, 2014, spent shop rags and paper towels used with parts cleaning



Rev Your Engines and Save the Date for ARA's 2019 Hill Day and Legislative Summit!

ARA is pleased to announce a new twist to the 2019 Hill Days and Legislative Summit! These popular annual Association events will take place on April 3-4, 2019 in coordination with the preview of the Washington Auto Show, designated one of the nation's top five auto shows and a world class event with cutting-edge exhibits, latest model cars, exciting "ride and drive" events and displays of historic vehicles.

Covering three floors of the Washington Convention Center, the ARA meeting will also take place on-site at the Convention Center and attendees will be able to take advantage of the Auto Show's group hotel rates. Many of the automakers and other industry associations, such as the Society of Automotive Engineers (SAE), also conduct meetings during this annual event and ARA is proud to be among the organizations taking advantage of this unique opportunity!

Perhaps best of all, ARA members participating in the Hill Day and Legislative Summit event will gain access to preview the Auto Show before it opens to the public during a special preview night on Thursday, April 4th for a minimal cost (\$30 - \$35/per person).

Rev your engines and save the date!

April 3^{rd} - 4^{th} , 2019 Hill Days and Legislative Summit

This year in affiliation with the Washington Auto Show

solvent are no longer subject to a hazardous waste regulation if managed appropriately (and not otherwise governed by state or local rules).

The new management standard streamlines the handling of spent wipes.

To implement the exemption criteria, an automotive shop using either launderable shop rags or disposable towels must assure that the spent wipes are stored in properly labeled, leak-proof containers until disposal to the laundry facility or the landfill via trash collection, respectively.

The container can be any closed container labeled **"Excluded Solvent-Contaminated Wipes"** and does NOT have to be sealed, only closed, during accumulation.

Upon disposal the container must be sealed for transport (any free liquid solvent found in the container at time of disposal must be managed as hazardous waste).

The *good news is* that a garbage bag can be tied-off and considered a sealed container and placed in the regular municipal trash for collection, as long the state or local authority does not ban such waste. A label printed from a desktop printer and affixed to the container or bag will suffice.

The *bad news is* that the spent wipes must be segregated from other wastes until such time as sent for laundering or disposal. The frequency at which the laundry and/or trash is picked up must also be well-documented to prove that the spent wipes have been disposed within 180 days of generation.

The updated rule and subsequent exclusion has been a long time coming with inquiry and studies dating back to 1994. The rule is based on a thorough course of investigation that found spent solvent-contaminated wipes do not pose a risk of pollution when handled in this manner. A particular solvent, trichloroethylene, not generally used in automotive work is not included in the exemption. For more information on this rulemaking, go to: <u>https://www.epa.gov/hwgenerators/</u> <u>final-rule-2013-conditional-exclusions-solid-waste-andhazardous-waste-solvent</u>

Theresa's Top 5 Tips for eBay

By Theresa Colbert

W ith all of the questions I have been getting recently about eBay, I thought we should look at some of the tips and tricks that I use with my customers to increase their eBay sales. Even if you don't sell on eBay, these tips will help with your inventory process!

1.Use keywords. eBay does not need complete sentences and punctuation. You only get 80 characters, so you have to be picky with your words while making sure everyone understands them. Here is an example:

You might be writing descriptions that say: 03 H2 Body Control Mod 591-6963

This means nothing to the average eBay customer or to your Aunt Judy. I try to make my eBay titles so clear that my Aunt Judy could understand it:

2003 Hummer H2 BCM Chassis Brain Box Computer ID 15179509

2.Paint codes sell parts! I have said it a hundred times, and I will say it again! No matter where you list your parts, please include your paint codes and paint names where you can. I have a 2011 Sonata. We all call it Blue or BLU (which also means nothing to an eBay customer). Hyundai calls it Y2U Blue Sky Metallic, which is very different from the other 4 blue paint codes that they also put on the Sonata in 2011.

In this example, you might currently be writing descriptions like: 4dr, BLU, 2D1

But for my Aunt Judy, I need to write it all out: 2011 Sonata Left Driver Side Fender 4 DR Blue Sky Metallic Y2U *Light Scratches

Do Your Part! Recycle!

- 3. Think outside your normal hot sellers and your geographical area! You know, or at least I hope you do, what will sell on Car-Part.com and in your shops. The parts that sell on eBay are often very different than the ones that you sell to your regular customers. Wiper transmissions or fuel filler necks in Arizona or Florida? Nope! Not a big deal! In Michigan and Iowa? Oh, yeah! The rust there is so bad that they need these parts! When I was still at Nu-Parts, I could not give away a 22r timing cover in Chicago or Pittsburgh, but we still sold cases of them in California. No rust, so they are still driving these cars there.
- **4.Research!** Research and then, guess what I want you to do? More research! Go to eBay and look up cars that you bring in. Not just the new ones! Put in the '02 Buick Regal or the '92 SAAB and see what is selling out there. One of my yards sold an AC vent for a '96 Corolla for \$29! I guess if you don't have one and you still drive that car, \$29 seems like a good deal!
- 5.Feedback is king on eBay! You do not want negative feedback! Test the parts that you say you tested. Understand that "free shipping" and "free returns" are part of eBay life, but also know that most of my yards have less than 5% returns on eBay, which is far better than what they have on local sales. Yes, once in a while, you will feel like you got taken, but the same thing happens now when a shop buys an engine brain box only to find out that it wasn't the problem – and then sends it back as "no good." Do your best to be honest on eBay and you will find out that the customers are a lot more forgiving on things like "light scratch on fender" or, "headlight is faded" as long as you tell them about it when you list the parts.

I hope each and every one of you has a blessed and happy New Year! As always, if you have any questions feel free to email me at TheresaC@Car-Part.com or you can call or text me at 859-802-2382. Thanks for reading and have a great month! Theresa 🖨

What's the most important part of your business?

By By Slater Shroyer

t's been nearly 20 years since I attended my first ARA convention and I'll never forget the first seminar I sat through. The first question the presenter asked was: "what is the most important part of your business?" Being a seminar on purchasing inventory, it came as no surprise that car-buying was the most important thing we should focus on. You sell what you buy, so know what you're investing in.

Shortly thereafter I attended another seminar in which the same question was asked, "What is the most important part of your business?" This was a seminar on proper telephone etiquette so naturally the most important thing we should do is properly train salespeople. A good salesperson can generate countless new leads, a bad one can drive away long-term clients. It takes months to find a customer and seconds to lose one.

A few years after these seminars I sat through another one dealing with inventory management. "What is the most important part of your business?" In this case it was getting your inventory online and in front of potential buyers. Gone are the days of blind searches and endless telephone calls. If people don't know your parts are available, how will they be able to buy them?

Several ARM seminars have focused on delivery drivers. "What is the most important part of your business?" Delivery drivers may be the only face your customers ever see and they associate that one person's appearance and demeanor with your entire company.

If all of these things aren't enough, I've been privileged to represent ARM in several MDEQ and Department of State meetings. These agencies both believe that compliance with recordkeeping and environmental standards is the do-or-die "most important" part of a business. To meet their requirements means having administration and oversight staff who are knowledgeable and competent to keep everything and everyone in-line.

With all of these competing factors being presented as the "most important part" of business, it might seem hard to figure out what truly is the most important of all. Looking a bit deeper though, we can see one thing

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Save the Date!

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Join us in Charlotte, North Carolina, Oct. 10-12, 2019

Find Out More at ARAExpo.org!

is constant: each one of these parts or tasks relies on qualified people. Moreover, it depends on each of these people communicating with one another and relying on each other to accomplish a common goal.

Having just reached the end of football season, it seems fitting that sports teams represent a great analogy with which to compare ourselves. Without a good offensive line, even the greatest quarterback will continually get sacked. He needs more than just a line of blockers though, not every play can be a quarterback sneak. Our quarterback needs to be able pass the ball to receivers who can catch or hand it off to running backs who can sprint, turn and dive. Some of the team members the quarterback relies on don't even share time on the field with them. Guys like Tom Brady and Jared Goff get a lot of media coverage, but many games often come down to the kickers and last second field goals.

While each player might want to believe he is the most important person on the field, the reality is that winning requires every member of the team doing their own specialized part.

Each member of your recycling team probably has a similar opinion of themselves. The best inventory buyer can fill a yard with high-dollar cars, but without qualified dismantlers they're worth little more than scrap. The best dismantlers can create giant piles of parts, but without direction and an inventory process, they will remain a giant pile of trinkets no one can identify. Tagging parts and inventorying parts is crucial, but without motivated salespeople they will collect dust on shelves. Salespeople can work their tails off to upsell a package deal and see everything fall apart by a careless delivery driver tossing parts around.

Everybody in the system has an important role to play, but much like the football team they won't make it without good coaching. Coaches focus on training the best players and also direct plays during the game. They know their players' strengths and weaknesses and make decisions accordingly. Professional teams have several coaches who each specialize in a particular area. Recyclers have coaches too, we call them managers and they are the glue holding everything together and directing everyone toward the same goal. Sometimes there is only one, sometimes they can be a team unto themselves. So how do we keep everyone moving toward the same end zone?

To begin with, we need to recognize the importance of communicating our expectations to every member of the team. Sports teams often spend a lot of time developing hand signals or play numbers to call out. While I have a hard time picturing some members standing in their offices making hand gestures from the sidelines, planned meetings, memos and training exercises can be effective ways to get everyone working from the same playbook.

Just as importantly, every member of your team needs to understand the challenges faced by every other member. This might include understanding job duties for people that don't work in the same area. A quarterback isn't likely to attempt a field goal himself, but he does need to know how the distance from which his kicker can reasonably make it through the uprights. Salespeople might not double as a parts-pullers, but they do need to know how long it takes to produce a part. Similarly, the inventory manager might believe a part is worth saving for a retail customer, but also needs to know that a salesperson also quotes to body shops with very different expectations.

This year's ARM Road Show will be focused on the effectiveness of teams. Several of the seminars and exercises will be aimed at improving communication and developing an understanding for the importance of each role – and how we depend on each other. We encourage you to bring members from throughout your team for hands-on training and discussions as a group. They will also get a chance to network with other teams from within the industry. Make sure you register today for April 26-27, 2019. Registration forms are available at the ARM website:

FY1 The deadline for the next issue of the Automotive Recyclers of Michigan *YardTalk* newsletter is May 17, 2019. If you would like to place an advertisement or submit an article, please call the ARM office at 800-831-2519.



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