



AUTOMOTIVE  
RECYCLERS  
OF MICHIGAN

See new storm water  
article on page 8.

# YARDTALK

Issue 3

The Official Publication of the Automotive Recyclers of Michigan

Spring-Summer 2020

## The President's Message

**H**ello everyone and welcome to the second half of 2020!

First and foremost, on behalf of ARM I want to sincerely thank each and every one of you for your donations to our association. The response was overwhelming and heartwarming. We are



Jayson Doren

blessed to have such amazing members.

Is it just me or does everyone feel like your brain is in overdrive 24 hours a day? Trying to process everything that is changing seems to be a full-time job in and of itself!

Change in general (good or bad) is usually met with apprehension. How we deal with it individually, as a family, a business, an association, a state, and as a country is what shapes how our future looks.

I would like to take this opportunity to focus only on some of the positive. So here

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## Your Investment in



By Slater Shroyer

**A**s you know by now, 2020 has pretty much been cancelled. Certainly the trade shows, golf outings and meetings that ARM depends on for income have all been cancelled or indefinitely postponed. With the association's income generators shut down, the Board was forced to turn to our members for help during the crisis. The response has been overwhelmingly positive. Many members sent checks in immediately and we thank you and will be making sure to recognize everyone who has stepped up. There is still time to participate and help your association, and for those on the fence, please take a moment to review some of the services that ARM provides.



**A donation to Automotive Recyclers of Michigan is an investment into your business.** ARM is on the front lines protecting the interests of recyclers and providing tools to help you succeed.

On the legislative front, ARM and Kelley Cawthorne have fought on behalf of our members on several bills over the last few years:

(2016) HB4344 and SB430 was a bill which reformed repair processes and originally contained language that might limit the use of recycled OE parts in repairs. ARM worked with ASA Michigan, the bill sponsor, to amend the language to allow the use of recycled OE parts.

(2014) HB5563 and SB941 limited the number of scrap tires that could be collected at a given site and increased the recordkeeping requirements for disposal. Automotive recyclers were being considered scrap tire "generators" and were to be responsible for any discrepancies in the number of tires listed in a load and the number accounted for by the end receiver. ARM lobbied to have the term generator removed.

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## We Will Find the Rainbows

I hope this finds you and your loved ones safe and doing well under the circumstances. These past few months seem like an eternity. One day it was all about the excitement of our upcoming Road Show and our extremely positive vision for the year ahead and now we wonder what the next few months will



**Barb Utter**

even look like. Who would ever had thought that in a few short months our world would be turned upside down and seem to come to a screeching halt, practically overnight.

While the pandemic has rocked our world and the unknown is frightening and certainly a challenge, I do know one thing for certain, it is not all doom and gloom. We all know there must be some rain before you have a rainbow and our ARM members have proven this to be true. We do find the rainbows. Recyclers, especially our ARM family, are second to none. We always rally together, especially when there is a crisis, but this time has been above amazing. We have been totally there for each other. We have shared joys and sorrows, fears and dreams, smiles and tears and many, many "what-ifs" but the common thread through it all is that we reached out and realized we truly need each other. We have established a closeness like never before. We have found solace in being together whether it is on the phone, on a conference call, through virtual meetings or sharing thoughts on emails, texts or even via snail mail. We continue to be resourceful in our ways to stay in touch as we try to navigate our way through these unprecedented times. I have been on Zoom meetings with colleagues, many other associations, family and friends. We have had coffee hour, cocktail hour, many, many sharing ways of survival and some were just friends needing friends which truly was great therapy. And through all of our new adventures, we have certainly demonstrated the importance of why we exist as an association. We have provided each other the support and resources we need to survive no matter

what we encounter. We have proven over and over that there is strength in unity.

Fortunately we were deemed an essential business and therefore we had the option to continue operating, but under all of the new guidelines that were mandated by the Governor. Because of this, I was able to come to the office each day to help disseminate and validate the information we were receiving as accurate and relevant to us. All of our days were very long, especially in the beginning, as we all tried to sort through the volumes of information we were receiving and of course trying to find every resource available for you. I am so grateful that I was able to be a part of the many people and resources that were instrumental in helping to keep us updated on the latest information as we received it. I would like to thank each and every one of them for their support and the resources they have made available to us that have been unbelievably helpful. These resources made it possible to us to transition through these unknown waters with a little more ease and confidence. They were each a much needed rainbow.

Beginning with our voice in Lansing, I want to give a huge thank you to everyone at Kelley Cawthorne and especially to Nate Love for his daily updates. I heard from so, so many of you saying what a godsend the information is as it saves you precious time deciphering the information on both the state and federal levels. I also attended all of their webinars as well as those of the MI Chamber of Commerce, the MI Small Business Association, the MI Society of Association Executives (MSAE) and ARA. Also, as we were all trying to disseminate all of the PPP information, our CPA Joe Kuiper and our local Huntington Bank Manager were a wealth of information as was our Board of Directors. Sometimes we all question why we belong to an organization but during a crisis the answer is loud and clear. We have each other's back as we can't possible do it alone. Together we are able to help each other regardless of our size, our business model and in many

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#### 2019-20 ARM COMMITTEE CHAIRPERSONS

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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

October 13, 2020

**ARM Virtual Annual Meeting**

3:00 pm

November 11-14, 2020

**77th Annual ARA Convention & Expo**

Reno, Nevada

April 8-10, 2021

**URG Training Conference**

Dallas, Texas

April 29-30 &  
May 1, 2021

**ARM Road Show & Business  
Networking Conference**

TBD (location depending on COVID-19)

## Not Delivered as Described

By Theresa Colbert

**W**hat is the #1 reason for part returns in our industry? A lot of us like to think it's that the customer ordered the wrong part. LOL! Even so, in my humble opinion, it's still your responsibility to find out what the customer really needs. Honestly, in a little place that I like to call "the real world," the #1 reason parts are returned is because they're "NOT DELIVERED AS DESCRIBED!" That's crazy to me! We are selling parts on the internet, hopefully with images and prices, and we can't let the customer know the *condition* of a part *before* we send it?

We have tools at our disposal that we are not using. Our industry has no consistency between yards, trading groups, or geographic locations. Sometimes, even the same yard has 3 engines with the same interchange, but the listings all have different information. The first one has mileage, a price, and a picture. The second has no picture, just the miles, and \$CALL for the price. The third one has no information at all – all you know is that they have an engine for your car.

When I'm on the road, I get complaints from other recyclers and customers like this:

"You need to make people put prices on Car-Part.com. I skip over the ones with no prices."

"Why don't people put the miles on the car? My shop needs to know! Also, I have CARFAX so I'll know if they lie to me!"

"Can you please make people answer the Live Chat light bulb/bubble? I hate calling and being put on hold!"

Now that Live Chat has been redesigned on Car-Part.com, it's much more

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## File A Complaint on Unlicensed Vehicle Dealers

***ARM Will File the  
Complaint for you!***

Contact Barb at  
[arm@mi.automotiverecyclers.org](mailto:arm@mi.automotiverecyclers.org)

or

810-695-6760

or

Follow the link below and complete the  
Reporting an Unlicensed Dealer Form



[http://www.michigan.gov/documents/  
curbstoner\\_form\\_65906\\_7.pdf](http://www.michigan.gov/documents/curbstoner_form_65906_7.pdf)

## Scrap Report

Foundry Steel.....	\$140.00 gt
Clean Auto Cast .....	\$190.00 gt
Unclean Motor Blocks .....	\$140.00 gt
Auto Bodies .....	\$70.00 nt
Batteries .....	.23 lb.
Copper/Brass Radiators.....	1.42 lb.
Aluminum (clean).....	.23 lb.
Whole Aluminum Transmissions.....	.07 lb.

Thanks to Brett Schneider at Padnos Iron & Metal,  
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Prices current as of press time. Prices are subject to change  
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## From the Desk of Your Executive Director

*Continued from page 3*

cases regardless of the industry we represent each association learned from each other. The information, the resources and the networking were invaluable. Many of our members, including our Board of Directors, had regular calls to share what was “happening in our world” and how we were dealing with everything. We are always talking about the importance of our team, and how now, more the ever, we really discovered what “team” members we could count on. When the chips are down, who is really willing to jump right in and do whatever it takes to survive and make change happen.

Before I go any further, the one person who deserves a huge shout out is our president Jayson Doren for his unwavering, always positive leadership and kindness during these hectic times, even when he was facing unbelievable personal challenges at the same time. He has a special knack of pulling it all together and bringing us back to reality and sensibility. He keeps us on track and moving forward. He is true leader. Another special thanks goes to our ARM Board of Directors for their dedication to our association. While they were trying to stay focused on the task of their own survival, we were all still going through all of the disappointment and mechanics of having to cancel our Road Show and our Scholarship Golf Outing. The reality that we couldn't have any of our fundraising activities, which are a huge portion of our budget and provide the resources that enable us to provide the many programs and services we have all come to expect, was daunting, but thanks to so many, we have had so many rainbows during this huge monsoon. When things get tough, families get tougher and more creative, as did the ARM family. The Board, along with each and every one of you, our vendors, our speakers, our partners and suppliers have been so generous and so amazing. I can't begin to thank them all for their generosity and understanding. Many donated their resources or told us to apply them to our next event. Many gave us temporary discounts. Mike Kunkel of Profit Team Consulting was to be one of our Road Show speakers. Mike reached out to Jayson and offered to have their entire team host a Zoom sales training session for all of our members and it was very successful and a win/win for everyone. Our members had an opportunity to provide training for

their employees that they missed because of the Road Show cancellation, Mike and their entire team were able to share their expertise to a wider audience and a generous portion of their costs were donated to our association.

Because of this positive experience, we are planning on providing other vendors the opportunity to share their products and services to you via virtual sessions. If you have any particular vendor, topic or area you would like us to invite or cover or if you as a vendor would like to meet with our great members, please let us know and we will try to make it happen. The more we all stay connected and in touch, the more successful we will all be. Truly, the understanding, generosity, patience and support of everyone has been unbelievable. We have a remarkable industry and a remarkable support base. Thanks for being there for us. We truly are grateful and please know we are here for you as well.

You are the best of the best and I am blessed to work for and with all you. I also want to assure all of you that we realize times are difficult for all of us and while we have always being diligent as well as mindful of our limited funding sources, as we move forward, we will continue to look for ways to be as efficient as possible. We will continue to cut our overhead costs, tighten our already lean budget, all the while still providing you with the information, benefits, programs and services you will need to help you continue to move forward in the months ahead.

I am so looking forward to the time when we can once again be together face to face and share some smiles and hugs without being hidden behind our masks. I also realize that no one can even begin to predict when that will be so in the meantime while we “can't direct the wind, we can continue to adjust the sails as we navigate through these unprecedented waters together.” Together we will find the rainbows.

Stay safe and stay healthy. I'm here to help you in any way I can. 🚗

Hugs to all of you,  
Barb

## President's Message

*Continued from page 1*

we go. These challenging times have helped us all re-prioritize everything. In doing so it has allowed our teams to bond more than ever, trust in each other, and cooperate like I have never seen before! This in return has directly helped a lot of facilities to have their best sales day, week, and month in June and so far, has continued into July!

The daily updates from Nate and Kelley Cawthorne have been highly successful and very much appreciated, which has helped our members keep pace with what is going on in Michigan and the rest of the country.

Our staff training and new safety standards and precautions have all been positive upgrades. It's hard to argue that washing your hands more frequently will help keep you and your family safer and healthier.

Several facilities have taken this time to streamline how they handle their walk-in traffic, customer pickups, and delivery processes (expanded delivery area, added residential deliveries, contactless part pickup) which in return has made us all more efficient! Speaking for myself and Morris Rose, a lot of our customers seem to appreciate these new options.

I wish I could tell you what the rest of 2020 looks like, but honestly, we just do not know. What we do know is that if we continue to communicate and work together as an organization, we all benefit and hopefully come out of all this stronger.

Thank you all again so much for your generosity! 🚗

Jayson Doren  
ARM President



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# Visual Sediment Observations are Useful

By David Kendzierski  
ARM Storm Water Program

**U**nder your storm water permit, you are required to conduct quarterly Storm Water Visual Assessments and fill out the form. The most common observations are related to sediment: total suspended solids (dirt in the water); settleable solids (sediments that sink to the bottom of your sample bottle); and turbidity (cloudiness). These visual observations should be used to determine if there is a sediment problem, identify the source of the problem, and help improve your Best Management Practices to resolve the problem.

Here's a good way to do the visual observation of sediments:

1. Fill a clear plastic or glass bottle with storm water. A peanut butter jar works great.
2. Take a photo of your sample bottle against a white background, as the permit requires.
3. Shake the sample, then immediately observe whether there is significant sediment (dirt) in the water. That is total suspended solids (TSS). The EGLE benchmark for TSS is 100 mg/l. If you can easily read a 1" letter by looking through the water bottle, your sample likely has a TSS less than 100 mg/l.

4. Put the bottle down and don't touch it for one hour. Any sediment that sunk to the bottom of the bottle is called "settleable solids". Then observe the water above the settled solids to see if it is cloudy – that is turbidity.
5. Fill out the visual observation form, recording all observations (color, odor, etc.).

Sources of TSS are typically erosion of soil or gravel carried by water flowing fairly quickly over the land. Settleable solids are usually sand or silt size particles: if you are careful about skimming the surface of the water when you take your sample, you should not have much settleable solids. Turbidity is caused by clay-sized particles (the consistency of flour) that are pulverized by your loaders and trucks on both paved surfaces and gravel. Common ways to control these sediments are improved sweeping, maintaining unpaved roadways, using stone instead of fine gravel, and controlling erosion. Booms and catch basin filters also remove sediment.

Most metals are associated with sediment particles – so if you have visible sediments (even just turbidity) – you may have elevated metal levels. Use visual observations to evaluate the sources of sediments in your runoff whenever you get a significant rain – not just when you take the quarterly sample. By controlling your sediment runoff, you will also reduce the amount of metals in your storm water. 🚗







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### **ARA Participates in Battery-Focused Meetings**

Professional automotive recyclers were well represented at several battery-focused meetings that took place recently. From July 13-16, several members of ARA staff participated in the virtual four-day Membership Meeting of the Suppliers Partnership for the Environment (SP). SP is one of the coalition groups that ARA is involved with that focuses on electric and hybrid vehicle batteries. The mission of SP is to bring together companies in the automotive value chain, in partnership with the EPA, to advance projects with positive environmental, economic and community impact. Meeting topics include automakers' long-term environmental sustainability goals, sustainable materials management, and adaptive innovation in times of crises.

Another industry group that ARA is actively engaged with is NAATBatt International, a trade group advocating for advanced battery technology in North America. On July 14<sup>th</sup>, ARA and ISRI presented information as part of NAATBatt's third annual workshop on lithium-ion battery recycling. In preparation for the presentation, ARA collected feedback from some of the membership to determine the level of knowledge and concern among auto recyclers related to lithium ion batteries. ARA looks forward to sharing some of the feedback after the presentation.

### **Update on Massachusetts's Right to Repair Ballot Question: Access to Vehicle Telematics**

After a protracted battle between the Alliance of Automobile Manufacturers and the Right to Repair Coalition in 2012, Massachusetts passed a right to repair law in 2013. The Right to Repair Act required automakers to provide independent repair shops with the same access to diagnostic and repair information as the manufacturers give their own dealerships. A consequence of the enactment of the Right to Repair Act in Massachusetts was that the automakers signed a memorandum of understanding extending essential provisions of Massachusetts's right to repair law to all 50 states.

However, the original 2013 law excluded telematics,

which are systems that can transfer information wirelessly. Telematics are included in new model vehicles and will be included in 87% of new vehicles in the U.S. by 2022. Telematics allow vehicles to collect data and send it wirelessly to the manufacturers. Some of the data being wirelessly sent to manufacturers includes information such as when a vehicle needs repairs and maintenance and also information related to vehicle health. Since 2013, automakers have used the exclusion of telematics in the Right to Repair Act to circumvent the requirement that automakers provide independent repair shops with access to diagnostic and repair information. Independent repair shops rely on vehicle data and diagnostic data to safely repair vehicles.

Recently, the Right to Repair Coalition (in which ARA has been a longstanding member) was reactivated to ensure that consumers in Massachusetts will continue to be able to choose where to get their cars repaired. The Right to Repair Coalition's goal is to close the loophole that excluded telematics from the 2013 Right to Repair Act and allow independent repair shops, auto parts stores, and consumers to have access to telematic data. Legislation to address the telematic loophole was introduced in Massachusetts in 2018 and 2019. However, the Right to Repair Coalition moved to put the issue directly to Massachusetts voters by having it appear on November's ballot.

On Wednesday, July 1, the Right to Repair Coalition with the help of ARA and the Automotive Recyclers of Massachusetts, delivered 24,000 signatures to the Secretary of State – substantially more than the 13,374 signatures required to put the right to repair telematic issue on the November ballot. However, the automakers legally challenged the validity of the signatures (which were gathered electronically due to COVID-19) on the basis that the Right to Repair Coalition violated the Massachusetts Supreme Court's electronic signature requirements. This week, automakers withdrew their challenge after the Massachusetts Supreme Court ruled (in a separate case) that the vendor used to collect signatures by the Right to Repair Coalition was

*Continued on page 12*



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!**

# ARM PAC

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in compliance with the Court's prior requirements. In November, the question as to whether automakers will be mandated to provide car owners with control over their repair data and telematics will be on the ballot.

### **CAR Coalition Letter**

As mentioned briefly last week, during an Update email, on July 1, the Consumer Access to Repair (CAR) Coalition formally launched. The coalition, whose members include LKQ Corp., Allstate, Certified Automotive Parts Association, and the Automotive Body Parts Association, has called on Congress to explore expanded consumer choice over personal vehicle data. The CAR Coalition urged members of Congress to oppose automakers' call to impose a five-year federal preemption on any state taking action on the sharing of telematics data. By opposing automakers' request, Congress would be supporting consumer choice and would allow consumers to have greater access to less expensive replacement vehicle parts.

### **"The Dismantling Edge"**

**Coming soon from July/August 2020 *Automotive Recycling* magazine**

Look out for this extensive overview of dismantling best practices with strategies from top auto recyclers and certification experts. Here are some key highlights:

#### **Keeping Pace with Advancements in Vehicle Technology**

Vehicle technology has certainly increased in recent years beyond airbags, navigation and back-up cameras. As Mike Meyer, founder of Pam's Auto explains in the article, current production vehicles have more and more electronic components which increase the potential profit of a vehicle. Examples include blind spot monitoring, lane keep assist, automatic braking, telematics, and Internet connectivity. "While the dismantling process may take longer because of additional parts, the sale of these components helps increase revenue," Meyer says. "And while the increased

revenue may not equal more profit, this revenue helps recover the increased investment to purchase the salvage."

### **Technological Advancements**

Wiley Wiltse, chief operating officer at Weller Auto Parts, says the single most important process change in his opinion is the link between buying and inventory. "Buying is where it all begins and without sales data determining what you buy and dismantle, you are running blind," Wiltse says. "We are inventorying more parts than ever and pulling more parts in the dismantling bays that are sold or going directly to core buyers," Wiltse says. "All of this results in better ROI and faster turns."

### **Best Practices Highlights**

In addition to embracing advancements in the dismantling, the article points to several dismantling "best practices" to further improve bottom lines. Practices focusing on health and safety, pre-depollution and proper equipment are just a few of those described.

### **Today, compliance and profitability go hand-in-hand.**

"In our experience, a compliant operation is an efficient and profitable operation," says Elizabeth Grubb, environmental scientist at Vet Environmental Engineering. "Compliance and efficiency enable businesses to maintain a beneficial working relationship with regulatory stakeholders thus enabling them to operate without fines and penalties resulting from noncompliance."

ARA's contributions to the advancement of dismantling procedures is detailed through the Certified Automotive Recycler Program. CAR addresses best management practices at an automotive salvage facility through the storage and re-use of byproducts of dismantling recycled original equipment auto parts. The program also rewards safety in dismantling. – By Maura Keller

For more on this, make sure to check out the July-August issue of *Automotive Recycling* magazine! 🚗

*Articles reprinted with permission from ARA*





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## Your Investment in ARM

*Continued from page 1*

(2012) HB4832 & HB4833 were an attempt to allow unlicensed out of state buyers to purchase salvage and scrap vehicles at auction and exempt them from the recordkeeping requirements of licensed in-state buyers. The proposed bill would have also allowed anyone to purchase scrap and salvage vehicles without a license. ARM and a coalition of associations fought this bill and Michigan Secretary of State representatives argued that it would have decimated consumer protections.

ARM has also hosted Legislative Lobbying Days. State and local politics have a direct impact on businesses and most people don't know who their legislators are. ARM and Kelley Cawthorne have hosted successful Legislative lobbying events for several years. These events introduce members to state lawmakers and staff while devoting time and materials to highlight issues of critical importance. This year's event has been postponed indefinitely, but we expect to resume these face-to-face interactions next year.

We are still receiving regular updates from Nate Love at Kelley Cawthorne regarding the constant changes from the Governor's office as well as actions happening at the federal level. We continue to disperse this information from their office which includes relevant Executive Orders, proposed legislation, reopening plans, and tools to help stay in compliance.

ARM does more than just focus on Legislative issues. The association is also your voice on the safety and environmental fronts.

MDEQ (now EGLE) hosted stakeholder groups for Stormwater Permits. ARM and Dave Kendzioriski from Stormtech met with a stakeholder group consisting of MDEQ regulators and representatives from scrap metal processors regarding required changes to Stormwater permits being mandated by EPA. The meetings involved mitigating the cost and extensive recordkeeping requirements contained in MDEQ's insistence on water sample testing and benchmark monitoring. Prior to the new EPA guidance, Stormwater Permits focused on a Best-Management-Practices approach to limiting spills, seepage, and run-off. David Gregory also approached legislators to discuss a pilot program which would

exclude MICAR members from the more onerous aspects of the sampling program. ARM also hosted stormwater program training by EGLE representatives at our annual meeting.

The MICAR program offers safety and environmental training, compliance tools and audits at a fraction of the cost paid in most states. Through the program, members receive safety manuals, instruction materials, stormwater guidance and more. The program is currently recognized by the ARA national CAR program.

Hybrid Training Seminars have been well received. ARM recognizes that high-voltage electric and hybrid vehicles are one of the biggest safety concerns faced by recyclers. We have hosted training seminars in the past, but determined that dismantlers needed something more in-depth and interactive. Andy Latham from Salvage Wire hosted two full-day training seminars focused on safely removing, handling and storing the high-voltage batteries and components found in electric and hybrid vehicles. Participation was at full capacity and attendees reported that this training was incredibly relevant and useful.

ARM has been offering training in other areas as well. The association has held free forklift training and HazMat (Air Bag) Shipping Training every year at the trade shows. We have also used meetings and trade shows as a platform to bring suppliers and vendors into a single space. This has been more than just a chance for networking, it has also been a great time to offer vendor demonstrations and training in sales and management tools.

In the absence of trade shows, conventions and meetings, ARM has launched our first attempt at virtual training. We plan to bring more virtual training opportunities to members and are working with suppliers, affiliate members, state regulators and others to create content that will bring value to your businesses and employees.

ARM still offers the Kent Utter Jr Memorial Scholarship to employees' children at member facilities.

*Continued on page 18*

***The Automotive Recyclers of Michigan has canceled the 12th Annual ARM Road Show and Business Networking Conference that was to be held April 23-26, 2020. Our priority at this time is the health and safety of our staff, members and their families, speakers, and vendors.***

***We are in the early stages of figuring out what our next steps will be and we will keep you posted. If you have any questions, please contact the ARM office at 810-695-6760 or [arm@mi.automotiverecyclers.org](mailto:arm@mi.automotiverecyclers.org).***

**We would like to thank the following  
VENDORS and SPONSORS  
for their ongoing support of the  
Automotive Recyclers of Michigan!**

### **VENDORS**

Automotive Recyclers Association  
Arrowhead General Insurance Agency  
Assured Partners of Minnesota  
Buddy Automotive  
Car-Part.com  
Commercial Forms Recycler Supply  
Copart  
Crush U Pull It Software  
Earl's Battery Service  
EZ-Suite  
Ferrous Processing & Trading Co.  
G-COR Automotive  
Legend Smelting and Recycling  
PartsTrader  
RM Johnson (EZ-Crusher)  
Rebuilders Automotive Supply  
United Catalyst Corporation  
Worldwide Equipment Sales

### **SPONSORS**

Arrowhead Insurance Agency  
Car-Part.com  
Cats Auto Salvage  
Checkmate  
Commercial Forms Recycler Supply  
Earl's Battery Service  
EZ-Suite  
Ferrous Processing and Trading Co.  
Kalamazoo Metal Company  
Legend Smelting and Recycling  
Middleton Auto Parts  
Padnos  
PartsTrader  
Rebuilders Automotive Supply  
Worldwide Equipment Sales

# Sold to the Highest Bidder...Maybe!

By Marty Hollingshead

Let's look at current practices in place at the Salvage Auctions we attend. Vehicles are put up for auction on the sale date. Now, these auctions are live, online-only. You can, of course, preview these vehicles before the sale, but you have a limited amount of time to do so. To date, one auction has not set up sale lines in quite some time, so to preview these vehicles you have to walk the yard and find them in their scattered locations. I believe that in the near future, you will not even be able to do this.



So, let's look at who the buyers are at salvage auctions. They are:

1. Exporters
2. Rebuilders and High-End Buyers
3. Scrap Processers
4. Auto Recyclers

For this article, we will concentrate on the Auto Recyclers and the type of cars that we all buy. These are, for the most part, the non-rebuildable, late-model, as well as higher-quality older vehicles. The issues that we all have are threefold. The first of which is the limited disclosure of the sellers. With most vehicles being viewed online now, it is critical that we know who the seller is. Is it an Insurance Company, or a Dealer, or someone else? There has been some talk about "ghost" bidding. The Auctions would definitely not be a part of this, but some sellers would. The second issue is the sale status, i.e. on reserve or no reserve. The third, and most frustrating issue, is the "if" or counter-bid.

*When you are looking for a particular piece of salvage to either restock your inventory or cover a sale, it is very frustrating that after you have been the high bidder at the auction, the vehicle is now on "hold" or sold on an "if."*

So, now you have two options. You can either try to buy another vehicle to make sure that you get at least one of them. Then you find out, usually the next day, whether you got your "call cars" or not. The thing to remember here for most of us is that we have a budget to follow, as well as a need to buy certain vehicles to fill the holes in our inventory. If I am high bidder on ten vehicles, nowadays, all ten can be sold on "hold." This means that I could either get all ten, or I could get none. *So, what happens to my plan and budget now?*

If a vehicle is going to be sold on reserve, it needs to be announced before the sale. This will give us the opportunity to bid on the same type of vehicle that has no reserve. If this vehicle is sold on an "if," which means that we did not meet the minimum, we should have the option as a buyer, to withdraw our high bid. At this point, they can relist this vehicle for a future sale and we can continue on with our bidding.

The whole idea of having a counter-bid is frustrating to me for the following reasons: These online auctions now have a very high level of participation. There is a huge audience at any given auction. I have recently seen 4500 participants at one auction alone. Didn't this same, huge audience have the opportunity to bid on and buy this vehicle? So, you were the high bidder. *Isn't it fair to say that the market has spoken, and the vehicle has sold for what the market would bear at this time?*

**With all of that being said, why should you now have an auction after the auction with you bidding yourself up?** This makes no sense whatsoever for the buyer. Personally speaking, I do not "up" my bids on vehicles that I have won that are placed on a "pending" status. My bid is my

*Continued on page 18*



## NEW MEMBERS

*Please welcome the following new members into the ARM family.*

### **Direct Members:**

Auto & Equipment Specialists Auto Sales, LLC – Romulus, MI  
BLK Salvage, Inc. – Detroit, MI

### **Associate Member:**

Northlake Auto Recyclers, Inc. – Hammond, IN

## FUTURE RECYCLERS

*Congratulations to our newest recyclers and their parents:*

To Robin and Chris Roberge of Michigan Auto Recyclers (formerly named Oil City Auto Salvage) in Shepherd, MI on the birth of their son Louis Dean, born 3/13/2020 on his Mom's birthday.

To Kevin and Kelly Johnston of US Auto-Wayne, Inc. of Wayne, MI on the birth of their Valentine baby daughter Navy Rae on February 14, 2020.

To parents Greg and Megan Neuner and grandfather Glenn Neuner of Scholz Auto & Truck Recyclers in Capac, MI on the birth of their daughter Alena born on St. Patrick's Day, March 17, 2020.

## CONDOLENCES

*ARM sends our deepest sympathy to the following members of our ARM family.*

John and Alex Kapousis of G & T Auto & Truck Parts & their families on the recent passing of their father Gus Kapousis on February 27, 2020.

Michele and Gary Hooper of Hooper Auto Salvage on the recent passing of Michele's father William Hunter on March 15, 2020.

Cindy Wedding of Fredd's Auto Salvage & her family on the recent loss of their long time employee Vic Payne on March 15, 2020.

Sandy, Mark, Brad and Judy Rose of Morris Rose Auto Parts on their recent loss of their husband and father Larry on April 7, 2020.

Sandy and Gino Peters of No Fee Salvage.com on the loss of Sandy's father.

Please keep these ARM families in your thoughts and prayers during this difficult and sad time.

## FYI

**Please note name change:**

Oil City Auto Salvage in Shepherd is now Michigan Auto Salvage. Same owner/GM Christopher Roberge and same good service.

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## Sold to the Highest Bidder...Maybe!

*Continued from page 16*

bid! They can either accept it, or they can rerun the vehicle.

### **We are our own worst enemies**

So, why do they have a counter-bid in the first place? They do it because they can and because we have enabled them to do it, it works. Let me ask you this question: How many times have you bought a vehicle and the Auction/Insurance company told you, "Your bid was a lot more than we expected, so we are going to give you some of your money back"? As buyers, if we all looked at this from a practical standpoint, these "if" bids, or counter-bids would go away. I do realize that for most of us, the Insurance Salvage Auctions are the main source for our product, and they play a key role in supplying the Automotive Recycling Industry, as well as the Insurance Industry. As they are important to us, we should be important to them. Without our participation as the buyers of the "parts" cars, they will realize less in returns.

### **So, what are the solutions to these problems?**

1. The Auction Companies need to manage seller expectations. The Auctions need to work with the sellers to assess the true value of salvage vehicles. There are more important factors than just the percentage of ACV (Actual Cash Value). Unfortunately, some sellers only look at that. What they should be considering is: type of loss, severity, year, carline, and mileage. The major Auction companies have all of this data to provide current, accurate, reasonable appraisals. The Auctions sell and have the ability to appraise salvage. Let them do what they do best. One solution to managing the sellers would be this: if they will not accept the Auction's appraisal, they should agree to put it on "buy it now" for one week. If this vehicle is not sold in that time, it should then be put into the next sale on a "no reserve" basis.
2. Buyer Fees: Instead of having a "laundry list" of individual fees, why not just figure out a percentage of sale price as a buyer premium, which is what most other major Auction Houses do? There is one major International Auction House in particular that does things this way.

Every item in their auction is unreserved. Owners are forbidden from bidding on items that they are selling, and bids are irrevocable, and all sales are final. If you are the high bidder, you are the new owner of this item. Oh, and by the way, everything sold for \$10,000 and less has a 10% transaction fee, and they also charge a fee to the seller. It would be nice if our auctions would do the same. The end result of this would be better relationships between the buyers, the sellers, and the auctions. This would mean a better future for continued business for all parties involved.

We all need to work with and support our State and National Associations. They represent the best interests of this industry, and together we can speak with one, loud, clear voice. Remember, there is strength in numbers.

### **Support your State and National Associations.**

**Support ARA, the only real Association for Auto Recyclers.** 🚗

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## Your Investment in ARM

*Continued from page 14*

Automotive Recyclers of Michigan is committed to bring value to each of our members. We coordinate many activities with Automotive Recyclers Association (ARA) the international association representing our industry. ARA provides regular updates and monitors issues at both state and federal levels across the country. As issues present themselves in other states, ARA works to keep the entire industry informed. Through ARM's affiliate status, members have a voice in ARA's national programs and lobbying efforts.

If you have donated to the Automotive Recyclers of Michigan or made a pledge to support the association during this unprecedented crisis, we thank you. If you haven't yet contributed, there is still time to send in a check or pledge card. Every dollar is an investment into the one organization in the state dedicated to your interests. We are an association of recyclers standing for recyclers. 🚗

# Fire Extinguisher Training:

## Save Lives and Property by Putting Out or Containing Small Fires Until the Fire Department Arrives

**David Kendziorski**  
**ARM MICAR Manager**

**U**nfortunately, the auto recycling industry has had far too many serious fires. Firefighting is best left to professionals. But proper use of portable fire extinguishers can often handle small fires before they get out of hand.

### MiOSHA Regulations

MiOSHA requires that most companies, including recyclers, provide portable fire extinguishers. The MiOSHA regulation wants to ensure that the extinguishers are in good working order – so it requires monthly visual inspections (initial and date the tag on the extinguisher after checking that it has a full charge and the security pin is secured) and annual maintenance (normally provided by a fire service firm). The extinguishers must be kept fully charged and ready to use. There are specific limits on the maximum distance they can be kept from your work area. MiOSHA also requires annual training for employees in how to use the extinguishers correctly. If you have ten or more employees, that training must be documented in writing.

Most MiOSHA fire-related violations involve inadequate employee training and failure to provide and maintain appropriate fire extinguishers. But of course avoiding a MiOSHA penalty is not the primary reason to follow the rules: your goal is to protect your workers and save your business.

### Types of Extinguishers

There are four types:

- Class A Extinguishers are used to put out fires involving normal burnables (wood, paper, rags, trash, etc.). The extinguisher may use water, foam, or dry chemical. They have a number (1-A, 2-A, 3-A, and so on). A 2-A unit can handle twice as large a fire as a 1-A unit, and a 3-A unit can put out a fire three times larger. Class A extinguishers must be located no more than 75 feet from the work area where they will likely be used.

- Class B Extinguishers are used to put out fires involving flammable liquids such as gasoline, oils, grease, and solvents. These extinguishers use carbon dioxide, foam, or dry chemicals. With Class Bs, the number shows how many square feet the unit can handle. A 5-B should be able to extinguish a five-square-foot-fire; a 10-B should handle a ten-square-foot-fire; and so on. Class B extinguishers are required to be located within 50 feet from the work area.
- Class C Extinguishers are used for electrical fires. Class C extinguishers use carbon dioxide or a dry chemical. Never use water on an electrical fire! These extinguishers do not have numbers.
- Combination ABC or BC Extinguishers are used when a fire may combine one or more of the fire types discussed above.
- Class D Extinguishers are used for fires of combustible metals, such as magnesium, zinc, powdered aluminum, titanium, and sodium. They are only required for “special” hazard zones, and must be located within 75 feet of the source area.

### How to Use

Fairly simple:

1. Pull the pin (break the zip-tie)
2. Stand about 8 feet from the fire
3. Aim hose at the base of the fire
4. Squeeze the trigger



Aim is very important: most portable fire extinguishers only last 5 to 20 seconds. Don't be a hero – if the fire is too big for you, evacuate safely and let the professionals handle it.

### Wrap-Up

Fire prevention and preparation is best. Firefighting is serious business and not for amateurs. Proper use of portable extinguishers can put out small fires if dealt with quickly and correctly. Discuss this article with your employees. If there is a fire, they will know where to go and what to do. Other good resources may include your insurance company, fire service firm, and local fire department. 🚒

# THE DONALD COOPER CORPORATION

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## Management tool #B-18:®

### The 13 keys to creating a Winning Culture...how do you rate?

**Note:** There are many complex definitions of what a business culture is. Simply put, our 'culture' is the way things are done and the way people are treated in our business.

Rate your culture using the 13 key cultural success factors listed below. Using the boxes on the left, honestly rate your current level of performance in each factor, on a scale of 1 to 10, with 10 being 'excellent'. To calculate your 'Culture Score' out of 100, total the box scores, divide the total by 13 and multiply that answer by 100.

It will be most helpful to have a number of people throughout your organization, in various functions, complete this rating to see how those in different areas see and rate your culture.

#### Rating our Culture...

- ☐ 1. We have a clear **'Statement of Purpose'** and specific and measurable **Vision & Mission**. We know what we commit to become to be a profitable and responsible market leader in 3 to 5 years (our Vision)...and specifically what we must do this year to get there (our Mission).  
**Note:** For step-by-step help in creating a clear Vision & Mission for your business, order your **Vision Critical Guide** at [donaldcooper.com](http://donaldcooper.com).
- ☐ 2. We have clear, consistent and effectively communicated **commitments, values, standards, systems, structures and processes** that create clarity, consistency, integrity and efficiency. Everyone knows what we stand for, and what's expected of them.
- ☐ 3. We have a culture that generates **pride, confidence, commitment, passion and joy**.
- ☐ 4. We have a **measuring** culture. We know how we're doing, who's performing and who's not...what's working and what's not.
- ☐ 5. We have a clear **service** culture...passionately committed to serving both external and internal 'customers'.
- ☐ 6. We attract, lead, engage and retain a **top-performing team** at every level of the organization.
- ☐ 7. We are a **learning** culture. We provide the training and coaching that people need to succeed in their work...and to grow into new responsibilities.
- ☐ 8. We **communicate** consistently and honestly. Our words and actions are congruent.
- ☐ 9. We **empower** employees at all levels to do their job, make decisions and grow the business.
- ☐ 10. We have a **'team'** culture. We collaborate with, assist, support and encourage each other.
- ☐ 11. Our culture encourages **creativity and innovation** throughout the organization. We listen to people's ideas and reward innovative thinking.
- ☐ 12. We **implement effectively**. We have the ability and courage to plan, act and react decisively, and with a sense of urgency.
- ☐ 13. We have a culture of **accountability**. We measure performance, reward the effective effort of individuals and teams...and we deal quickly and fairly with non-performance.

**Our Total 'Culture Rating out of 100 is \_\_\_\_.** Which aspects of your culture need improving and, specifically, how it will be accomplished...and by when?

**Donald Cooper can be reached by email at [donald@donaldcooper.com](mailto:donald@donaldcooper.com) in Toronto, Canada.**



# Removing Toxic Metals From Vehicles

By David Kendziorski  
Stormtech, Inc.

**T**oxic metals like mercury, lead, copper, and zinc can be released to the environment as motor vehicles travel on roadways, and as the end-of-life vehicles are dismantled, crushed, and shredded at recycling facilities. Mercury and lead are highly toxic to humans and wildlife. Copper, zinc, and many other metals (including lead) can be lethal to fish and aquatic life. Over the past decade or two, there has been a significant push to reduce the amount of toxic metals that can be released from vehicles.

Auto manufacturers sometimes resist attempts to design vehicles to eliminate such toxins, are slow to voluntarily adopt better alternatives, and often refuse to even share information about where these contaminants are present in different vehicle models. Because of the reluctance of auto manufacturers to take adequate responsibility for their products, government regulators, environmental organizations, and citizen groups have stepped in to take the lead. These efforts to reduce toxic metals in vehicles have had mixed results.

**Mercury** – While tiny amounts of mercury are present in several vehicle parts such as navigation systems, the vast majority of mercury is contained in hood and trunk convenience light switches in many U.S.-manufactured vehicles built before 2002. In about 2000, discussions began to determine if the mercury switch problem could be resolved. After considerable foot-dragging, the End-of-Life Vehicle Solutions (ELVS) program, funded by the Steel Manufacturers Association (SMA) and the American Iron & Steel Institute (AISI), began operations in 2005. The national program collects switches removed from end-of-life vehicles, transports and recycles the switches, and disposes of the elemental mercury. The ELVS program also includes educational outreach and promotion of vehicle recycling. The ELVS program is funded through the end of 2021.

**Lead** – Historically, lead wheel weights have been used to balance vehicle tires because of its weight, low cost, and malleability. But lead is also highly toxic. The U.S. Geological Survey estimates that 65,000 tons of lead wheel weights remain in use on U.S. roadways and each year about 2,000 tons of lead fall off the wheels

onto roads. Much of this lead washes off or is leached into waterways. With new advancements in wheel rim construction, steel wheel weights (rather than lead) can now provide sufficient weight to balance tires and are in increased use. Eight states – MD, CA, IL, MN, ME, NY, VT, and WA – have enacted laws prohibiting the use of lead wheel weights. However, the remaining states still allow lead weights and a nation-wide ban has not yet been passed although in 2008 the U.S. EPA launched a voluntary initiative to discourage using lead weights.

**Zinc** – Two of the largest sources of zinc to the environment are rain wash off from galvanized zinc-coated steel surfaces and zinc oxide in tires. Exposed galvanized steel develops a patina or oxidized surface that is slowly washed away by rain. Galvanized surfaces can be painted or covered with durable coatings to almost eliminate zinc release. Zinc oxide is used in tire manufacturing as a catalyst for rubber curing and to improve tire durability. A typical tire contains 1 to 2% zinc by weight. The zinc can leach from the tires and is exposed to the environment as crumbs and particles wear from the tires during use. Over a tire's lifetime, about 10% of the material wears away onto road surfaces, and research found that 70% of the zinc deposited onto roads could be washed off by rain. A few years ago, the California legislature considered a bill to restrict the use of zinc in tires and ban the sale of tires that contain more than a specified amount of zinc. However, the bill was gutted when the tire industry argued that restricting zinc oxide in tires would require extensive changes in tire composition that could impair tire safety.

**Copper** – While efforts to reduce zinc in tires have stalled, copper stakeholders have proven more successful at reducing a major source of copper: brake pads. Copper helps brakes operate smoothly, it transfers heat efficiently so the brakes don't overheat, and it is effective in cold weather. Copper also helps prevent brake squeaking and shuddering. But the brake dust includes copper that is easily washed off roadways by rain. A study conducted by representatives of the auto industry, parts manufacturers, environmental groups, storm water regulators, and municipalities found that 35 – 60% of the copper in urban storm water runoff came from brake pad deposits. With the support of the Copper

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# Associations: Who Needs 'Em?

By Marty Hollingshead

I'm writing this article to talk about all of the challenges we are facing as an industry, all the adversity that we will need to overcome, as well as the uncertainty about current events facing all of us with COVID-19. One thing is for certain, we are living in a different world now. These are anxious and fearful times, indeed. This is shaping up to be for our generation: the Spanish Flu, the Great Depression, World War II, and the Riots of the 60's, all rolled up into one package. 2020 may very well end up being the year that never should have been.

What we do know is, as with any bad things that happen, in time all things pass. Throughout history, we have been able to prevail through whatever has happened, and this is no different. We will prevail, we will get through it.

**Let's take a look at our National and State Associations. Do we need them? What do they do for us? Why should I participate? Why should I support them?**

So, what are some of the challenges facing us now and in the future?

**1. OEM Position Statements on how vehicles should be repaired:** This is an area that unfairly targets Auto Recyclers. After all, parts that we sell come off of the

very same vehicles that the OEMs built. So, with this being said, why should these parts be unsafe for use on repairs?

**2. Information denial by the OEMs:** Besides us not having access to the Build information that is available to all others in the automotive industry but excludes only us Auto Recyclers, now there are people saying that we will be breaking the law by unknowingly selling parts that are on recall. The recall information is something that we should have. We should not have to beg, borrow, steal, or have to pay for it. The OEMs should provide this to us. It should be part of our Yard Management System (YMS).

**3. What type of parts will we be able to sell?**

As vehicles evolve, and with more and more components being VIN specific, which parts will no longer have a resale value?

**4. Unfair competition from Unlicensed Buyers.**

**5. Safety and Environmental Compliance Issues:** Just look at what has happened recently in the proposed changes with the Stormwater Permits. Will we be facing more scrutiny from the regulators now, and what will the cost of doing business be as a result of this?

**6. Insurance issues:** Higher costs, and limited markets.

**7. Our data and how do we regain control of it?**

**8. Lastly, the negative perception that others have of our industry:** How do we overcome this "junkyard" stigma? How do we communicate to the rest of the world who we really are and what we do?

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## Removing Toxic Metals from Vehicles

*Continued from page 21*

Development Association, a non-profit representative of the world-wide copper industry, the states of California and Washington in 2010 passed legislation that restricted the amount of copper in brake pads to 0.5% or less. The limits will be phased in by 2025. The copper industry is confident that substances can be developed that will be a less toxic solution than copper without compromising vehicle performance or customer safety. Promising options include fiberglass and Kevlar.

Reducing toxic metals released from vehicles, combined with reduced atmospheric emissions associated with electric and hybrid vehicles, should protect human health, reduce environmental harm, and help support the sustainability of the auto industry – including recycling. 🚗

So, now with all of this considered, do we need them? Most definitely. They represent the interests and concerns of our industry; they work hard on a legislative level monitoring legislation coming through, as well as having a voice in shaping the things that affect our industry. We can't leave our fate to be decided by lawmakers that don't know who we are or what we do. They are also a great resource for training and education. These are tough times for everybody. What we need to remember is for our industry to survive, and hopefully thrive in the future, we need to stick together. We need to unite for the same cause.

Our Associations have gone through some difficult times of late, financially. All of the State Conventions have been canceled due to COVID-19 to date, and this

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## Let's Talk Recalls...

By Katie Stark and Paul D'Adamo

# Heard about the 21/90 Rule?

Creating New Habits while shedding Old Habits is Critical to Business and Takata Airbags

### Creatures of Habit

We all know about Bad Habits because we tell ourselves that we will change some of them in our New Year Resolutions. Some of us are successful at stopping bad habits but it usually doesn't happen without starting a new habit. Have you heard of the 21/90 rule? It usually takes 21 days to make a habit and 90 days to make it a permanent lifestyle change. It's no different in the Auto Recycling Industry; by nature, we are "creatures of habit". Ask anyone who has switched their YMS (yard management system) how easy it was to change habits for themselves and their employees. Most people would agree that once they got past the first month the transition got easier, and once 90 days had passed, it's like you have always had it.

### The Most Expensive Words in Business

Have you heard the phrase "We've always done it that way"? This phrase is a testament to old habits that are not keeping up with the times and probably costing you more than you could ever imagine. We have developed habits for every phase of our business; inventorying parts, dismantling vehicles, draining fluids, shipping, deliveries and everything else that happens at your location. But your success in recovering airbags is measured by your commitment to incorporating new habits into your daily processes. Recyclers have established new habits and are now validating vin's for every vehicle at check-in to determine if it has Recalls. Some of you are using our Mobile YAPP (yard airbag app) and others are using our Desktop Software.

### The habits you develop today for Takata Airbags will pay dividends down the road

RAS has developed a robust platform (mobile and desktop) for Recyclers to identify, process, and ship airbags. Each of these stages require you to develop new habits. What does the future hold? We all know that it is illegal to sell recalled parts. But how do we know which parts are recalled, you might ask? Buddy Innovations has taken the initiative on this front. The Buddy Inventory device will identify all parts on recall for you. There is no doubt the major Yard Management Systems will look to incorporate this technology into their inventory process as well. We believe the Takata Recall has provided a foundation for recyclers to recognize the liability threat of recalls and given them incentive to develop new habits to handle them, whether they have bounty on them or not.

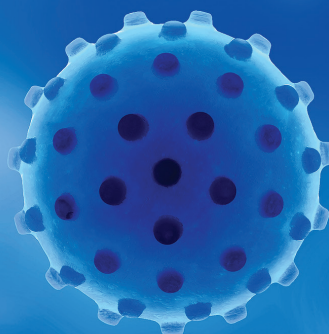
The 21/90 Rule is real. What is your timetable? What new habits need to be established at your business? Are they housekeeping habits? Dismantling habits? Inventory habits? Recall habits? The 21/90 rule must start at the top, but it is equally important to get your team accustomed to changing their ways and soon you will create a "Culture of Change".

### Need help developing good Recall habits?

Simply call or email Paul the Recall Guy at 401-458-9080 or pdadamo@coresupply.com. An Industry Veteran of 30 years, Paul has been diligent about initiating New Habits to keep up with the ever evolving auto recycling industry. 🚗



# CoVID19



## What Will the New Normal Be?

By Marty Hollingshead

**W**hether you are a small business owner, a fortune 500 company, or the average working person, this is the question that you are now pondering. This has hit us fast and hit us hard, and the bad thing is that we are really not sure when it will end. Also when this is over what will the new normal be. At the present time, (April 13<sup>th</sup>) this is what we do know: by “social distancing” we seem to have flattened the curve, the economy is basically in what can be referred to as a drug-induced coma. Unemployment is off the charts. People that are on layoff are wondering if they will have a job to come back to, as well as knowing how they will make ends meet. These are anxious, and uncertain times for sure. Business owners, both large and small are wondering how, and if they will come out of this also.

The bad thing is, this could very well be for our generation, the equivalent of World War II and the Great Depression rolled into one. The only good thing to say is, hopefully this will only last months and not years. There are some businesses that will never be the same. Some will not recover. The ones that will survive and thrive will be the ones that are able to change and adapt.

Travel, tourism, entertainment, or anything else for that matter that results in large gatherings of people will probably never be the same. Will we ever shake hands again?

We, in the Automotive Recycling business are fortunate, as we were determined to be an essential business. While things have changed for us in what we do and how we do it in regards to servicing our customers,

we have been allowed to keep our doors open. The government has stepped up with the Payroll Protection Program, (PPP). While this will definitely be a help to all businesses, it will probably only cover a portion of what we will all lose.

In times of crisis, this is where good leadership is critical. Employees have to have confidence in the boss. The boss has to communicate the current situation honestly to his employees. Whether it is good or bad, popular or not, people need to know the truth. There have actually been companies that have laid people off via an e-mail.

For us as Auto Recyclers, having to lay people off is one of the most difficult decisions that we would have to make. For some, unfortunately, there may be no other choice. I told my employees that I will keep all of them working as long as we remain an essential business. If we have to close our doors, I will continue to pay them. Our plan is to work on projects; get our house in order. Our goal is to hope to say when this does end that we kept our doors open, everyone worked, and we continued to service our customers.

As I said before this will affect us all. A/R aging will increase; it will take all of our open account customers whether they are other recyclers, or our shops longer to pay their bills. We will need to be patient with them. My approach is this: for my open accounts that have a history of being current on their bill nothing has changed. We will continue to extend credit terms to them. For those that are slow pay, we will watch them closely. For those that we have to chase for our money,

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# NOW AVAILABLE ON OUR WEBSITE FOR MEMBERS ONLY

## ARM Safety Compliance Manual with fill-in forms



The Members Only ARM Safety Program is FREE to all members. The ARM Safety Compliance Manual will help you meet the MIOSHA record keeping and reporting requirements.

## ARM Do-It-Yourself Storm Water Compliance with sample documents



All ARM members now have access to a set of Sample Compliance Documents that will help you prepare the required permit compliance documents that must be submitted to the Department of Environment, Great Lakes, and Energy (EGLE) - formerly the Department of Environmental Quality (DEQ).

### ***How to Access the Members Only Section of the ARM website:***

- [www.automotiverecyclers.org](http://www.automotiverecyclers.org)
- Request a log-In
- Once your membership status is verified by the ARM office, you will have access to all Members Only Content.



If you have any questions, please contact the ARM office at 810-695-6760  
or [arm@mi.automotiverecyclers.org](mailto:arm@mi.automotiverecyclers.org)

## COVID-19

*Continued from page 24*

it will now be C.O.D or not at all. Know this: In times of crisis everyone shows their true colors. Do your very best to support and stand by those you employ as well as those you deal with. As bad as things may seem right now, it will pass. What you do or don't do will be remembered long after this is over. Your employees are your company's greatest asset, and we will all need them when this crisis ends.

One of the wisest persons in my life was Erwin "Bud" Zalon from C & J Auto Parts. I still remember back in 1975 when I was only 19 what he once told me when he made a mistake on my paycheck in my favor. When I brought it to his attention, he said yes, he made a mistake, but then told me I could keep it (it was \$200.00 which was about 900 bucks in today's dollars). He told me: "in business you should always take care of your

help, your suppliers, and your customers". I think of what he said every day.

Back in 1943, ARA, your association, was formed out of adversity. We have survived for 77 years, and we will survive this. We are relevant, we are needed, and we are an important part of the Automotive Industry. We are "ROE"! Maybe after this is over, we will be recognized for all we do, and get the respect we deserve. Maybe the OEMs will now realize that we are not their adversary, we are a viable partner.

This will be one for the history books.

Keep calm, don't panic and we will all get through this together. In these tough times we all have to put others ahead of ourselves, make sacrifices, and do what's best for all.

Remember the Doctors, Nurses, and the First Responders. These folks have put themselves in harm's way to serve and help us all. In this crisis they are the True Hero's! 🚗

**Recycle! Recycle! Recycle!**



# NOVEMBER 11-14, 2020

**SAVE THE DATE**

Join the Automotive Recyclers Association at the  
**77TH ANNUAL CONVENTION & EXPO**  
Peppermill Resort 🌲 Nov. 11-14, 2020 🌲 Reno, Nevada



## Not Delivered as Described

*Continued from page 4*

prominent to shoppers. Answering your iCPM messages is more important than ever! A lot of people do not want to talk on the phone. So if you answer your messages, you may be the one who makes the sale! The customer already knows you have the part, and hopefully they know the price. They may just want to know when they can pick it up, or if it has pink polka dots in the paint.

Okay, okay, I am very bossy, but I am not Queen of the World! I can't *make* anyone do anything! But I *can* strongly suggest that recyclers have good practices. The ones who do, will sell more parts! Also, I can share with you some tools to make some of these things easier for you and your inventory person.

**Part Grading Inconsistency Report** – Every recycler on Car-Part Gold has access to a Part Grading Inconsistency Report. This report will help you find inconsistencies between your ARA damage codes and objectionable words in your part descriptions. If you need help accessing this report, give your Car-Part support rep a call.

**ARA Damage Codes** – The Automotive Recyclers Association has come up with a comprehensive list of damage codes for body parts. These codes describe the location, type, and size of the damage. They also have a formula that uses the model, year, and mileage to calculate the ARA grade for mechanical parts. You

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## Associations: Who Needs 'Em?

*Continued from page 22*

has created budget problems for them. We all need to support our National and our State Associations. Remember that these are "not for profit," and they cannot exist without our support. What the future holds for us is unknown, but one thing is for certain: the past and the present are the best predictors of the future. Please bear in mind that you only get out of something what you put into it.

This industry needs the State Associations as well as ARA to keep it relevant and viable. The strength of any Association comes from its members and their level of participation. We all need to "kick in" and do our part. We need to invest the time, work, and money that is needed to ensure our future. 🚗

can get a copy of these from the Car-Part.com website ([car-part.com/damage.htm](http://car-part.com/damage.htm)) or from the ARA's website ([a-r-a.org/best-practices/industry-standards-and-resources/](http://a-r-a.org/best-practices/industry-standards-and-resources/)). I know that a lot of shops still don't understand these codes, but if recyclers don't get consistent with them, how can we expect the shops to learn them?

**Objectionable Words and Downgrade Words** – This is probably the #1 thing I see when checking a recycler's Part Grading Inconsistency Report: the part was given a damage code of "000" but the part's description says "scratched" or "parking lot ding," etc. A lot of recyclers think that entering a damage code of "000" will result in an A grade, but if your description contains a word that indicates damage, that part will not display with an A grade on Car-Part.com. But if you enter the correct damage code (for example: 2D1), this could still be an A grade part! Then, any shop would know that in location 2, there is a dent the size of 1 credit card.

**Grade your parts!** – Some recyclers think that not grading parts will force shops to call them, so they can describe the damage on the phone. In reality, a lot of shops tell me that they skip right over ungraded parts. On Car Part Pro, shops can actually filter them right out of their search results so they don't even see ungraded parts.

**Be consistent!** – I cannot say this enough. Make sure that your part's physical condition matches what is indicated in your inventory management system, so your customers will know exactly what they are getting when they buy from you! We all know that things happen where a part gets broken or accidentally run into with the loader, but if we make sure that our parts are sent out in the same condition that they are described the majority of the time, it would make everyone a lot happier!

Have a great month! If you have any questions for me, please email me at [TheresaC@Car-Part.com](mailto:TheresaC@Car-Part.com) or call/text my cell phone at 859-802-2382. 🚗

**F.Y.I.**

The deadline for the next issue of the Automotive Recyclers of Michigan *YardTalk* newsletter is September 21, 2020. If you would like to place an advertisement or submit an article, please call the ARM office at 810-695-6760.





**Automotive Recyclers  
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## One sweet ride.

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