



AUTOMOTIVE
RECYCLERS
OF MICHIGAN

Congratulations to our
2021-2022 scholarship winners!
See page 20 for details.

YARDTALK

Issue 3

The Official Publication of the Automotive Recyclers of Michigan

Summer-Fall 2021

The President's Message

As the outgoing ARM President this is a bittersweet moment for me, my last *YardTalk* article as your President for the past 2 years. It has been an honor to work with Barb, Kathy and the entire Board of Directors, as well as all of our terrific members, and I look forward to being just as active in our association for years to come as a past President.



Jayson Doren

To say the last 2 years have been anything but abnormal would be a huge understatement! As an association and recyclers, we have all faced new challenges and uncertainty at times. We have also proven that what we do and how we do it truly proves that we are an essential industry and what we do matters!

As President I am most proud of how we as an association rallied together in 2020 when the word COVID first came into our lives. We were faced with the fact that we would not be able to have our Annual Road Show or Golf Outing,
Continued on page 4

You Are Invited & Encouraged to Attend Your 2021 ARM Annual Meeting

Again, it will be an online meeting, hosted via Zoom.

**Wednesday, October 20, 2021
3:00 p.m.**

Please let the ARM office know if you would like to be part of this meeting and we will send you the information to access the meeting once it is available.

Join Us!

This will be a great way to connect
with your fellow recyclers in a
safe online environment.



Contact the ARM office at:

810-695-6760 • Fax: 810-695-6762 • arm@mi.automotiverecyclers.org

Photo by Samantha Borges on Unsplash



Car-Part Interchange+

NEW



Now available for Powerlink and Pinnacle users



CrashLink™ with Inventory



CrashLink with Inventory is web based and requires no local software



CrashLink's Simple Interchange Resolution Process lets you answer interchange questions and sell parts on Car-Part.com the next day



Tap into the \$250 million/year CPI+ opportunity in the Car-Part.com marketplace



CPI+ parts include running boards, steering wheels, trim panels, rocker mouldings, air shutters, and trailer hitches



CPI+ provides new and enhanced interchange for 76 parts for all major vehicle makes & models (and 112 parts for Mazda & Mitsubishi).*

* Pinnacle and Powerlink users can inventory all CPI+ parts except 22 (because those parts aren't included in your IMS).



Additional OE interchange, diagrams, and pricing available via an F Key for additional sales

*Scan with your phone
for a video demo!*



Another
innovative product by
Car-Part.com

For more info, contact your friendly Car-Part salesperson:

859-344-1925 • Products.Car-Part.com



Moving ahead with a positive attitude

Hello Everyone!! I hope all of you have been able to find some time to enjoy our beautiful Michigan summer. What a glorious time, especially after last year. I think every weekend I have been to the cottage the weather has been perfect. Sunsets have been spectacular. Such a happy time with family and friends. Just knowing



Barb Utter

we could come and go with some sense of safety and no masks has been a godsend, so I'm having some difficulty thinking about heading north for the Labor Day weekend knowing it's our last hurrah and we're saying goodbye to summer!! It's time to close for the season as fall is around the corner and that means a whole different mindset: kids are heading back to school for real in classroom learning, football season is on its way (go green), pumpkins and mums are popping up all over and our fiscal year ends and a new one begins. All is good, but it goes without saying that fall certainly brings a lot less relaxing and a much faster pace with different schedules for everyone. And unfortunately, we don't know what the new COVID mandates will bring. However, I do know we are moving ahead with a positive attitude. There truly is still a shining light at the end of the tunnel. I read once that "the future is not something we enter; the future is something we create." We definitely are creating a terrific 2021-2022 ARM year.

“The challenge of any organization is to build feelings of oneness, of dependence on one another because the question is usually not how well each person works, but how well they work together.”

— Vince Lombardi

As we move forward in our new fiscal year, we have so many positives to be grateful for and we will continue to create more as the year progresses. We are an essential industry and our businesses have been able to continue operations throughout the entire pandemic. Some of

you have seen the most prosperous bottom lines in your history. Thanks to so many of you, our association has survived when many did not. And I know without a doubt, leadership does matter. With Jayson as our outstanding, dedicated president and a committed Board of Directors we are able to continue to offer you all of the benefits and services you have come to depend on throughout the years. It has been an extraordinary year in spite of the many pitfalls we faced. **Be sure to sign up to participate in our Zoom Annual Meeting on Wednesday, October 20th at 3:00 p.m.** and discover all we have accomplished and all the plans we are creating for this coming year.

Among the many programs & events we are planning is the celebration of **ARM's 50th anniversary** since our founding fathers signed our Articles of Incorporation. Fifty years of extraordinary people joining forces for the good of our industry. How fortunate we are that their dedication set the foundation for us to be the strong "family" that we are today.

We are already in the beginning stages of planning for a great celebration at our **2022 Road Show and Networking Conference** so watch for the date, location and a list of all of the training, educational sessions and festivities that will take place at what will be the event of the year!! And please share your suggestions with us. We truly want to include everyone's wish list in this great celebration. It is so exciting to once again be planning an event where the ARM family will be together in person as we were in May at our terrifically successful Golf Outing and Live Auction.

We often tend to take for granted the importance our ARM "family" plays in each other's survival. Families are not about each guy or gal for himself. Family is about working together...a group of people united by certain convictions or a common cause, a fellowship. That's us! That's the ARM Family! As Vince Lombardi once said, "The challenge of any organization is to build feelings of oneness, of dependence on one another because the question is usually not how well each person works, but how well they work together."

Continued on page 23



OFFICERS

President

Jayson Doren, Morris Rose Auto Parts

1st Vice-President

Gordon Middleton, Middleton Auto Parts

2nd Vice-President

Daniel Gray, Doug's Auto Recyclers

Secretary/Treasurer

Slater Shroyer, Shroyer Auto Parts

Immediate Past President

Ross Lewicki, Highway Auto Parts

Executive Director

Barbara Utter

2020-21 BOARD OF DIRECTORS

Lance DeKeyser, George's Auto Parts

Ted Dusseau, Dusseau Auto Parts

Ron Elenbaas, Pete's Auto & Truck Parts

Stefan Gravis, East Bay Auto Parts

Gary Hooper, Hooper Auto Recycling

Scott Kooienga, Premier Auto & Truck Parts

Bernie Milnes, Roscommon Auto Parts

Glenn Neuner, Neuner's Automotive Recyclers, LLC

Christopher Roberge, Michigan Auto Recyclers

John Sadocha, Auto Farm, Inc.

Simen Savaya, Holbrook Auto Parts

Reed Schram, Schram Auto Parts

2020-21 ARM COMMITTEE CHAIRPERSONS

Legislative

Chair - Ted Dusseau

Co-Chair - Slater Shroyer

Member Services

Chair - Gordon Middleton

Co-Chair - Glenn Neuner

Meetings/Conventions

Chair - Scott Kooienga

Co-Chair - Ron Elenbaas

Fundraising/Scholarship

Chair - Jayson Doren

Co-Chair - Scott Kooienga

MICAR

Chair - Daniel Gray

YARDTALK is published quarterly.

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

Please address articles or letters for publication to:

ARM Office

7550 S. Saginaw

Suite 9

Grand Blanc, MI

48439

Calendar of Upcoming Events

Wednesday, October 20, 2021

ARM Annual Meeting

3:00 p.m. Zoom meeting

November 10-13, 2021

78th Annual ARA Convention & Expo

Sheraton Hotel

Dallas, Texas

President's Message

Continued from page 1

which for some associations and non-profits that would have meant the end. However, because of our amazing members, vendors, legislators, landlords etc...we were able to stay afloat.

The hardest thing I had to do during my term was write that gut wrenching letter in 2020 asking for help from all of you when we were forced to cancel the 2020 Road Show and Golf Outing. The thought of having to ask all of you for donations in such a time of uncertainty for all of us was very difficult and sad to do. Once again though, you all stepped up to the plate to help ARM stay strong.

As our new fiscal year approaches, I am so excited for 2022. It will be ARM's 50th anniversary and we plan to celebrate that remarkable accomplishment TOGETHER! We will be working diligently to make that anniversary outing the biggest Road Show event yet. To do so we will need everyone's help, so please give us your thoughts, ideas, locations, etc...

I want to say thank you to all of you for allowing me to be a part of this amazing organization. Working with all of you has made me realize how truly blessed I am to have stumbled into this incredible industry!

Barb! Since the moment I met you, I just knew we were going to be lifelong friends. There is nothing I or any of our members wouldn't do for you. Your impact on not only our association but at the national level too is quite remarkable.

To the Rose Family, thank you for letting me take time away from our business when I needed to focus on ARM. Your family's generosity, and trust in me is something I will cherish forever. 🚗

Sincerely,

Jayson Doren
ARM President



Do You Need to File a Complaint on an Unlicensed Vehicle Dealer?

Contact the ARM office and they will
file the complaint for you!

Contact Barb at arm@mi.automotiverecycling.org
or 810-695-6760, or follow the link below and
complete the Reporting and 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..... | \$380.00 gt |
| Clean Auto Cast | \$400.00 gt |
| Unclean Motor Blocks | \$360.00 gt |
| Auto Bodies | \$225.00 nt |
| Batteries | \$.24 lb. |
| Copper/Brass Radiators..... | \$2.31 lb. |
| Aluminum (clean)..... | \$.57 lb. |
| Whole Aluminum Transmissions.... | \$.20 lb. |

Thanks to Brett Schneider at Padnos Iron & Metal,
Holland, Michigan

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

Dismantling & Recycling

The people. The products. The programs.

GJS Insurance, an Amwins company, offers an exclusive, national insurance program for Auto Dismantling and Scrap Metal Dealers. Available coverages include Liability, Property, Inland Marine, Crime, Auto, Workers' Compensation and more.

It's all here. Let's talk.

SUE SCURTI, CIC

Senior Vice President

Direct (714) 221-9570 | Cell (949) 636-9360
sue.scurti@amwins.com

GJSco
INSURANCE

An Amwins Company



©2021 Worldwide Facilities, an Amwins Company. All rights reserved. CA Lic #0414108

Keeping Workers Informed and Safe

OSHA HazCom Highlights

By David Kendziorski
MICAR Program Manager

The Federal government agency responsible for worker safety is the Occupational Safety and Health Administration (OSHA). Within Michigan, MIOSHA is responsible for administering and enforcing the OSHA standards.

OSHA's Hazard Communication Standard, known as HazCom, is a federal regulation that specifies that when hazardous materials are present in the workplace, employees have a right to know about the risks involved with storing, handling, or using these materials. In 2012, the HazCom Standard was aligned with the Globally Harmonized System of Classification and Labeling of Chemicals (GHS) which is a worldwide standard. The intent was to make the standard more universally recognized and understandable.

OSHA's regulations, including the HazCom standard, are mind-boggling detailed and complicated. Of course, you are legally responsible to follow every standard that applies to you, but it's helpful to focus on those requirements that most directly affect the auto recycling industry. Both the ARM Safety Compliance Manual and the ARM MICAR Program identify the most important requirements and provide information to help you comply.

The following HazCom requirements should be met by all Michigan auto recyclers:

- **Globally Harmonized System Labels and Pictograms.** These labels which may be purchased at safety and industrial supply websites and stores (and Amazon) are placed on fluid containers, battery storage area, mercury switch container, and large propane tanks. The pictograms that are required for each potential hazard are listed in the Safety Compliance Manual.
- **Safety Data Sheets (SDS).** SDS are 5–10-page reports that describe the chemical properties, health hazards, protective measures, and safety precautions. Most recyclers obtain the SDS from their suppliers or distributors, or download the SDS from the Internet (just Google Product Name SDS). Print out the SDS for all chemical and fluids used at your facility, place in a 3-ring binder in alphabetical order and include a Table of Contents. There are also web based SDS service companies that will maintain your SDS online and make them readily available to your employees.
- **Job Safety and Health Poster.** This is the poster that includes sections on equal employment opportunity, non-discrimination, minimum wage, and more. Note: Despite what safety supply companies tell you, these posters do NOT need to be updated every year or two. Updates are only required when the information changes. If you don't want to purchase the poster, you can download and print each section for free at OSHA.gov – and then post those pages on a wall or bulletin board. OSHA.gov also has a list of Safety Sign Guidelines. Signs can be posted to promote safe work practices and warnings.
- **Injury and Illness Record Keeping and Posting.** This OSHA log (300A) lists the number of employees that had work-related injuries or illnesses the previous year. The log must be posted in a noticeable place from February 1 through April 30. This posting is only required for companies that have 10 or more employees.
- **Written Hazard Communication Plan.** This is easy: a sample plan is included in the Safety Compliance Manual, which is free to all members.
- **HazCom and GHS Training.** Remember this is a right to know standard. So, it's important that employees be trained to better understand their risks and related safety procedures. This annual training must be documented: list the instructor, attending employees, and the topics covered.

To obtain your ARM Safety Compliance Manual, please contact the ARM Office. Stay safe! 🚗



Photo by Absolutvision on Unsplash

You Must Submit a New Storm Water Permit Application BEFORE Your Existing Permit Expires

You must submit a new storm water application through MiWaters every 5 years before your existing permit expires. EGLE will email you a notice to submit a new permit application, along with some instructions.

Submitting the application through MiWaters can be confusing and frustrating – if you get hung up, email your EGLE rep and they will help you.

You will receive a new Certificate of Coverage (COC) under the new permit (it will show up in your MiWaters account). Within 6 months of the COC date, you **MUST** resubmit your SWPPP, Site Map, and Request to Forego Benchmark Monitoring. You can resubmit the old documents that you submitted 5 years ago if nothing has changed – just change the dates. If you don't do that, you'll have to sample and test your storm water runoff, and you don't want to do that.

Should you have any questions, please contact the ARM Storm Water Program: David Kendziorski, 414-943-1773, dave@stormtech1.com.

Recycle! Recycle! Recycle!

| | |
|--|--------------------------|
| | TAGS AND LABELS |
| | SAW BLADES |
| | SHIPPING SUPPLIES |
| | PAINT MARKERS |
| | SAFETY SUPPLIES |
| | YARD AND SHOP |

COMMERCIAL FORMS
FORMS & SUPPLIES FOR THE PROGRESSIVE AUTO RECYCLER
RECYCLER Supply

one click • one call • one order

800.233.0771
www.commercialforms.com

We Make Ordering Simple

Are you ready for an inspection?



Photo by Markus Winkler on Unsplash

By Amber Kendricks

Multiple ARM members have had surprise dealership and environmental inspections this summer. Are you ready, should an inspector walk through your doors tomorrow? I spoke with members who have recently been through these inspections in order to help understand how we can prepare.

On the environmental side, our members were visited by county officials, who then pass the information they glean in their audit along to the state, specifically to Michigan Waters. County inspectors worked with the members to ensure they were 100% up to code and their paperwork was all in order, and Michigan Waters followed up via email. The unannounced visits by the counties did not take long, about an hour each – thanks to the MICAR program! “Everything I needed to know and everything I needed to do was really spelled out for me in my MICAR binder,” said one freshly inspected ARM member over the telephone. The excellent recordkeeping that MICAR requires is exactly what the inspectors are looking for, whether that is simple checklists for visual assessments or housekeeping, or your stormwater sample records.

Dave Kendziorski was a helpful resource for ARM members undergoing these inspections, when one member struggled, they reached out to Dave and he was able to guide them through a smooth resolution. Even if you are found to have a “violation,” which may sound terrifying, the inspector will give you time to rectify it. For example, one member was found to have an out-of-date site plan. They had made changes in their yard since completing their MICAR paperwork with their site plan, but they had not updated the site plan. They were

given 30 days to update it, and they solved the issue by enlarging a recent aerial photo and labeling that. “I could not have asked for nicer people to work with” said one ARM member of the inspector and the Michigan Waters personnel they dealt with in the follow ups.

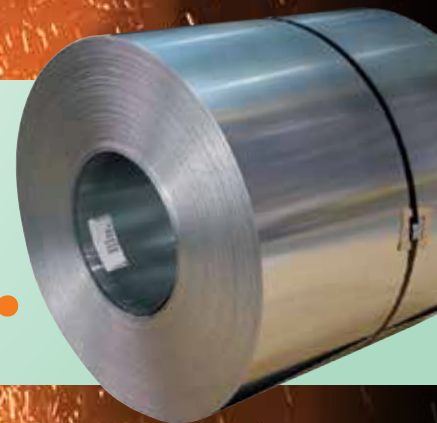
“Everything I needed to know and everything I needed to do was really spelled out for me in my MICAR binder.”

— Freshly Inspected ARM member

One common issue found in these inspections were proper containers for cores. We all know that cores can be messy, no matter how hard we try to drain all the fluid from a core, so it’s important that cores be stored properly so that if any of them leak even a small amount, that leak be contained. An open core bin outdoors just isn’t going to cut it in 2021, but there are multiple solutions. Some members have shifted to storing cores inside, others now have outdoor core containers with covers, still others have built roof structures over their core bins. MICAR audits have pointed this out and helped members get into compliance with their cores; it’s always preferable to find and resolve these things before the inspectors come to visit!

Another common issue was in employee training. Many of us ARM members do a fantastic job of training our people, but not everyone keeps a detailed record of

Continued on page 10



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.

CALL FOR PRICING AT ANY OF OUR FIVE MICHIGAN LOCATIONS

ADRIAN

815 Treat St.
517-265-5195

BAY CITY

1414 N. Madison St.
989-895-5571

JACKSON

711 Lewis St.
517-787-1731

JONESVILLE

751 Beck St.
517-849-2149

STURGIS

2160 S. Centerville Rd.
269-651-7851



OmniSource

The Best in Metals Recycling



Steel Dynamics, Inc.®

www.omnisource.com

www.steeldynamics.com

Are You Ready for an Inspection?

Continued from page 8

that training. This is another area where MICAR does a fabulous job of helping members prepare for these inspections. Forklift, material handling and hazmat training, and the documentation of such, is not just required by MICAR, it's required by the state and they will be checking the paperwork.

The bottom line is we have great news for you: if you simply follow the requirements of MICAR, you are indeed prepared for an environmental audit! And if you have any issues during an environmental audit, you have an amazing resource, Dave, to help you through the difficulties.

For a dealership inspection, you are likely to be visited by a state inspector. The dealership inspections took 1-3 hours, longer for those who run a salvage yard in conjunction with a used car dealership and/or repair dealership versus only a salvage yard. No matter what type of facility you have, be sure to have your business licenses posted visibly, they will look for those. They will request your recent RD108s, one member who was inspected as asked to

show the RD108's from the last four vehicles they had sold. They also had to show their police book year to date. You may not be in the office when the inspector arrives – make sure someone in your office knows where you keep your paperwork! One common issue in dealer inspection for used cars for sale is the storage location of vehicles whose titles have not yet arrived, be sure that they are not intermingled with cars for sale or could not be confused with cars for sale; any vehicle you do not have a title for should be in a separate holding area.

Comparable to environmental inspections, state dealership inspections and any violations that may result from them are not as frightening as they may sound, the state will give you a chance to rectify a small problem. It could be something as small as having posted business hours, a requirement if you are a licensed repair facility. One ARM member who successfully passed their audit after correcting what the inspector requested advised "a trained state employee will find something with any business but just make sure you have procedures in place, train multiple people to know where your documents are and be positive and polite!" 🚗

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

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

Together we are making a difference!!



RECYCLING THE WORLD OVER, AND OVER[®]



PADNOS is a full capability recycling partner that you can trust to provide swift, responsive service at competitive pricing. We are committed to the Automotive Recyclers of Michigan and offer solutions designed to make your life easier.

Call PADNOS, we're ready to go. 1-800-442-4509

padnos.com

2021 and Beyond:

A Look into the Next Twelve Months

What We Can Do to Prepare and Position Ourselves for the Next Year

By Marty Hollingshead

After eighteen months, we are now entering what we hope will be the post-COVID world. So, I want to talk about what we have experienced in the past eighteen months, what the future holds in store for us, what we should expect, and what we can do to prepare and position ourselves.

I want to touch on some things that have happened in our industry during COVID. During COVID, we have experienced things that we have never encountered. The first obvious one is, during COVID, our industry was fortunate because we were all deemed “Essential Workers.” For all of us, hopefully we were able to keep everybody working. During the lockdown and slow months of April and May of 2020, the smart owners kept everyone working, and were using this time to get their house in order and prepare for a time when business would hopefully get back to normal.

For all of us, this anxious period only lasted for two months. We also had the Payroll Protection Program (PPP). In my 37 years of being in business and being an owner, this is the first time that I have gotten something free (for now) from the government. This was definitely a shot in the arm for all of us, having this extra cash. It helped us to keep everyone working during the slow period and beyond.

Come June of 2020, for the most part we all realized business was not only getting back to normal, but actually being better.

With demand exceeding supply, simple economics will always tell us that when demand is up and supply is down, price goes up. Most of us also had the luxury of being able to increase our prices at this time.

Now let's take a look at the present. During COVID, I think it's safe to say that average miles driven were 30% less. With this being said, there would be 30%

less instances of vehicles needing repairs, so there should be 30% less demand for the parts to fix these broken vehicles, as well as 30% less work for the shops that repair them. This did not affect us because COVID created a lot of supply-side shortages and interruptions for new product. This drove a lot of customers to us because they couldn't get these parts anywhere else. Again, what hurt other parts suppliers actually helped our industry. At the time of writing this article, these supply-side interruptions and parts shortages will probably continue for the next 6-9 months.

So, for all of us, the immediate future looks pretty good, right? What should we expect going forward?

1. Higher taxes: Even though for most of us, the PPP program was forgiven, at some point we are going to get handed a bill through higher taxes to pay for it.

2. Getting product: Because there are less new cars being built, the average age of a vehicle has gone up about 14 months. This means diminished quality for the Recycler at the auctions, as well as increased competition for better quality salvage. Again, supply is down, demand is up, price goes up.

3. What we really need to be aware of is that at some point we will see equilibrium (things getting in sync and back to normal). As new car production gets back to normal levels, we will see an accelerated number of certain carlines being taken out of service. When a vehicle is taken out of service, two things happen, there is one more vehicle available for parts, and there is one less vehicle in use that would need these parts. Remember the “Cash for Clunkers” program? As things get back to normal, we will see demand for our parts get back to the pre-COVID levels. What will happen with our parts prices now? Again, I refer to simple economics. Supply goes up, demand goes down, price goes down. Typically, in our industry, what we see at this point is the proverbial “race to the

bottom.” Will we now find out that we have overpaid on some of our purchases and fall far short on our projected revenue?

4. For those that pay commission to their salespeople:

Currently, they have probably enjoyed a nice increase in pay due to the higher prices and demand for our parts. When things do get back to normal and we have to lower our prices to be competitive, what will happen with their pay? They will be getting a smaller paycheck for sure, and what effect is this going to have on them? While I am not a fan of pay for performance, I will say this: If you are paying commission, and it works for you, great. But this may be the time for you to change your pay plan. You will need to find a happy medium to keep your business profitable, and be fair with the people that make your business what it is. Any changes you make in your pay plan should promote teamwork and not individual achievement. What is best for the company is always what is best for all.

5. Lastly, Electric Vehicles: While this isn’t going to affect us directly for the next twelve months, this will probably be the future of the automotive world. While

for most of us, this will be a challenge with learning how to safely handle and dismantle these new vehicles, but with challenge also comes opportunity.

Your Association, ARA, has been working hard on Electric Vehicles, as well as all of the other issues and regulations that we will have to deal with. They have created a great certification program to help train, educate, and make the Auto Recycling Industry the best it can be. Going forward, this type of training and certification will be necessary if you want your business to not only thrive, but survive.

Support your State Associations! Support ARA!

Marty Hollingshead has been in the business since 1973 and the owner of Northlake Auto Recyclers, Inc. in Hammond, Indiana since 1984. He is a board member of the Indiana Automotive Recyclers Association. Both Marty and Northlake have received numerous awards and recognition for excellence in the industry and the community, including being the recent recipient of the ARA 2016 CAR Member of the Year. We are excited that Marty will be attending our Road Show and will be participating on one of our industry panel presentations. 🚗

**AUTOMOTIVE & INDUSTRIAL
BUYER OF CORE BATTERIES
SELLER OF RECONDITIONED BATTERIES
THREE MICHIGAN LOCATIONS**



(586) 294-1730

WWW.EARLSBATTERY.COM

Let's Support Those Who Support Us!

By Sandy Blalock

Most state associations and ARA do their due diligence to assure that strategic industry partners bring value and savings to our members. As specific areas of both the supplier's and buyer's business work together, this trusting relationship allows both parties to better understand the inner workings of the other. In some cases, both parties will be able to adapt their own business practices and operations to better accommodate the other, and that can lead to further efficiencies, operational advantages and savings.

We have vendors in just about any segment of the industry that without hesitation support their state and national associations by exhibiting, sponsoring, advertising, and training. It makes absolutely no sense to me why we would give our hard-earned money to those who only show up at our doors when they need us.

The consolidation of the supply chain may allow buyers and sellers to reduce the number of suppliers they buy or purchase from – streamlining the buying and selling process and making budgeting and accounting a far simpler task. A successful supplier relationship program will often create a trusting partnership between a buyer and a supplier. I think this is key in today's modern auto recycling facility.

As an established supplier relationship develops, communication improves. Suppliers gain a more complete understanding of the businesses they serve, allowing them to meet the recyclers needs more effectively. Delays in the supply chain will decrease, and the flow of operations will greatly improve. And when issues in the ordering process do arise, the healthy working relationship between supplier and recycler will make such issues easier to resolve.

A huge problem has grown exponentially with the value of catalytic converters and an enormous uptick in catalytic converter theft that has not left our industry untouched. Everywhere you look someone is buying and/or selling

catalytic converters. I often wonder with all the awesome vendors buying catalytic converters why recyclers would continue to do business with 3rd party buyers that do not support our industry. I know that for many the attraction of being paid cash for your cores and cats is often hard to pass up, but remember this person buying from you today is going to be selling to someone and making money that rightfully belongs to you, not to mention they may also be buying from those who have illegally obtained the converters thus promoting theft.

Another issue is that ARA is tracking more than 40 bills in states related to catalytic converter theft as well as, who can sell and buy them. Some of those bills have passed and, in some states, it may now be illegal for you to sell catalytic converters to anyone who does not have a brick-and-mortar business and/or permit to buy cores and cats.



Photo by Tim Mossholder on Unsplash

ARA has always and will continue to support law enforcement and their efforts to successfully prosecute catalytic converter theft. We as an industry do not want to support an underground business just because they offer that attractive quick cash payment. It really is our duty to support the companies that care enough to show up, sponsor and give back to recyclers, including many who so generously donated thousands of dollars to our Recycler COVID Relief that benefitted ARA members as well as our state affiliates in 2020.

Need help finding a vendor who supports and gives back please visit the Automotive Recycling Online Buyers Guide at <https://autorecyclingbuyersguide.com/> or you can also see the many supporters in the ARA Magazine, Recyclers Toolbox and your state association newsletters. I hope that each of you reading this will wisely choose to work with companies that give back to the industry we all love. Stay safe and don't forget to mark your calendars for ARA's 78th Annual Convention and Expo in Dallas, Texas November 10-13th. Hope to see y'all there! 🚗



Registration is Open!

ARA is very excited to welcome professional automotive recyclers, industry suppliers, vendors and friends back together on November 10-13th in Dallas, Texas for the 78th Annual Convention & Exposition.

So much is happening simultaneously to impact the way automotive recyclers do business, it is vital the industry gets back together to discuss strategies that will help us all thrive amid rapid change. Together we succeed! Register today!

ARA and the team of volunteer leaders and association staff have been working hard all year to ensure that the 78th Annual Convention & Exposition offers one-of-a-kind opportunities to learn of and see new products and services, experience outstanding educational sessions and network with colleagues.

With industry experts such as Tony Graham, Executive Vice President of Sales, Customer Success and Growth

for Solera, some of the most progressive auto recyclers in the industry, and outside-the-industry experts like Scott Benavidez, Chairman-Elect of the Automotive Service Association, ARA is focusing on the topics that automotive recyclers need to know.

Improve results by bringing several members of your team to attend multiple sessions and gain as much knowledge as possible. 🚗

Article reprinted with permission from ARA.

FUTURE RECYCLER

We send our congratulations to our newest recycler and her proud parents Betsy and Slater Shroyer and grandparents Anne and Bob Shroyer of Shroyer Auto Parts in Lansing on the birth of their daughter and granddaughter Vivianne Elisabeth, born August 2, 2021. 🚗



www.a-r-a.org/convention

**CONTACT KIM GLASSCOCK
FOR SPONSORSHIP INFORMATION
KIM@A-R-A.ORG • (615) 476-4501**



Electric and Hybrid Vehicles — Back to Basics!

By Andy Latham

After Electric shock occurs when a person comes into contact with an electrical source. In these instances the human body becomes a conduit for the electricity between the source and ground, or earth.

Electric shock can cause different injuries depending upon the power of the electricity, the route through the body and the condition of the person being electrocuted. One of the most common injuries is electrical burns at the points where the electricity goes into, and comes out of the body; other injuries can include muscle contractions, loss of consciousness and fatal injury.

Whilst electric shock may not be fatal, it can cause long term damage including muscle contractions,

memory disturbances, loss of balance, sleep issues and much more...

There are two types of electricity, Alternating Current (AC) and Direct Current (DC), and these can operate differently when touched by a human. Alternating current tends to push the person away most of the time, whilst direct current is a muscle contractor, which means that if you are holding the cable in your hand you cannot let go.

Direct current is used in high voltage batteries on electric and hybrid vehicles and this can be the most lethal, as only a very small voltage can stop the heart from beating – an electric shock of between 70 and 90 volts DC, and 1/2 an amp is enough to stop the heart, and most electric and hybrid vehicles work at anything between 144 and 800 volts and from 100 to 800 amps.



Photo by Bob Osias on Unsplash

Hence the need for accredited training, appropriate personal protective equipment, and manufacturers recommended practices when working on a hybrid or electric vehicle, especially one that has been accident damaged, flooded or at end of life.

Accredited training is set at different levels, commensurate with the work that is being completed.

Level 1 or Awareness is suitable for vehicle sales team, parts staff

Level 2 or Certified is suitable for collection drivers, dismantlers and those who are going to be working on the vehicle after it has been made safe to remove components (including high voltage).

Level 3 or Authorized is for those working on the vehicle when it is live; i.e. the technicians making the vehicle safe to work on.

Level 4 or Senior Authorized are the senior team members and they can dismantle the high voltage components, repair them and put them back together again.

The technicians need high voltage gloves, boots and hand tools when working on the high voltage systems; they put a barrier around the vehicle to prevent untrained staff members getting close, disconnect the high voltage system following manufacturers instructions and then test to confirm that there is no high voltage left in the system. Once shut down, all of the energy is now stored in the high voltage battery, and once this has been removed and stored appropriately, the rest of the vehicle can be dismantled.

Store the battery correctly, never mix battery chemistry, keep them dry and store in such a manner that the battery cannot get crushed or punctured, and restrict access to the battery storage area – the high voltage has not been discharged, the energy is still stored in the battery so there is a risk of fire, electrocution or electrolyte leakage if not treated correctly.

If you do have a damaged battery then treat with extreme caution, the electrolyte in high voltage batteries is an alkaline solution, and if leaking can be extremely harmful to health, even in very small quantities. If a leak is suspected test the leakage using red litmus paper, and if the litmus paper changes color to blue then the leakage is alkaline and needs neutralizing, pour on the neutralizer, check again with litmus paper and once the litmus paper does not change colour then the remaining fluid has been neutralized and can be washed away or wiped away. Make certain that the electrolyte doesn't get onto your skin, into your mouth or into your eyes – if it does, seek immediate emergency medical treatment!

Dangerous? – Yes, if not handled correctly, if the right process, tools and PPE are used, then no. Don't forget we have dealt with highly flammable gasoline and diesel for many years without too many issues; if we had had 130 years of electric vehicles and were now introducing a tank of flammable liquid under the back seat that we pipe to the front, compress and explode multiple times a second then there would be similar concerns and worries!

Stay safe out there, get trained, use the right tools and PPE and follow manufacturers processes!

Tools and PPE are available from EINTAC (<https://eintac.com>) and use Discount Code TS10 for 10% off.

About Andy Latham

From shop floor apprenticeship to After Sales Manager in retail motor industry, Latham joined Aviva as a Claims Engineer, and is now a specialist in Electric and Hybrid Vehicles as well as Motor Salvage and Automotive Recycling. He is registered as an Incorporated Engineer (IEng) with the Engineering Council UK, Advanced Automotive Engineer (AAE) and Fellow of the Institute of the Motor Industry (FIMI), Member of the Society of Operation Engineers (MSOE) and Member of the Institute of Road Transport Engineers (MIRTE). 🚗

The Crystal Ball: Understanding Sales Trends in Your Market



Photo by Joshua Woroniecki on Unsplash

By Marty Hollingshead

One of the first steps in being successful is not only knowing your numbers, but what drives them. These are what I refer to as the “drivers.” The people that concentrate on the drivers usually stay ahead of the curve and by doing this, they will see that the numbers will take care of themselves.

We will talk about first, what drives sales? The obvious answers are: inventory, purchasing, and your process, which I will refer to as your “system.” What you do and how you do it will obviously depend on what your needs are and what market you are in or serve. The best success is made by having the ability to identify trends.

Look, we all know what we need today, right? That’s the good news. The bad news is, so does everybody else. When we find ourselves in need of certain items, so do others. As a result, there is more competition for this certain product and the price is always higher. The best time to buy inventory is when you don’t need it. Just like yourselves, we all know what we need today, but if you have a way to chart and are able to identify trends, you can stay ahead of the curve and buy these vehicles before everybody else does.

So, how do you do this? You can use your data within your Yard Management System, and depending on which YMS you have, how you can get this data will vary.

The data you should be looking at are the following:

- **Quantity on Hand (QOH):** How many do you have?
- **Lookups:** How many requests have you had?
- **Sales:** How many have you sold?
- **Average Days in Stock**
- **Average Selling Price**

Being a smart, disciplined buyer, knowing the needs of the company, and being able to identify trends, results in wise buying decisions that will help to set the company up to be profitable and successful. You make your money when you buy the car. Regardless of what you pay for a vehicle, those parts that you sell are only worth so much. At that point, what you paid for the vehicle is irrelevant. After all, a one-hundred-dollar part is worth one-hundred-dollars. It doesn’t matter if you paid one dollar or a million dollars for that vehicle.

Purchasing

Simply put, if you want to increase sales, you have to increase your purchasing. You also have to diversify your purchases. One of the trends I see with a lot of buyers, and what I’ve heard, is that people are covering more and more auctions, looking at more and more vehicles, and having a much lower win rate. Now, if you are a specialty yard, dealing in only a certain type of vehicle, i.e.: trucks, exotic foreign, (specialty type vehicles with a higher average cost), this would make sense. After all,

there are only a limited amount of these vehicles at a typical auction.

But, for most of us who are late-model, full-service Auto Recyclers, we buy a variety (mix) of vehicles. The recycler typically, with 20 purchases, the breakdown would be this: 2-4 vehicles will be higher-end or what I refer to as "Prime" type cars. These are vehicles that typically have an average cost in excess of \$3,500. 10-12 are middle of the road, or what I refer to as "meat and potato" type vehicles. These will have an average cost of \$1,500-\$3,000. Rounding out these 20 purchases, the balance will be some of the older type vehicles. The emphasis on all of these purchases, especially older, is to buy quality. Typically, the older vehicles are bought for mechanical type parts. With this being said, you should be concentrating on lower mile units.

Also, when tracking vehicles, they also have to be broken down into the three different areas. The higher-end vehicles cost the most, but they also can take the longest to recoup your initial investment. However, over time they generate the most profit. These are considered long-term purchases. The second are the meat and potato type vehicles. These are considered mid-term purchases. These are the ones that generate the most profit within a reasonable amount of time. Third are the cheaper vehicles. These are considered short-term purchases. These have the lowest cost of goods, and your break-even time will be fairly quick on these. The problem with these is that once you hit your break-even point, these cars usually don't perform very well after that.

This is why I say that if you wish to track your purchases and performance as a buyer, you should look at your purchases in groups of 20. Look at them in 3 months, 6 months, and a year. Once you do this with these 20 purchases, you will see that some perform very well, some did okay, and some did not. As a buyer, we all have had our share of stinkers, as well as home runs and base hits.

It might be better to concentrate on auctions that are closer to you, as long as you can get the product that you need. If you have customers in your area, are you driving 2 hours away to deliver parts and driving past the customers in your own backyard to do so? The same should be said about buying cars.

Inventory

Have an accurate description that the "average Joe" can understand. Have quality images. Like Theresa Colbert

always says," Describe your parts like you have no pictures. Picture your parts like you have no images."

Pricing

Reviewing your prices and keeping them current and competitive is probably one of the most important and most neglected tasks that we do. This can be very tedious. I refer to pricing as a "moving target." There are some programs in your YMS that can do this for you, but with this being so critical, it is important that on your best moving items, that you are monitoring this yourself. So, if you are pricing, remember, parts don't sell for one of three reasons: It's either overpriced, a bad part, or there is simply no demand for it. Every Yard Management System has the data to show you this. Just remember that with the internet and e-commerce, you could be missing a lot of opportunity and not even know it.

Process

How do you handle and dismantle these vehicles? Do you have a system in place to minimize damage? Are you setting proper expectations with your customer?

Customer Feedback

What are others saying about you? Monitor your reviews. Seek feedback on how to do a better job.

E-Commerce

E-commerce comes in many forms, whether it's E-bay, Amazon, Car-Part.com, or insurance companies putting you on an estimate. All of the aforementioned will either attract customers to your store, or drive them away. The thing to remember here is, you only know what you know. We know when they are calling us to inquire about a part, but do we know when they are passing us by for somebody else? The answer for most of us is, No.

Sales Growth

Where do you want your business to be 1 year from now? 5 years from now? Your goal should always be to grow your business. With this in mind, remember that sales revenue in itself can be deceptive. It's not what you make, but what you keep. All too many times, business owners get wrapped up in increasing sales revenue, only to find out that their final net income does not grow with these additional sales. Your goal should be a 5-6% growth rate year over year. This is manageable, controllable, and sustainable. This would be your best approach.

Support your State and Local Associations!
Support ARA! 🚗

CONGRATULATIONS

to the 2021-2022 Kent Utter, Jr. Memorial Scholarship Recipients:



EMILY DEMING

Emily, whose stepmother is the business manager at Michigan Auto Recyclers, recently graduated from Shepherd High School where she took dual enrollment college classes, graduated at the top of her class while also maintaining

her athletic career, involvement on Student Council, the National Honors Society and volunteering on numerous community activities. She is an amazing, polite, determined and hard working person. As one of her teacher shared, all college students need to have the ADD attributes: A = Ability D=Desire and D=Discipline. With Emily having all of these attributes, he knows she will be successful at Ferris State University where she plans on majoring in Radiology.



ETHAN DEMING

Ethan also recently graduated from Shepherd High School and yes, he is related to Emily. In fact they are twins. He is also a good student, an outstanding athlete who participated in football, track and powerlifting and has assisted in numerous

community service projects. As one of his coaches stated, he is a true leader who personifies everything you want in a reliable captain who only cares about the team's success. He was a two-time All-conference performer in football and helped lead his team to the state playoffs his junior year. He also earned a four-year Iron Man award for never missing a practice his entire high school career. His coach said despite all of his accomplishments on the playing field, Ethan is an even

better person and is extremely proud of what he will become in whatever he chooses to pursue in life. He will be attending Mid Michigan College's Automotive and Diesel Services Program.



REMI HUVER

Remi is a sophomore at Black Hawk College East Campus in Galva, IL, participating in their Agricultural Business Transfer Program. She will attend Black Hawk College for one more year and then transfer to Michigan State University

where she would like to pursue the world of floriculture, with the hope of connecting her passion for agriculture and flowers with love for her education and career. Remi is certainly an outstanding individual who has a strong presence of family and faith. As one of her professor's shared, "her drive to succeed, positive interpersonal interactions and consistently optimistic attitude, while dealing with complications of a pandemic changing daily life, speaks strongly of her potential and desire to succeed. Her father Tony Huver is buyer for Weller Auto Parts.



THOMAS PASTELL

Thomas, whose father is service manager at Roscommon Auto Recyclers, is a junior at Michigan Technological University in Houghton, MI, majoring in Civil Engineering. As he states in his application, he spent countless hours

his first semester studying and focusing on his grades. He soon realized that he had made few friends other than those he helped with their classwork and therefore needed to expand his time to include other activities. He joined some college clubs, made more friends and his experience at Michigan Tech became much more enjoyable. One of the clubs he joined was the Steel Bridge Club where the members design, fabricate and build a strong and aesthetic bridge for competition among other colleges, a great way to combine his

academic goals with fellow students who are of like interests.

His goal is to be able to innovate new designs to make transportation and the structures we use every day to be more efficient so that hopefully millions of people will be positively impacted even if they don't realize it. As one of his references stated, "when Thomas makes a commitment, he follows through and completes what he promises to do."



PARKER SPARROW

Parker will be attending Eastern Michigan University with plans to major in Exercise Science. She has had an amazing educational experience as she was homeschooled until she transitioned to Washtenaw Technical Middle College, a

public charter technical high school on the campus of Washtenaw Community College (WCC). In the second semester of her sophomore year she also began taking a full time college course load at WCC, plus outside of the classroom she engaged in part-time work and extracurricular activities that included competitive gymnastics, dance and swimming. What an adjustment, yet as one of her counselor's stated, "she always pushed forward and maintained her drive, which contributed to her being on the Dean's Honor Roll and the Dean's High Honor Roll. All of these experiences have aided in developing her into a team player and a well-rounded individual." In May of 2020, in spite of a pandemic, Parker, whose father is Sales Manager at Regal Auto Parts, obtained her high school diploma, along with an Associate's Degree in Liberal Arts. 🚗

Need information? Have a question?
Send us an email!

You can reach the
ARM office via e-mail.

Our address is:
arm@mi.automotiverecyclers.org

CARVA – A New Christian Non-profit Organization Begins



Photo by Zac Duant on Unsplash

Why I started Christian Automotive Recyclers & Vendors Association, (CARVA)

By Mike French, CARVA Founder & President

After retiring from nearly 40-years of doing advertising and marketing within the auto recycling industry, I have founded a new non-profit organization, Christian Auto Recyclers & Vendors Association, or simply, CARVA, for short.

WHY CARVA?

Someone might say that there shouldn't be a religious organization like CARVA present within the auto recycling industry. That it's out of place. But they would be mistaken. It's actually unusual, I believe, that there hasn't been an active nationwide Christian fellowship group within our industry until now. In fact, many industries have Christian associations connected to them. Just to name a few, there is the Fellowship of Christian Athletes (sports), Evangelical Christian Publishers Association (Publishers), Christian Educators Association (educators), Christian Legal

Society (lawyers), Christian Organization of Psychiatry (Psychiatrists), and literally thousands more. Just do an internet search of "Christian associations" to see. The fact is, there are Christians present in every industry, including ours. And they love to know who each other are and want to have fellowship with each other. And I believe it is high time for our industry to have a Christian fellowship group, too.

I was in the Christian Secret Service

For many years I was a member of the Christian Secret Service. What I mean by this is I didn't do much to let others know I was a believer and follower of Jesus Christ. Oh, I tried to behave well and Christian-like. I didn't get intoxicated or use foul language. And I tried to treat others very well. But I didn't do much to share Christ with others in the industry. Then something happened to change that.

Receiving terrible news made me see what's important

One day I sat down with a young businessman who was excited about getting his business to the next level. For three hours I shared advertising methods and marketing plans with him. He was extremely outgoing and friendly. He was full of life, he was enthusiastic, and he was open to anything I said to him. After our meeting, on his way home, he was killed in a head-on collision. When I heard the terrible news, I was heartbroken! I realized I had spent three hours with him and hadn't mentioned anything about God to him. He had been so open and friendly that I could have easily initiated a spiritual discussion with him in several different ways, such as, I could have asked him: "Have you found a church you like near where you live?", or "Are you a person of faith?", or "Is God part of your daily life. Or I could have just come right out and asked him plainly, "Are you a Christian? In retrospect, I believe that conversation would have gone well with him; but I didn't say anything at all to him about spiritual matters. And I may have been the last person to speak with him. After that, I made a pledge to never let that happen again. Now I always pray for people before I go to meet with them and I try to find some way to include Christ in our conversation. I am always polite, I'm not pushy, therefore, I have been able to share Christ to some willing listeners on several occasions. One of CARVA's two purposes is to share Christ with the industry.

Knowing other believers within the industry

CARVA's second purpose is to connect Christians within the industry to each other. Over the years I have been fortunate to discover many other Christians within the industry and it has been encouraging to me to have fellowship with them at so many industry events. Unfortunately, this is not always the case for many Christians. They become invisible as they blend into the crowd. If you didn't know they were Christians, you would find it difficult to pick them out of the crowd.

That is why one of CARVA's two purposes is to spotlight awareness of other believers within the industry. Christians can and do encourage and help one another when they are aware of each other. That is why one of CARVA's purposes is to spotlight awareness of other believers within the industry. Christians can and will encourage and help one another when they are aware of one another.

CARVA'S TWO PURPOSES

1. To connect Christians within the Automotive Recycling Industry to each other.
2. To share Jesus Christ to the Automotive Recycling Industry.

WHAT CARVA DOES TO ACCOMPLISH ITS PURPOSES . . .

- **We will** promote by every Scriptural means the spiritual welfare of Automotive Recyclers & Vendors wherever they are located.
- **We will** provide representatives to pray at industry meetings or events.
- **We will** plan fellowship events, prayer breakfasts, lunches, dinners, and other functions.
- **We will** provide speakers for industry events.
- **We will** be present at Automotive Recycler Industry conferences, meetings, trade shows and events.

To receive more information and updates about CARVA, please visit www.carva.group, and complete the form near the top. And be sure to stop by and visit us at our booth at ARA's upcoming 78th Annual ARA Convention & Expo, November 10-13, that's in Dallas. We'd love to see you! 🚗

President's Message

Continued from page 3

ARM is strong. Make it even stronger this new fiscal year by participating in your "family" activities. If you are not a member, we'd love to have you join us. In the meantime, make the most of each day and take some time to enjoy the remaining lazy, hazy days of our Michigan summer with your family. 🚗

Hugs,
Barb

F.Y.I.

The deadline for the next issue of the Automotive Recyclers of Michigan *YardTalk* newsletter is November 8, 2021. If you would like to place an advertisement or submit an article, please call the ARM office at 810-695-6760.



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



One sweet ride.

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

Any Metal. Anywhere. Anytime.



OmniSource

The Best in Metals Recycling

www.omnisource.com

For more information contact

Dan McDonald

damcdonald@omnisource.com

(517) 817-2794 office

(517) 740-8046 cell