YARDIALK

Issue 4

The Official Publication of the Automotive Recyclers of Michigan

Summer-Fall 2022

The President's Message

Welcome to the end of summer. Kids are back in school and the vacation season has pretty much drawn to a close. According to the US Travel Association, travel spending in July of this year was roughly at 2019 (pre-pandemic) levels. This



Slater Shroyer

was the fourth consecutive month it was at or above 2019 levels. At ARM, we're not requiring you to travel anywhere for this year's Annual Meeting! We'll be

handling it with a video-conference call. Call the office at 810-695-6760 to get instructions or a link to the meeting which is set for Tuesday, October 4 at 3PM.

There is a lot going on right now having a direct effect on our industry.

Retail spending has increased, but not enough to keep pace with historically high levels of inflation. As we head into fall, the short and long-term outlook has investors wary of inflation and the rising interest rates intended to tame it. We seem to be doomed to repeat the 1980s... Top Gun was the #1 movie, "Running up that Hill" by Kate Bush was on the US Billboard Top 10,

Continued on page 4

🗦 Join Us! 🗧

You Are Invited & Encouraged to Attend
Your 2022 ARM Annual Meeting

This will be an online meeting, hosted via Zoom.

Tuesday, October 4, 2022 3:00 p.m.

What a great way to connect with your fellow recyclers!

Please contact the ARM office if you would like to be part of this meeting so we can send you the information to access the meeting.



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Life Is What You Make It. Always Has Been. Always Will Be.

i everyone, as I began writing this article for our summer issue I was at my cottage, cherishing the last days of an absolutely glorious summer before I closed my "get-away" for another year. It's always a sad time but one full of great times, great memories and dreams of summers to come. It is a totally relaxing, no



Barb Utter

schedules, slower paced, no stress kind of place. A perfect environment to runaway to, as I have so often this summer, so it is no surprise that I had a hard time concentrating on "work." So I did what I've become really good at this summer...I put it aside, procrastinated, assuring myself that I still had plenty of time to meet

my deadline. Surprise, not true!! All of a sudden reality hit, the calendar is full, with many deadlines looming. So here I am, frantically trying to get my mind set out of the summer procrastinating mode and into the fall "get it together" mode.

I am trying to convince myself that I'm ready for fall and a more structured schedule but I'm really struggling getting there even though the leaves are already beginning to turn color, the evenings are getting shorter and cooler, football is here, and the high school band is practicing so their sound is resounding throughout our small community. Truly fall is in the air. All should be good. I shouldn't be forcing myself to buckle down, but I am. However, as I speak with so many of you, I find comfort in knowing many of you are experiencing the same feelings. Perhaps we can blame it on Covid 19 since we finally were able to enjoy freedoms of our choice. Whatever the reason for the last lingering lazy, hazy days of summer mindset, I truly needed a shot in the arm to buckle down. Then I came across the following quotes from billionaire Mark Cuban and I was reminded why I love what I do and why I needed to begin to get my mindset and schedule back in gear. Hopefully by sharing, they will help you as well.

Recycle! Recycle! Recycle!

Five Quotes from Billionaire Mark Cuban that will Inspire You To Work Your A_ Off.

- 1."Work like there is someone working 24 hours a day to take it away from you". Life is temporary. Work is temporary. One day you will be incredibly successful at whatever you choose to do with your life so start fighting for your future. Maintain the mindset that what you have could end or be taken away from you at any time so be willing to work harder and always give your best effort. This mentality will keep you on your toes and ultimately help you grow.
- 2."It's not in the dreaming, it's in the doing." Growing up, we're repeatedly told to dream big, to never stop dreaming and to believe in our dreams. However, we are not told enough that dreams are accomplished by taking action. Dreams are merely thoughts. The doing is more powerful than the dreaming. The doing is what changes the world and impacts people in unforeseen ways. We have more control over the "doing" than we give ourselves credit. If you spend all of your time dreaming, you will never grant yourself the opportunity to see what you are truly capable of accomplishing.
- 3."Doesn't matter if the glass is half-empty or half-full. All that matters is that you are the one pouring the water." No matter how troublesome life can become, you are in control of your emotions, decisions and outlooks on situations. Believing that you have control over how much water is poured into the glass of life is a powerful skill.
- 4."Wherever I see people doing something the way it's always been done, the way it's "suppose" to be done, following the same old trends, well that's just a big red flag to me to go look somewhere else." Life can get repetitive, consistent and complacent. Falling into a life or workplace of complacency is dangerous. Seek opportunities and take risks that are out of your comfort zone. Surround yourself with people who are bold and do not follow paths already created. Life is too short for us to live in fear of being different. Be who you want to be.



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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

Calendar of Upcoming Events

October 4, 2022 **ARM Annual Meeting**

Tuesday, October 4, 2022 — 3:00 p.m.

Online meeting hosted by Zoom. Let the ARM Office know you will be attending and they will send you the access invite.

URG Training Conference April 27-29, 2023

Hyatt Regency Grand Cypress

Orlando, FL

May 19-20, 2023 **ARM Road Show — SAVE THE DATE!**

Watch for Location TBA

The President's Message

Continued from page 1

and we're in a proxy war with Russia. Energy prices have skyrocketed due to supply interruptions. So while we're giving the 80's another go-around, one might ask if 20% mortgage rates, stagflation, gas-station lines and economic recession are also inevitable?

So that's depressing. Luckily, I can watch a movie from home and have my food (groceries or takeout!) delivered. Unfortunately, that all costs money so like most of you I still need to work. It turns out we're not alone. The unemployment rate increase from 3.5% in July to 3.7% in August was the result of 786,000 people reentering the workforce in the last month. While workforce participation rates have not fully recovered, the "prime-age" (18-54) participation rate is back to 82.8% which is almost its pre-pandemic level. Companies that have struggled to find and keep help are finally seeing some light at the end of the tunnel.

Amid the doom and gloom, there are some other bright spots for the auto recycling industry. Thanks to supply change issues, new replacement parts are still often impossible to get. The demand for high quality reusable items is higher than ever. Automakers are responding to the demand for environmentally conscious products with a renewed focus on sustainability. This means finding ways to reuse or better recycle more components. Some automakers have started talking to recyclers about ways to improve their products and take advantage of the existing infrastructure developed over the last century of this multi-billion dollar industry.

My father loves to quote Heraclitus: The only constant in life is change. The world and this industry are certainly changing and that brings new opportunities for those willing to adapt. In 1963, Louisiana State University Business Professor Leon Megginson had these words for a convention of the Southwestern Social Science Association: Yes, change is the basic law of nature. But the changes wrought by the passage of time affects individuals and institutions in different ways. According to Darwin's Origin of Species, it is not the most intellectual of the species that survives; it is not the strongest that survives; but the species that survives is the one that is able best to adapt and adjust to the changing environment in which it finds itself.

I hope to see all of you on our Annual Meeting call where we will review and approve the budget and vote on the slate of Directors for your association.

CONDOLENCES

We send our deepest sympathy to:

Bob and Gina Johnson of Car-Part.com and their family, on the recent passing of Gina's father Carl Arlinghaus on August 25, 2022. Carl, 90 years of age and a Korean War veteran, was also Godfather to Roger Schroeder.

Dennis Cawthorne, a founder of Kelley Cawthorne and our voice in Lansing, and his family on the recent unexpected death of his wife Cynthia on September 2, 2022.

Michael & Mary Hooper and family on the recent loss of their son Miles on September 4th as a result of an automobile accident. Miles is also the nephew of Gary Hooper of Hooper Auto Recycling, Linwood.

Please keep all of them in your thoughts and prayers during this difficult time. ↔

Scrap Report

Foundry Steel \$240.00 gt
Clean Auto Cast \$350.00 gt
Unclean Motor Blocks \$300.00 gt
Auto Bodies \$125.00 nt
Batteries
Copper/Brass Radiators \$1.91 lb.
Aluminum (clean)
Whole Aluminum Transmissions \$.14 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.



Easy Ways to Clean Your Storm Water

By David Kendziorski ARM Storm Water Program

early 10 years ago, ARM and other stakeholders worked with staff from EGLE (then known as DEQ) to develop a special storm water permit for the auto recycling industry. Most auto recyclers in Michigan are covered under this industry specific permit which is reissued in five year cycles. A key feature of the permit is a clause, requested by ARM, that allows recyclers to forego storm water sampling and testing (Benchmark Monitoring) if they are in full compliance with the permit requirements and if visual storm water observations show that the storm water runoff from the facility is not contaminated. Such visual observations or assessments must be conducted four times each year.

When your storm water permit is reissued every five years, you should submit to the EGLE MiWaters online database your storm water pollution prevention plan (SWPPP), Site Map, and a Request to Forego Benchmark Monitoring. You will also submit three quarterly visual assessment forms that describe what your storm water runoff looks like, along with a color photograph of the storm water that is discharged from each location. Your EGLE regulator will approve or deny your Request. Most Requests have been approved, but some have been denied because the recordkeeping and MiWaters submittals were late or incomplete, the Best Management Practices were inadequate, or the visual observation reports did not show that the storm water was clean enough.

How can you ensure that your storm water runoff is clean enough, or more specifically, what can you do if it's not? Your first step is to properly implement all the Best Management Practices that are listed in your SWPPP. These BMPs address vehicle processing, dismantling, storage of parts, fluid management, erosion control, spill response, and so on.

You can provide an added level of protection by treating the storm water at your discharge locations. Such treatment will demonstrate that you are taking extra actions to protect water quality. The three most common ways to treat your storm water are as follows:

1. Detention: Storing your storm water in ponds, basins, or concrete or steel tanks (oil/water separators or sumps) allow sediments and metal particles to sink and be

trapped. If you have storm sewers on your property, another option is to install hydrodynamic separators such as Vortech or Stormceptor. Large ponds can be very effective, at times trapping 90% of the sediment load. A local engineering firm can size and design a pond or basin. You can provide smaller detention yourself, but it's not as simple as just digging a hole...well, actually it is.







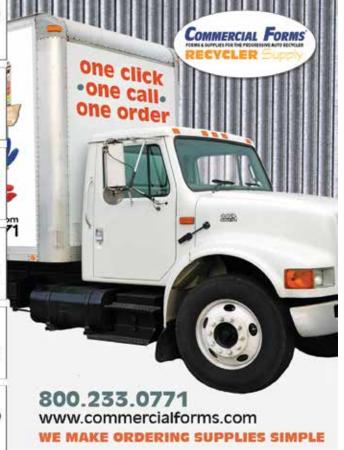


2. Filtration: Storm water can be filtered through vegetation, stone, or filter media to remove pollutants. Vegetated swales, stone filters, and catch basin filters can be economical ways to provide filtration and/or increased infiltration into the soil. Catch basin filters can range from simple nonwoven polypropylene fabric filters for less than \$100 (newpig.com) to media filters costing more than \$1,000 (Cleanwayusa.com, Hydro-int.com, acfenvironmental.com, REMfilters.com). Commercial engineered filtration systems are expensive, generally costing \$100,000 or more. Example engineered filtration systems are Contech StormFilter and StormwateRx.





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Easy Ways to Clean Your Storm Water

Continued from page 7

3. Socks and Booms: These are fabric tubes filled with a filter media that are designed to remove sediments, oils, and metals from storm water runoff. Sediment booms are typically placed around catch basins or across channels or ditches. Spill control booms are placed around fluid storage areas and leaking equipment. They remove pollutants by slowing the water down, which allows particles to settle out, and by allowing the water to filter through the media to capture pollutants. Socks generally have a diameter of 2" or 3". Booms typically have a diameter of 5" to 8".

Sediment booms are usually filled with coarse sand, pea gravel, straw, cellulose, or weird things such as ground corn husks. Oil only absorbent booms (white) are usually polypropylene strips or fibers coated with a chemical that absorbs oil and fuels, but not water. Similar general purpose absorbent booms (blue, green, or gray) absorb all fluids, including water and antifreeze. Sediment and oil absorbent booms work well if properly placed and maintained. Sediment and oil booms can be found at garden and building supply stores and online (newpig.com, uline.com, grainger.com).



Metal absorbent booms use natural properties of substances such as peat, biochar, charcoal, zeolite, and compost to remove metals. Some products use specialty coatings that capture metals. The metal absorbent booms are more costly than oil absorbent or sediment booms. Unfortunately, the metal reductions are probably going to be modest – maybe a 25% reduction at most (manufacturers will claim much higher removals). To



achieve higher levels of metal removal, you'd have to use something larger than a boom, such as a sand filter or commercial filtration system. Suppliers of metal absorbent booms include north-ordinary.com, gullywasher.com, and Filtrexx.com.

Step-by-step instructions to help you comply with the storm water permit can be found on the EGLE website. The ARM Storm Water Program offers sample and fill-in-the-blank storm water permit reports on the Members-Only ARM website. Contact the ARM Office for assistance.



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

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Steel Dynamics, Incº



By Nate Love of Kelley Cawthorne

Legal & Government Relations Counsel to ARM

With the midterms coming up in November, everybody is up for re-election and campaigns are in full swing. Both parties just wrapped up their nominating conventions, formally putting their weight and support behind their respective nominees for statewide offices including governor, attorney general, secretary of state, and supreme court justice. Tudor Dixon decisively won the Republican nomination for governor, and her running mate, Shane Hernandez, brings legislative experience to the GOP ticket.

As things have settled down after the August primary election, we continue to update our numbers for the state legislature. We're likely to see at least 37% turnover in the Senate and 55% turnover in the House of Representatives – an overwhelmingly high number of new legislators in 2023. These numbers could also increase with heightened scrutiny on legislative residency issues. Many sitting legislators moved to avoid primary challenges with other sitting legislators, but issues associated with those moves have resulted in potential issues for two legislators already.

Prior to leaving for the summer, the legislature passed its FY2022-23 budget. Highlights of the \$76.7 billion budget include:



Do You Need to File a Complaint on Unlicensed Vehicle Dealers?

ARM 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

- \$6 billion to rebuild local roads, bridges, airports, and transit systems
- \$250 million for state laboratories
- \$100 million to modernize National Guard armories
- \$15 million for Going Pro
- \$5 million for Michigan Reconnect
- Paying off approximately \$2.6 billion in debt
- A 6% increase in revenue sharing for local governments
- An increase in per-pupil funding to \$9,150, a \$450 increase
- \$305 million scholarship funding for students in teacher prep programs
- \$50 million for stipends to student teachers to assist in tuition payments and other costs
- A 5% increase in operations funding for colleges and universities
- A 5% increase for community colleges
- \$40 million for Pure Michigan

The budget leaves the state with approximately \$7 billion remaining in unspent funds. While there is much discussion of a supplemental appropriations bill this fall, talk of using the funds for tax relief seems to have subsided, and an agreement between the governor and legislature on that topic seems unlikely this year.

Work on SB 1064, which would make changes to the laws impacting auto dealers, continues in the House of Representatives. While we expect efforts to focus on the Senate bill, a separate bill, HB 6282, was also introduced. The language in the new bill mirrors the Senate legislation. Among other things, the bill would:

- Create a definition of "established place of business" for automotive recyclers
- Require regular hours of operation
- Increase the time period that a dealer can apply for a new title and transfer plates and the time period for validity of a special registration
- Require the Secretary of State or law enforcement to give a dealer 36 hours' advance notice of an inspection

ARM and Kelley Cawthorne will continue to monitor and be involved with the legislative process as SB 1064 continues to progress. \Leftrightarrow

From the Desk of Your Executive Director

Continued from page 3

5."Every no gets me closer to a yes." The word "no" leads many of us to see it as a failure. "No does not mean defeat. It is an opportunity to get closer to the "yes" for which you are searching. Do not let the "nos" of life impact your goals. They are part of your story and if you keep working hard, they will lead to many "yeses", which often turn out better than the opportunities for which the "nos" would have provided.

I hope these quotes give you some pause for thought as they did me. While I'm not totally ready to give up summer, I am ready to embrace the busy schedules ahead and I'm working hard to prepare for all of the great things that are in the works for our coming year. I was recently sent some inspirational quotes from a group I belong to and one from Grandma Moses really struck home as I was struggling with letting go of my summer mindset. "Life is what you make it. Always has been. Always will be".

As we begin our new fiscal year, let's make it a great one. I'm excited for what is in the planning stages and I'm confident you will be as well. I'm looking forward to seeing everyone at our Zoom annual meeting on Tuesday, October 4th at 3:00 p.m. Your attendance and input is truly important.

Love and hugs,

Barb







The Automotive Recyclers Association (ARA) provides the U.S. Environmental Protection Agency (EPA) with information on how automotive recycling promotes electric vehicle battery reuse, repurposing, and recycling

ast month, the U.S. Environmental Protection Agency (EPA) published a notice in the Federal Register requesting information to help with the agency's development of best practices with respect to the collection of batteries to be recycled and the establishment of a program to promote battery recycling through the development of voluntary labeling guidelines. The Automotive Recyclers Association (ARA) saw this as an opportunity to both emphasize the importance of the automotive recycling industry on the reuse, repurposing, and recycling of electric vehicles and their batteries.

Over the last year, the federal government and car manufacturers have expressed serious concerns that there will be a shortage of the raw materials used in the manufacture of electric vehicle batteries (especially lithium-ion batteries) by 2024. As a result, federal government agencies and car manufacturers have been looking at ways to ensure that the United States has a readily available and circular supply of the materials used to manufacture lithium-ion batteries. As a result, the ARA communicated to the EPA that automotive recyclers are the largest collective owners of end-of-life vehicles and that the most viable solution to address raw material shortages for electric vehicle batteries is to support the reuse, repurposing, and recycling of electric vehicle batteries and their critical materials.

In response to the EPA's request for information to assist in the development of labeling guidelines, the ARA urged the EPA to include the following information in the form of physical labels and an electronic database: (1) battery type and chemistry; (2) known pollutants and composition; (3) safety information; (4) where batteries can be located within a vehicle and how many batteries a vehicle contains; (5) how battery cells are connected; and (6) a vehicle identification number. All six of these pieces of information are critical to promote electric vehicle battery reuse, repurposing, and recycling. It is also critical in making sure that automotive recyclers

can safely dismantle and reuse, repurpose, and recycle electric vehicle batteries.

Coming Soon to ARA University

ARA University will soon debut three new videos accessible through the Industry Resources tab of the ARAU website (www.arauniversity.org). Thanks in part to generous support from the Automotive Recyclers of Massachusetts, production has just completed on three courses that will be valuable resources for any automotive recycler – particularly those participating in the Certified Automotive Recycler (CAR) program.

General Business Standards – This is the first step in CAR certification. ARA members may be surprised to find that they are already doing many, if not all, of the general business standards required in the certification process. Learn more in this module.

Tank Labeling Standards – Another step in the CAR certification process. This module provides an overview of the best process for tank labeling standards.

High Voltage Vehicle Best Practices – Valuable information for all automotive recyclers, this module details the ARA certification expectations and best practices for handling all types of high voltage vehicles. The module is separated into three sections: readiness, technical training, and HVV dismantling protocol, and provides a standard operating procedure for the safe management of any electric or hybrid vehicle.

How to Handle Recalls

Managing SAFETY RECALLED AUTO PARTS seems like a moving target but a solid procedure in place is the best approach to handling recalls and protecting your customers. An ARA Gold Seal certified facility does not sell Recycled Original Equipment (ROE) auto parts that have safety recalls issued by an Original Equipment Manufacturer (OEM) for re-use or repair of another vehicle. Safety parts known to have recalls such as airbags are also VIN checked for recall at point-of-sale. Refer to ARA Certification standards for Recalls at https://aracertification.com/recalls to establish a recall policy at your facility.

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Hydrogen: A Very Important, Alternative Fuel

By Andy Latham

any column inches have been filled recently on the subject of electric vehicles and the impending bans on the sale of brand new internal combustion engines in many countries and regions; some of the comments were misleading and favored conventional vehicles over zero emission power, however they all failed to consider one other, very important, alternative fuel, hydrogen.

Hydrogen fuel cell vehicles are still high voltage, so a lot of the learning from the last few years will not be wasted. There will be the added complexity of hydrogen tanks and a fuel cell, but without the weight of a very large battery the vehicle will be much lighter, and the refuelling process will be very similar to our current fuel station experience.

There will be lots to learn, especially for first responders as well as vehicle dismantling and recycling, however the growth of these vehicles will be gradual so time is on our side, and there is a lot of work ongoing across Europe currently to train the trainers so that knowledge and expertise can be brought to the recyclers, first responders and technicians at the appropriate time.

Is it safe? Hydrogen is a more volatile fuel and the risks of explosions and fire is a concern, however if it leaks it will dissipate into the air much more quickly than gas or diesel fumes, and all the manufacturers are testing these systems to destruction as well as fitting numerous safety devices to prevent hydrogen leaks in the event of an accident – tests that have included firing bullets at full tanks of hydrogen to dropping tanks out of planes and much more.

Initially hydrogen power will be an option for heavy commercials and buses because of the weight of the batteries needed for a full days use as an electric vehicle will limit payload, and as many of these vehicles will start and finish the day at the same depot, or at another depot of the same company, where hydrogen refuelling facilities are available it becomes an easy solution; and once a publicly available hydrogen refuelling infrastructure has been established the fuel will be the fuel of choice for many long distance drivers of vehicles of all sizes. The ideal solution is to have self-contained centers in most towns that utilize renewable energy to produce

hydrogen, and then dispense the fuel from the same site, alleviating the need to transport hydrogen across large distances or store large quantities for distribution.

The fuel cell in these vehicles are made up of three elements, Anode, Electrolyte and Cathode. The Anode acts as a catalyst and turns the fuel into electrons and ions. The cathode converts the ions into the waste product, usually water vapor while using the electrons to create an electrical current.

This power is then inverted to high voltage to power the electric motor and a small high voltage battery stores the energy that is produced when the vehicle is slowing down. There will still be a cooling system and a cabin heater and all the usual features of conventional vehicles, and the vehicle will drive exactly like an electric vehicle does now, instant torque, smooth and silent, with a single, or twin speed gearbox, and the ability to travel hundreds of miles between fuel stops and a refuelling time that is very similar to our gas and diesel fill-ups today.

Hydrogen powered vehicles are in use now, with vehicle manufacturers designing new models all the time; the limiting factor will be the growth of the hydrogen refuelling infrastructure – once in place, these vehicles will be commonplace on our roads and in our facilities, and Salvage Wire will be there to inform, train and develop you and your teams to work with this technology.

Andy Latham: Managing Director of Salvage Wire



Andy has gone from shop floor apprenticeship to After Sales Manager and Motor Claims Engineer and Managing Director of Salvage Wire. He has become a top specialist in Motor Salvage

and Automotive Recycling. He is also registered as Incorporated Engineer with the Engineering Council UK, Advanced Automotive Engineer and Fellow of the Institute of the Motor Industry.

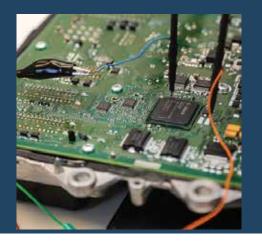
With a focus on advancing auto recycling across the world, Andy is dedicated to raising professionalism with the global Auto Recycling Industry and developing and supporting the talented people that will make it happen. \Leftrightarrow

UNITED CATALYST CORPORATION

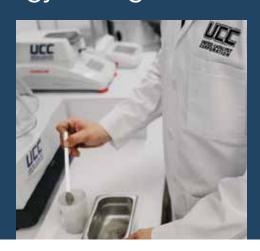


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Thriving Through Change

By Andrea Johnson

The Harvard Business Review recently reported the average lifespan of an S&P 500 company has fallen from 67 years to 15 in the last eight decades. ARM just celebrated its 50th anniversary and PADNOS is closing in on its 125th. Our two organizations have been partners since the beginning, working together to support and educate each other, helping one another. What might those of us who are celebrating milestones be doing differently that has led to our longevity? Anticipating change, adapting to changing markets and needs, making long term investments in technology and connecting with organizations like ARM are four key factors that have kept PADNOS growing all these years.

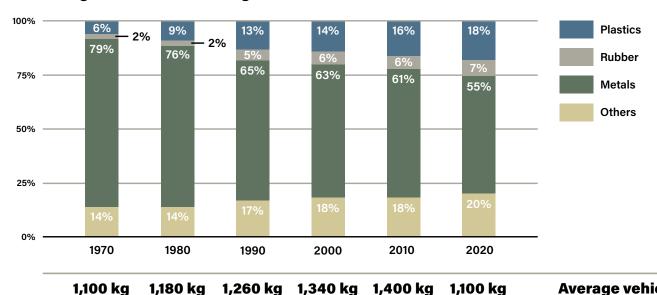
Louis Padnos started small, the only employee, peddling dry goods and trading scrap throughout West Michigan, the Upper Peninsula, and Northern Wisconsin. After just five years, he established a small scrap yard in Holland, MI, to enable growth and to serve the needs of his local community. For PADNOS, investing in the organization and new technologies has allowed us to draw material from more markets, diversify the inbound and outbound material streams,



and process material more efficiently. Building a strong stable core has paved the way for our growth from one yard to 27!

Keeping a watchful eye on legislation, connecting with political and industry leaders, and analyzing trends has really kept us in front of changes, particularly in the auto recycling and manufacturing segment. This is another area where ARM shines; the legislative wins that ARM has seen over the years have been instrumental for all recyclers.

Percentage of total vehicle weight



Notes: kg = kilogram. Due to rounding, some percentages may not add up to 100. Source: A.T. Kearney analysis

Average vehicle weight Anticipating change is difficult but perhaps the only thing more so is adapting to it. When PADNOS put the first shredder in, autos were big, heavy, mostly steel, and not commonly recycled. In the 1970s, 79% of the total vehicle weight was metal, while today it is only 55%, changing the composition of the shred considerably. While automobiles are still shredded, new and valuable materials need to be recovered from the shred. Manufacturers are now using regular steel, medium and high-strength steel, nonferrous metals, plastics, and more to produce stronger, but lighter vehicles.

To accommodate changes to vehicle composition, we had to adjust our process and find markets for these new materials coming in. To reclaim more material, additional capabilities have been added to the shredder including magnetic and air sorting systems

to further sort one material type from the next. Adding these systems enables automated recovery of the co-mingled materials pulling magnetic materials in one direction and nonmagnetic materials in another. Further sorting of the nonmagnetic material removes dense metals from lightweight materials like fabric and fluff. Significant investment has been made by PADNOS in downstream technologies to recover all the metal in today's autos, allowing us to remain a vibrant partner to ARM's members and the communities we all serve

The 12 million or so vehicles recycled each year recover tons of reusable material, but also generate residue that cannot currently be recycled. Like so many other organizations, PADNOS is always improving its current systems and exploring new approaches to be a better recycler. Two of the largest opportunities to improve

Continued on page 30



CONGRATULATIONS to our 2022-2023 Kent Utter, Jr. Memorial Scholarship Recipients!



THOMAS PASTELL

Thomas is a senior at Michigan Technological University pursuing a Bachelor of Science of Civil Engineering degree. This past year he was the President and Captain of the Michigan Tech Steel Bridge Team where he led a group of students through the design, procurement, fabrication and



construction of a student designed steel bridge. The team placed 2nd overall at Regional Competition and qualified for the National Steel Bridge Competition, where according to one of his professor's, "their success directly correlates to Thomas' leadership. He has excelled in all of his classes. His work products are thorough, professional, and well thought out. He has outstanding communication skills, is organized and values what he is learning. He is a talented civilengineering student and a kind and thoughtful person and well deserving of the scholarship." His father is Service Manager of Roscommon Auto Recyclers

EMILEE SIZEMORE

Emilee is a recent graduate of Roscommon High School where she was a member of the National Honor society as well as participating in dual enrollment through Kirkland Community College where she completed all of the prerequisite classes in the Nursing program. As one of her



teachers said, "Emilee is an amazing, self-motivated, positive person who has displayed maturity and class all

throughout high school." Over the summer her life took on a new chapter. She and her high school sweetheart were married and moved out to the McGuire Air Force Base in New Jersey where she is enrolled in an online Medical Assistant Program through Auburn University. We wish her well and because her father is employed as the Service Manager of Roscommon Auto Recyclers, we are happy that Emilee is a recipient of our scholarship program.

PARKER SPARROW

Parker attends Eastern Michigan University. She was homeschooled where she says shaped the familyoriented, disciplined, dedicated person she is today. She then transitioned to Washtenaw Technical Middle College, a public charter school on the campus of Washtenaw Community College,



where she also began taking a full time college course load where she earned an Associate Degree in Liberal Arts. After graduation, she took a gap year during the pandemic and is now in her second year at Eastern Michigan where she is double majoring in mathematics and statistics. As one of her teachers said, "Her positivity and willingness to work with and support others stands out as true characteristics of Parker's disposition. This duality of academic intelligence and social awareness makes Parker a student that is able to succeed at any institution." Her father is Sales manager at Regal Auto Parts. \iff

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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
- -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

Michigan Recyclers Recognized at PRP Awards

here is a sense that the automotive recycling facilities we trade parts with in Michigan are a cut above; it's nice to see fellow recyclers recognized and for our suspicions to be confirmed with hard numbers! At the 2022 Team PRP National Convention held in Kansas City, Missouri, August 12-14 2022, multiple Michigan yards were honored with awards for sales, production and inventory rankings. Over 350 recyclers, staff and vendors were in attendance to witness the awards and see these ARM members recognized. In addition to individual awards in sales and storewide awards in sales, production and inventory, there was one yard honored that had the best overall numbers out of all the yards in the entire Team PRP network, over 120 facilities and over 15 million parts represented, and that member hailed from Michigan! Can you guess who it might have been? Keep reading to find out!

The executive director of Team PRP, Jarret Hann, celebrated one year with the organization at the national convention and was proud to announce that in 2022 it has grown from 124 to 134 of the nation's best recyclers, and combined the members have grown their average revenues nearly 30% year-overyear since 2020! Jarret commented "I had the pleasure of visiting 5 of Team PRP's Michigan facilities just before the 2022 ARM conference, and it's great to see how committed owners are to helping one another succeed. As they say, "a rising tide lifts all ships", and with that mindset and commitment to constant improvement our industry will continue to grow by leaps and bounds. I'm truly excited for the years ahead and look to further industry leadership from ARM, and Michigan's nation-best recycling facilities."

The national conference featured a shipping hub audit, many speakers for sales, management and production, round tables, owners meetings and succession planning seminars, and of course the awards. For the categories, facilities are classified by Invoiced Net Daily Sales Averages for the last 180 days, so a smaller yard is not competing against a larger yard. Businesses invoicing less than \$25,000 per day are categorized as "Big;" \$25,000-\$45,000 is categorized as "Bigger," and Biggest is greater than \$45,000 per day. They also share the rankings for the

whole country as they know where everyone places regardless of the size of the facility.

These aren't just arbitrary numbers: data comes from SmartCycle, a company lauding itself as "the auto salvage industry's cutting-edge data analytics solution," they have the ability to connect any recycler to their numbers in unique and even beautiful ways; not just the numbers from a yard management system but they also can pull data from Quickbooks,



BidBuddy, phone systems, EZ route, and more. SmartCycle identifies and displays key data using customizable graphics and displays, and they have access to each facilities numbers no matter what YMS they are on, so they can give Team PRP statistics across the organization even though not all members use the same programs. Robert Griffin, the managing director of SmartCycle, said "we've always enjoyed a close partnership with Team PRP, and it makes sense that we would provide the data analytics for these rankings since the majority of Team PRP members already trust SmartCycle with their data as clients. Each of the categories that are ranked here can also be tracked daily with a variety of reports in SmartCycle's dashboards, helping our clients stay on top of the everyday fluctuations in their business, saving time and money."

Production rankings are determined by Average Dismantled per Dismantler by Day, Quantity Dismantled, Quantity of Parts without Location, Quantity of Parts without Location per Dismantler, Average Days to Process an Order, Quantity of Parts Sold, and Percent of Full Refund. This provides a full spectrum production ranking that doesn't just tell us what Team PRP yards are fast, it also reveals which yards are accurate and run clean operations! Inventory rankings are based upon Average Days to Inventory, Quantity Purchased, Year over Year Quantity Growth, and Year over Year Percentage Growth. The inventory rankings tend to favor yards that are growing and are processing cars quickly, not letting auction vehicles sit around without getting them into the system. Sales facility and Salesperson rankings are based upon Warranties, Expanded Invoices (warranty, core, freight, etc.), and Sales Growth between First Half of the year (the last 181-360 days) and Second Half (the last 180 days). Yards that hope to be awarded for their sales teams must show great warranty sales and must show growth.

Grand Valley Auto Parts brought home more awards than any other salvage yard in the entire country! Their salesperson Steve was the #1 salesperson in the Big category in the individual awards, beating out all the other salespeople in that class. They placed 32nd in the country overall and 2nd in the country in the Big category in Sales overall. Grand Valley Auto Parts was 22nd in the country and 2nd in the Big category in Production. They were 30th in the country and 3rd

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

You can reach the ARM office via e-mail.

Our address is:
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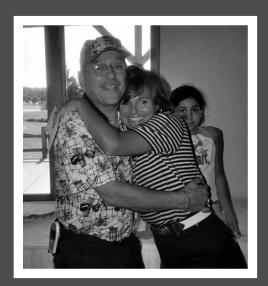
in the Big category in Inventory. Jenny MacDonald, 3rd generation owner at Grand Valley Auto Parts, kept having to return to the stage over and over again to collect her awards; she said "I'm so appreciative and proud of my team, these awards are a reflection of their continuing hard work and dedication!"

Pete's Auto Parts was 3rd in the country and 3rd in the Bigger category for Production; they tied for 10th in the country and 2nd in the Bigger category for Inventory. The team has been watching the standings for these awards in the weekly newsletters and really enjoys seeing the recognition! They take great pride in their work and owner Amber Kendrick was thrilled to accept the awards.

Morris Rose Auto Parts tied for 6th in the country and 2nd in the Biggest category for Production. In addition to their Production award, Morris Rose won the overall facility award recognizing them as the #1 Best in Class facility. Jayson Doren, General Manager and Partner, said "Morris Rose Auto Parts was shocked & very proud to hear that we had won the overall Best in Class Facility Award for 2022! We would like to first give a huge THANK YOU to our entire team, without all your hard work and dedication to our continued growth and goals this award would not be possible. Anyone who attended the 2022 ARM Road Show and saw the beautiful Morris Rose facility could see the fruits of their labor, and all of us who do business with them regularly know how well deserved that award was! Jayson also noted that "the attendance at the PRP National Convention was terrific, with some of the best and most productive events and training sessions we've ever had. The positive energy and good vibes were felt throughout the whole conference!"

Seven of the 134 Team PRP members are also ARM members: Weller Auto Parts, Fox Auto Parts, Schram Auto Parts, American & Import Auto Parts, and the three mentioned in this article, Grand Valley Auto Parts, Pete's Auto Parts and Morris Rose Auto Parts. Congratulations to all the well-deserved facilities who took home some hardware, we should all be very proud of what we do and share that enthusiasm with our very qualified and respected team members!

Remembering 50 Years of Recycling









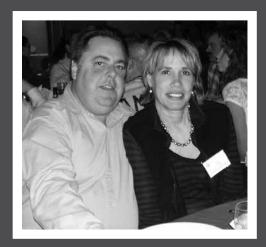






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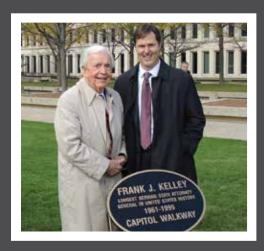








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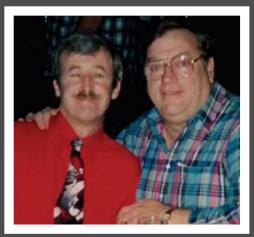






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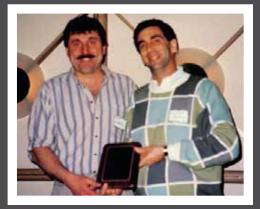














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Please remember to continue to support these valued vendors!

Thriving Through Change

Continued from page 17

recycling in this industry are finding markets for recycled tires and reducing the amount of automotive shredder residue that must be landfilled. Stay tuned... we just might have something new coming soon!

Membership in organizations like ARM and attending conferences keeps us connected to a wide network of companies and people to find a solution. There are so many resources out there for those who want to explore them, from ISRI on the scrap side to getting involved in your local township or local charities. Connections make us stronger. We might have a different business model than the auto recyclers whose scrap we recycle, but we share so much in common when it comes to what can help us weather the storms.

Anticipating change, adapting to changing markets and needs, making long term investments in technology and connecting with organizations are not the only things that have led to 125 years at PADNOS, but they have been instrumental.

Andrea Johnson is a Marketing Specialist at PADNOS with 20 years of business-to-business experience in technical and scientific fields. Johnson completed her undergraduate work at the Michigan Technological University and received an MBA from DeVry University in Chicago. For the last three years she has been with PADNOS, completing extensive marketing planning and analysis, program implementation, and proactive product development.



The deadline for the next issue of the Automotive Recyclers of Michigan YardTalk newsletter is November 8, 2022. If you would like to place an advertisement or submit an article, please call the ARM office at 810-695-6760.



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