



AUTOMOTIVE
RECYCLERS
OF MICHIGAN

YARDTALK

Issue 2

The Official Publication of the Automotive Recyclers of Michigan

Winter 2023

The President's Message

We are excited to invite everyone to a new kind of ARM Road Show! Our Networking Conference, and Scholarship Golf Outing is on the books for May 18-20, 2023! By the time you get



Slater Shroyer

this issue of *YardTalk*, member registration packets should already be sent out. This year we are focusing on how independents and small businesses can survive and thrive in an ever more competitive environment.

But first, there's golf – whether you're a pro or a duffer, make sure to join us Thursday for a shot-gun start at Timber Ridge Golf Course in East Lansing. Ever since the first Kent Utter Jr. Memorial Scholarship Fund Golf outing in 2000, this has been a feature event on the ARM calendar. It's a great way to start things off and support a great cause we can all believe in.

Friday we will tour Schram Auto & Truck Parts-Lansing in Mason, MI to celebrate the company's 100th Anniversary. Yard tours are always a favorite part of Road Show events

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TIME TO HIT THE ROAD!



ARM Road Show & Business Networking Conference

May 19-20, 2023

PLUS:

Be Sure to Join Us for the Kent Utter Jr. Memorial Scholarship Fund Golf Outing

May 18, 2023



Scholarship Golf Outing

Informative Seminars & Workshops

New Technology Introductions

Vendor Demonstrations

Cornhole Tournament

Live & Silent Auctions

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We're Going to Lansing!

Hi Everyone, I realize I sound like a broken record, but I truly cannot believe how quickly this year is flying by. At times I'm totally overwhelmed thinking about it! My hope for all of us is that we are having a great 2023 so far, full of good health, happiness, peace and prosperity and that life is good as I'm so looking forward to all of us being together soon in Lansing, May 18-20. We have a great Road Show and Business Networking Conference planned that is totally




Barb Utter

unlike what we have done in the past and I don't think you will want to miss it.

After the great time we had last year at Morris Rose Auto Parts, celebrating 50 years of success and friendship, we knew we needed to think outside the box for this year. Plus, if truth be told, no one volunteered to host at their facility so we went to plan B and I am confident you will be pleased with our venue at the beautiful Hawk Hollow Golf & Banquet Center and our focus on the success of being an independent, professional auto recycler. Also, because of COVID, we have not had a Kent Utter Jr. Memorial Scholarship Fund Golf Outing for three years and now we can finally return to that fun event. Being mindful of your limited time, we decided to have both the Scholarship Golf Outing and the Road Show on consecutive days at this centrally located, easy travel to, Lansing area golf mecca that met the needs for all of our events. I am confident you will enjoy this great venue

as there is something for everyone. For you friends and supporters of the scholarship golf outing only, Timber Ridge Golf Course, part of this golfing mecca, is a great course for all level of players and promises to be a fun time as we can finally be back together to have great golf or at least a fun round with lots of laughter and comradery as we raise monies to help support dependents of our direct members realize their educational dreams.

Not only have we chosen a great venue, but the committee has planned a great agenda for the Road Show and Business Networking Conference. On Friday afternoon we are having lunch and touring Schram Auto & Truck Parts-Lansing facility as they celebrate 100 years in business as a family owned independent auto recycler with four generations contributing to their success. Also, as we all know, one of the main topics of conversation within our industry is all about consolidation and the future of the professional independent auto recycler. It's hard to wrap our minds around all the choices available to us and what might be right for you and what might not be in your future plans. With that in mind, the committee has done a fantastic job of planning speakers and seminars to help us answer some of these questions. Throughout this issue of *YardTalk* you can see all the details and specifics of our outstanding vendors, speakers, trainers, facilitators and panel members who are all industry related peers. In a relaxed environment we are going to roll up our sleeves, put our heads together and share our strengths and find solutions to our weaknesses. As the founder of Weight Watchers said, "It is a choice not chances that determines your destiny." I hope you decide to join your ARM peers in Lansing, May 19-20th for what will be a great time to work together for the future of the professional independent auto recycler. I also look forward to seeing all of you golfers on May 18th at the Kent Utter Jr. Memorial Scholarship Fund Golf Outing. Exciting, worthwhile events spent with friends is promised for all of our ARM family and friends. 🚗



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

You can reach the ARM office via e-mail.

Our address is:
arm@mi.automotiverecyclers.org

Hugs,
Barb



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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

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Suite 9

Grand Blanc, MI 48439

Calendar of Upcoming Events

April 27-29, 2023

URG Training Conference

Hyatt Regency Grand Cypress
Orlando, FL

May 18, 2023

Kent Utter Jr. Memorial Scholarship Fund Golf Outing

Timber Ridge Golf Course
East Lansing, MI

May 19-20, 2023

ARM Road Show & Business Networking Conference

Hawk Hollow Golf & Banquet Center
Bath, MI

October 12-14, 2023

ARA 80th Anniversary Convention & Expo

Kansas City, MO

The President's Message

Continued from page 1

so be sure to reserve seats before the bus fills up!

Friday night we open the Trade Show with entertainment, food and drinks at Hawk Hollow Golf and Banquet Center. Get your teams signed up for the Cornhole contest as last year's tournament turned into one of the highlights of the night! We will have a live and silent auction, raffles, and games. Vendors from around the industry will be there to demo the latest and greatest tools of the trade.

On Saturday we have seminars and panels focused on you, the independent recycler. Join us for interactive and educational sessions designed to help you and your business. Kenny Whipple is back by popular demand to kick off the day. Jarret Hann, the Executive Director of Team PRP, will give us a look at the future of automotive recycling. Dave Kendzioriski from Stormtech will be here to explain changes to MICAR and the ARA CAR Certification program. We have panel discussions made up of people in and around the industry focused on sales, online listings, and tools for the independent recycler. We'll cap it off by hearing lessons learned from some of the most successful auto recyclers in a question and answer session you won't want to miss!

If you haven't done so already, make reservations today for this action-packed weekend!

If you have questions or concerns, please contact the ARM office at arm@mi.automotiverecyclers.org or call us at 810-695-6760.

We look forward to seeing you! 🚗

Slater Shroyer

President

Automotive Recyclers of Michigan

CONDOLENCES

We send our deepest sympathy to Cheryl, Kevin, Brian and the entire Hovenkamp family on the recent passing of husband and father Bert Hovenkamp who passed away Friday, March 17th after a long illness. Bert, former owner of Eagle Auto Parts in Three Rivers, MI was a longtime member and supporter of ARM, serving on the Board of Directors as well as mentoring many in our association. Please keep them in your thoughts and prayers during this difficult time. 🚗



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Scrap Report

Foundry Steel.....	\$335.00	gt
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Auto Bodies	\$205.00	nt
Batteries	\$.12	lb.
Copper/Brass Radiators.....	\$2.28	lb.
Aluminum (clean).....	\$.61	lb.
Whole Aluminum Transmissions....	\$.21	lb.

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Team PRP Purchases the MidWest Runner; 135 Facilities Become Team PRP Affiliate Members Overnight

By Amber Kendrick

On Monday, March 6th, Team PRP announced they have acquired the MidWest Runner network, literally doubling the number of Team PRP yards in one stroke! Many yards that never imagined they would be part of Team PRP, some because they had a PRP facility in their backyard, were suddenly informed they are now part of the organization as affiliate members. Many in the industry are celebrating this as the path for small independent recyclers to compete with the consolidators. Jarret Haan, executive director of Team PRP, will be joining Michigan members at the ARM Road Show & Business Networking Conference on May 19-20 at Hawk Hollow Golf & Banquet Center in Bath, Michigan, and will speak about the future of the transportation network.

“I think anything to make this industry better, as a whole, not just for one specific yard or a small group of yards, but bringing everyone together with a common goal... work better together, more efficiently, better products and better able to service our customers!”

— Rob Rainwater, Profit Team Consulting

Team PRP has worked closely with the MidWest Runner for years, and this merger foreshadows some big positive changes, but the service that people have come to know and expect from the trailer network, both the PRP and MWR trailer networks, will continue as it has for some time without interruption or big changes to the routes. Eventually, there will be additional routes and by combining the two networks they believe there will be efficiencies and expansions that would not be possible for one or the other, that together, become feasible. Jarret Haan noted “the independent recycler doesn’t care which tag they trade on, it’s all about getting a part from seller to buyer, and whoever can provide that service. It just makes sense to come under one banner with so many yards already

“dual members” of both entities.” This merger will connect more yards, so facilities have access to more sellers and buyers. There were several routes that MidWest and PRP were running separately that will be able to be combined, hopefully reducing costs and increasing the speed of shipments.

Jarret Haan explained another benefit of the merger is “the ability to standardize shipping practices and rules on the transportation network.” Starting in April, everyone will use a PRP tag, and in a few months, the accounting will switch over. The transition is planned in calculated steps to insure it goes smoothly and there is no service interruption and any quality or shipping standard changes are done with lots of notice and training. In a Facebook live on the Profit Team Consulting page, Jarret emphasized that “we aren’t coming in here with a sledgehammer, we know people have to understand things before any expectations are put upon them.” While Team PRP does wish to get everyone on the network to use the shipping standards that PRP has had in place for some time, they are going to educate and inform on these standards over the next months.

Jayson Doren, manager and an owner of Morris Rose Auto Parts, currently serves on the Team PRP Board of Directors and says “this merger solidifies the commitment among all recyclers that we are unified and committed to continue to grow our networks expand our routes and hubs, which in turn will help all independent entities in our industry continue to thrive.” Many recyclers and consultants are sharing their excitement about the merger. Rob Rainwater says “I think anything to make this industry better, as a whole, not just for one specific yard or a small group of yards, but bringing everyone together with a common goal... work better together, more efficiently, better products and better able to service our customers!” Karl Milliron, former owner of Midwest Trucking, celebrates the merger, saying “this is monumental for our industry! In today’s world of consolidation, the landscape for independent recyclers is rapidly

changing. By merging our networks, we become stronger together, thus solidifying the sustainability of the transportation system far into the future.

Team PRP has seven committees that both full members and affiliate members serve on that help steer the organization. Volunteers spend a small amount of time each month but get to have influence in the committee area, which include Membership, Transportation, IT/Marketing, Vendor Relations, Commodities, Dispute Resolution and Operations. The transportation committee is comprised of 9 members including two board members, and six of the volunteers are full members, three are affiliate members. This merger adds many more affiliate members, who are eligible to serve on committees. Participating this way is a great way to get involved, learn more about Team PRP, get to know fellow Team PRP members in other states, and have a hand in the organization. Autym Kosiski with H & H Auto Parts (which has locations in Nebraska and Colorado) says "I am very excited about the PRP / Midwest Runner

merger! I think it creates a lot of trading opportunities for PRP partners and really strengthens the transportation network as a whole. It's always great to see changes that truly benefit so many recyclers in our industry."

Before the merger, Team PRP had 87 full members and 50 affiliate members. Michigan boasted six full Team PRP members (alphabetically Fox Auto Parts, Grand Valley Auto Parts, Morris Rose Auto Parts, Pete's Auto Parts, Schram Auto Parts and Weller Auto Parts) as well as one affiliate (Fenix Detroit, formerly American & Import Auto Parts.) The merger adds 135 affiliate members nationwide, 17 of those in Michigan (301 Auto Parts, A&L Auto Parts, Cooks Auto Parts, Doug's Auto Recyclers, Eagle Auto Parts, East Bay Auto Parts, Go Go Auto Parts, Heights Auto Parts, Highway Auto Parts, iDrive Auto Parts, J&R Truck Parts, Joe's Auto Parts, Middleton Auto Parts, Northend Auto Parts, Premier Auto and Truck Parts, Travers Auto Parts and US Auto Supply.) If you are interested in joining Team PRP as an affiliate member, contact Ray Coker, regional director of Team PRP at raycoker@teamprp.com or 251-454-5776. 🚗

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By Nate Love of Kelley Cawthorne

Legal & Government Relations Counsel to ARM

The Michigan Legislature has kicked off its session with an ambitious agenda. As expected, Rep. Joe Tate (D-Detroit) was elected Speaker of the House and Sen. Winnie Brinks (D-Grand Rapids) was elected Senate Majority Leader. Rep. Matt Hall (R-Richland Twp.) and Sen. Aric Nesbitt (R-Lawton) were elected minority leaders in their respective chambers as well.

Committee assignments were also announced. Notably, Rep. Nate Shannon (D-Sterling Hts.) was named chair of the House Transportation, Mobility & Infrastructure Committee and Rep. Tyrone Carter (D-Detroit) was named chair of the House Regulatory Reform Committee. Sen. Erika Geiss (D-Taylor) was named chair of the Senate Transportation & Infrastructure Committee, while Sen. Jeremy Moss (D-Southfield) was named chair of the Senate Regulatory Affairs Committee.

Gov. Gretchen Whitmer delivered her fifth state of the

state address to a joint session of the legislature. The address focused on kitchen table issues and economic development. Priorities identified in her address include:

- Reform taxes on retirement income
- Increase the Working Families Tax Credit (also known as the Earned Income Tax Credit)
- Creating universal preschool access for families in Michigan
- Expand the Michigan Reconnect skills training program to those 21 years of age and older

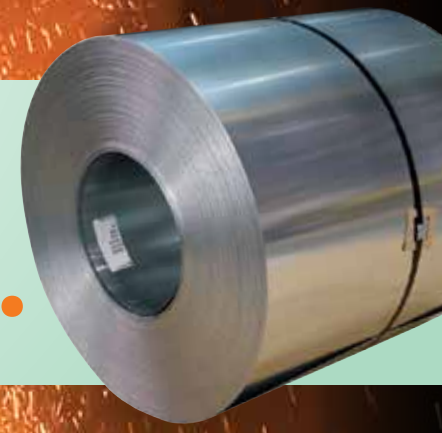
In the days after Gov. Whitmer delivered her address, the legislature began work on some of the priorities she identified as well as other issues. Several high-profile priorities were addressed in HB 4001, including retirement income tax reform and increasing the Working Families Tax Credit. The legislation also gives a \$180 check to each tax filer in Michigan and deposits up to \$500 million in the SOAR economic incentive fund. HB 4001 was passed in the House of Representatives on a 56-53-1 vote and passed in the Senate on a 20-17-1 vote. 🚗

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Surviving an IRS Audit

By Amber Kendrick

It's seldom a positive experience opening up a notice from the Internal Revenue Service, but I recently had one of those rare happy letters, informing me that the audit on my 2020 taxes was complete and there was no change to my return. It was a confirmation of what I had been told verbally, and came in the mail just under 3 months after I received the first notice, that Pete's Auto Parts was going to be audited. In this article I will walk through all that the audit entailed so as to prepare any readers for the experience, should they receive a similar audit notice.



September 28th, 2022, I received an audit notice, with a request to reach out to the auditor. I forwarded a copy of the letter to my accountant, Tony Zwiers with Hungerford & Nichols, who advised "the key with IRS audits is to not offer information that isn't specifically requested." He also said to get a list of everything they would want for the audit. The letter was dated September 23rd and gave me 10 days to contact the auditor. I called the day after I got the letter, September 29th, and took notes of everything the auditor said, and reported back to my accountant.

The auditor gave me his employee ID, and the name and phone number of his manager. He stated there are many things that can trigger an audit and we would not know exactly what it was. He confirmed our business address and requested my best contact information. He also made sure I had received the notice 609 (titled taxpayer bill of rights: right to representation and to privacy.) The auditor said "the way it works is we do an

interview, go over the numbers on the tax return, review the information, ask for more information, and there are three things that can happen:

- If there are any adjustments, if you agree with the adjustments and there is an increase in tax then you would pay the tax.
- If there is no change or impact then it is just done or
- If there is an adjustment to your advantage we would issue a refund.

The auditor also explained if there was a disagreement with a tax increase, there are four options:

- Conference call with the manager to discuss and make sure the manager cannot help resolve,
- Agree to Fast Track settlement, where they bring in a mediator, the mediator looks at both sides and decides on the adjustment
- Formal appeal process, if this route is chosen there must be 14 months, so yours must be done before 2024
- If you completely disagree you can go to tax court (that is very rare.)

The auditor explained they would be at our business location for two days, and required room for two people to work." So we set the dates, with me requesting it happen as soon as possible – my thinking was to get it over with as soon as possible.

In that initial phone call, the auditor also asked about the specifics of our accounting software and he said "it would be great to have a backup in advance before we get there, we're looking at the backup, we're not allowed to go and fish for other years on the backup... we would just look at the 2020 information for your 2020 return." If they have the accounting software backup on a thumb drive ahead of time it expedites the process, in our case it was a QuickBooks backup he was looking for. The auditor said "these things can get drawn out and involved when people don't have the documents we need." He advised me they would send a request for information. They expect the information to be available when they show up.

We set the date (5 weeks from the call was the soonest available,) and he told me to expect a 3 hour interview

to go over the information and answer any questions they had on the return, then after they will work alone, pouring over the numbers. I was warned that from time to time they'll have a question or they'll need more documentation, so they wanted me available to them. But that they should not need much longer than two business days.

After this call I met with my accountant, Tony. We discussed the possibility of him representing me for the audit, but my accountant advised that since I am very familiar with my books and processes, to pay him for two days of being on-site would most likely be a waste. He said he could be available to me for questions I wasn't sure how to answer, remotely, by phone or email, and save me a lot of money, so that was the route I went. Tony reviewed my 2020 return and gave me a document identifying all the areas he thought they could be focusing on, such as our inventory value, a shareholder loan, and 1099s. He made me a list of documents to have available that I compiled immediately. Some he was able to email me, like our 1099's and W2s, and

others I had to gather, like my articles of incorporation and stock records.

Weeks went by, and I finally received the lists of the IRS auditor requests in the mail. I went through it and saved all the documents to a folder on my desktop. The list included many of those documents Tony warned me about, such as all of our corporate minutes, and some things I was not expecting, such as our organization chart and "internal controls and related documents." Most things were pretty simple (such as W2s, W3s, 940s, our Fixed Asset Schedule, our Michigan Sales Use & Withholding return,) for the internal controls I basically gave them PDFs of our accounting job descriptions (which include cash handling policies and our system of checks and balances for deposits,) and our sales manual (which includes the processes sales and shipping and accounting are involved in.) I looked up and printed most things to a pdf and saved it, but for some documents I had to find the paper copies of and scan them to my computer, such as K1s. Some documents were more

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Surviving an IRS Audit

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cumbersome: I had to get electronic copies of every bank statement and loan statement for every account for 12/1/19 through 1/31/21. We switched account numbers since then so I was not able to just pull those up online, I had to get them from the bank. There were 27 line items in all on the request but some of those line items were for “all statements and documents relating to all loans” and others that required many documents



to satisfy one line item. One of those items was a printed copy of all Shipping and Handling expenses we had for the year. Due to our runner expenses on top of “normal” charges for small packages and large freight shipments, one item they flagged as much higher than industry standard was our 460k in shipping & handling expenses. I provided the ledger from Quickbooks, and when they were on site they requested a sampling of those expenses, they picked out 7 bills at random that we paid, and I had to present the actual bills and then they matched them to the specific deductions from the check numbers or automatic ACH payments from our checking account.

When the first audit day arrived, the auditors supervisor came with him to my office, and they informed me that my auditor was being audited! For one return each year, each auditor is reviewed on their performance, and Pete's Auto Parts was the lucky one chosen for our auditor. I knew they would be dotting every i and crossing every t, being under the scrutiny of their supervisor the entire time! The interview that I was warned would take 3 hours was over in less than 2. They asked a lot of questions about cash handling, business operations, my perks as the

owner, our accounting practices, and a few more specific questions about line items on our tax return, but most were more general.

We went on a tour of the business. They asked some questions that seemed bizarre to me, like “where else do you keep your cash?” and “how do you know people aren't just taking the cash and not making an invoice?” and “what other cash do you have?” They seemed surprised that most of our sales are paid over a month after we deliver the parts, by check, and that most walk-in customers pay by credit card. They kept expecting we would have bags or boxes of cash laying around, but we don't deal with that much cash these days!

They got to work, I had them set up their laptops in an empty office near mine, they used their own wifi hotspot not our network. They would occasionally ask me for more documents or to explain numbers. They did talk to me about my inventory valuation and requested all documentation to support that, which we expected, and I thought would be under scrutiny, but when it came time, they accepted it with very few questions. I tried hard to only answer the questions they specifically asked, as my accountant had instructed me. At about 3pm on the second day, they announced they had what they needed and were hoping to wrap up my audit by February 28th. I was surprised it would take such a long time, and I encouraged them to get me on the schedule sooner if possible. I said it would just be nice to have the audit behind me for the Christmas holiday.

They were in my office November 2nd and 3rd for the initial meeting, and not long after they called and asked if I would like to be bumped up on the schedule and have them come back November 21st. I agreed immediately. When they came back they gave me a list of transactions they wanted the original paperwork on. These were mostly large dollar amount journal entries. One item was from a vehicle we sold as a rebuilder, so we pulled the paperwork easily, it was just an invoice from our yard management system, the RD108 copy we brought to the Secretary of State, and the check the car dealer had paid us with. One item was a payment we accepted for an assay of over 1,200 catalytic converters, and again it was simple to satisfy their requirements as we printed the statement from the cat purchasing company detailing what we were paid for, and we printed the bank

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Surviving an IRS Audit

Continued from page 12

statement showing the deposit into our account matched what the company said they were paying us for. It is worth noting they asked about the dates – the payment went into our bank account 60 days after the transaction date on the paperwork from the catalytic converter processing company, and I was able to show the auditor how we had locked in the prices for the cats on that date, but that the processor pays us 60 days later if we want to avoid interest. They were very thorough in checking each “item” selected for review. Several of the items were “brokered sales” for a specific date – and in those cases I printed the sales reports for that day from our yard management system and showed them how it was not one transaction for \$20,000 but many many invoices that all added up to the daily sales dollar, which we enter into our accounting software as one line item. They said it was just a sampling of our transactions but it appeared to be a sampling of high dollar transactions, specifically.

Another very specific part of the audit was comparing the dollar amount we said we had in our bank accounts according to our accounting software with the dollar amount we actually had in our bank accounts according to the statement, and showing where the differences came from (mostly uncashed checks that were still in the mail.) They also wanted justification for our cash on hand, which I was easily able to provide by showing the dollar amounts in vehicle purchases each month. Our board

of directors minutes also included a managers meeting where we talked about maintaining cash reserves in our unstable market – that we didn’t know if COVID would continue to boost cashflow or if there could be another shutdown that would eat up cash reserves. The exact reasons seemed to be less important than having documentation and explanations.

The auditor dug into payroll taxes and compared our records to what we reported, requesting documentation proving what we paid for health care plans and that sort of thing. He also went through every single 1099 and compared them to the bills we had paid. I had to show proof that some companies were corporations because I did not have “Inc” behind their name in our accounting software. For example if I paid a vendor named Amber’s Auto, Inc, it was not questioned, but if I paid a vendor named Amber’s Auto then I had to search for them on the State of Michigan business entities and print out the proof they are a corporation not an LLC. My accountant claims that auditors often use these 1099 records to find their next company to audit, looking for discrepancies. Of all the businesses we wrote checks to in 2020, we had only one issue with 1099’s and it was a services vs goods issue. The company we purchase fire extinguishers from and who inspects our fire extinguishers, we had paid under the \$600 threshold for inspections and had paid a couple of hundred dollars for fire extinguishers, but because we had paid them over \$600 total they qualified for a 1099 . We were under the impression that if we did not pay for \$600 in services, we didn’t have to send them a 1099, but that was not the case. Luckily for us, the total amount we paid them was still very little and the IRS basically looked the other way on this one 1099. It was the only issue they found in all of our records.

November 22nd, 2022 the auditor wrapped up at Pete’s Auto Parts, and let me know that he believes we run a great business and that there would “likely” be no change to our taxes, but that he had to finish up his report and have his supervisor review it before he could say that with complete certainty. January 3rd, 2023 we received the letter confirming the audit was over and there was no change to our 2020 taxes. The 14 week process was slightly expedited due to my requesting everything happen as soon as possible and jumping on an opening for a sooner review, otherwise it may have been up to a 6 month process if I had done the opposite and tried for the latest appointments possible. 🚗



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

ARM ROAD SHOW PREVIEW



Automotive Recyclers
of Michigan

ARM Road Show & Business Networking Conference

May 19-20, 2023

**PLUS: Join Us for Our
Kent Utter Jr. Memorial Scholarship Golf Outing**

May 18, 2023

Scholarship Golf Outing

Informative Seminars
& Workshops

New Technology Introductions

Vendor Demonstrations

Cornhole Tournament

Live & Silent
Auctions

On location at:

**Hawk Hollow Golf
& Banquet Center**

Bath, MI

Great Food + Fun
Family Activities!



ARM ROAD SHOW PREVIEW

JOIN US!

AUTOMOTIVE RECYCLERS OF MICHIGAN & FRIENDS

Kent Utter Jr. Memorial Scholarship Fund Golf Outing

Thursday, May 18, 2023

Timber Ridge Golf Course
East Lansing, MI

9:00 a.m.
Shotgun Start



**HOLE
SPONSOR**

Opportunities
Available

CAT DRIVE

Support Your ARM Association
with No Out-of-Pocket Cost



Golf & Hole Sponsorship Opportunities Available

Scramble Format • Mulligans • 50/50 Raffles • Optional Skins Game

Create your own twosome or foursome by inviting colleagues, clients and friends!

PLAN ON JOINING US FOR A FUN DAY IN THE SUN!

Meet Our Speakers



Jarret W. Hann | Team PRP, Executive Director

Jarret W. Hann joined Team PRP as Executive Director in September of 2021. With direction of the Team PRP Board of Directors, he has grown the nationwide network of recyclers from 134 facilities to 270 members.

Prior to his hiring as Executive Director, Hann practiced as an attorney focused on civil litigation, negotiating complex settlements, and dispute resolution. His practice also worked closely with the insurance industry. He also has helped establish strategic partnerships with major brands, such as AutoZone, Hertz, Jasper Engines and more. His experience in executing strategic short- and long-term organizational goals comes from serving as corporate secretary and counsel for several organization's boards of directors.

Hann obtained a B.Comm. in Economics & Business Management from in 2005, where he graduated summa cum laude, and earned his J.D. in 2008. Hann lives in Williamsburg, VA with his wife, Jessica.



David Kendziorski | President, Stormtech, Inc. & MICAR Program Manager

David Kendziorski helped ARM develop the MICAR Program in 2004 and since that time has served as the MICAR Program Manager and helped ARM members comply with their storm water permits and adopt safe practices. He provides professional assistance to recyclers throughout the Midwest, and has served our industry for over 30 years. Dave has degrees in Biology and Water Resources Management from the University of Wisconsin. Dave will introduce the new ARA CAR Compliance Checkpoint Program and explain how you can integrate it into your MICAR Program.



Kenny Whipple | General Manager, Caliber Muskegon

Kenny has been married for twenty six years and is the father and coach of four very busy, involved daughters. He worked in sales and installation of Checkmate computers for AutoInfo until they were purchased by ADP Hollander. He has spent over twenty years as a third generation automotive recycler with Ken's Auto Parts in Muskegon, Michigan before leaving to become the body shop manager at Bowman's Body Shop and is now GM of Caliber Muskegon. He served on the ARM Board of Directors and was President from 2004-2006. As a former recycler, he is the perfect person to give you pointers on how to get your parts on an estimate. 🚗



ARM ROAD SHOW PREVIEW

ROAD SHOW YARD TOUR HOST

Celebrating 100 Years of Business

Schram Auto and Truck Parts is excited to celebrate a century of business. A family-owned business that is still thriving today!

In 1920, Harold Schram Sr. took advantage of the booming car factory industry and moved from Escanaba to Pontiac, Michigan for a job at Pontiac Motor Car Company that paid an unheard of 5 dollars a day. As a side job, Harold Sr. began buying cars to scrap out for their metal. He continued both jobs until 1923, when a man stopped by his house and offered to buy a good part off one of the cars he was scrapping. It was through this offer, that Harold Sr. realized he could sell the good parts off wrecked vehicles. And so, it was at a house on South Jesse St in Pontiac, that one of the oldest recycling parts businesses in the country was established.



In the summer of 1923, Harold Sr. started his operation located at Auburn Avenue and Jesse Street in Pontiac, Michigan. The sole purpose of the company was to recycle aluminum, bronze and other metals which were used extensively in early automobile production. Within a short time however, the sales of used parts from these vehicles also became an important revenue to the business. And so, in 1927, Harold Sr. resigned from his position at the Pontiac Motor Car Company to pursue the used parts business full time.



In 1940, with U.S. involvement in World War II close at hand, Schram Auto Parts was required to sell all scrap metals to the U.S. government for national defense purposes. Once America entered the war, Automobile production stopped (as did the used parts industry) so Harold Sr. sold all of his vehicles and worked for the government, hauling military vehicles to the East Coast for shipment overseas. In 1946 when Schram Auto & Truck Parts resumed business, Harold Sr. purchased a 7-acre parcel in Waterford Michigan & moved from its original location on Jesse Street to 2549 Dixie Highway, which is the current home of Schram Auto Parts - Waterford.

In 1957, Harold Schram, Sr. retired and his son, Harold, Jr. assumed management of the business. He immediately set out to build one of the most progressive used parts businesses in the nation. A new front building was constructed in 1962, a rear building in 1964, and a connecting building in 1966. Then in 1969, he built a 23,000 sq. foot warehouse and dismantling building. The new building consisted of 2 dismantling bays, a shipping and receiving area, racks for seat, engines, transmissions, doors, and many other parts.





In 1972, General Motors was making 75% of all cars in the local area, so Schram's made the decision to strictly sell GM parts. This way of business would last until 2005, when Schram's began selling parts for all makes and models.

With his business well in hand, Harold Jr. redirected his attention to helping the used parts industry as a whole. He became a charter member of Automotive Recyclers of Michigan (A.R.M.) and served as its president in 1967. He also served as President of Automotive Dismantlers and Recyclers of America (ADRA) in 1975, a national trade association. During this time, Harold Jr. was very instrumental in getting the anti-theft laws that are in place today, resulting in protection for our industry and combatting car theft.

In the early 80's, the third generation of the Schram family took over the business. Under the leadership of Ken, Bob, and Tom Schram, the company continued to work at achieving its goal of making Schram Auto Parts a leader in the Automotive Recycling industry. In 1989, Ken Schram completed over 15 years of service for both the Automotive Recyclers of Michigan (ARM) and the Automotive Recyclers Association (ARA), making Harold Jr. and Ken the only father/son Presidents in the history of the association. Tom Schram has also served as Vice president of ARM, and was on the Insurance Committee as well.



In 1993, Ken Schram was chosen by ARA to become involved in the Vehicle Recycling Partnership (VRP), a joint effort of General Motors, Ford, Chrysler, American Plastic Council, Aluminum Association, Institute of Scrap Recycling Industries, and the Automotive Recyclers Association. The partnership formed a group research facility and started the Vehicle Recycling Development Center, in which Ken was the program manager.

In 1998, a new 14,000 sq foot warehouse and 7,500 sq foot dismantling area was added to the existing facility. The result was 55,000 sq feet of warehouse, 5 dismantling bays, and a state-of-the-art fluid reclamation area. The facility became the largest exclusive GM late model recycled parts businesses in the World.

In 1999, the Schram family purchased Buds Auto Parts in Mason Michigan, a 20-acre site with a two-year-old, 16,000 sq. foot facility. The site included two dismantling bays, a warehouse, shipping and receiving department, and recycles late model Ford, Chrysler, and GM vehicles. In 2002, Mason location expanded the warehouse to add 6 dismantling bays, a fluid bay and the wash/inventory bay resulting in 52,000 sq. feet.



Continued on page 20



ARM ROAD SHOW PREVIEW

Road Show Yard Tour Host *con't.*

Continued from page 19

Schram's then incorporated new technology to help with their ever-growing business. The auto parts industry upgraded from keeping its inventory on paper and instead moved to a computer-based system, thus making customer service more efficient as they were now able to search the inventory of over 3,000 other companies, which meant the old phrase of saying "Sorry we don't have that" became virtually non-existent. Additionally, the location of the customer also became obsolete— this issue was solved by incorporating 14 delivery trucks to better serve the Michigan base customers, as well as a full line of shipping services to accommodate nationwide and abroad customers.



In 2009, Schram's built a U-pull it at the 20-acre Mason location. U-Pull & Save Auto Parts allows customers to remove their own parts for vehicles at a discounted price. This business became especially successful when the economy was down and the "do it yourself" way of life became increasingly popular. In 2015, Schram's purchased the old GM Stamping Plant in Pontiac, MI to expand their U-Pull & Save Yards with an additional 30 acres and 1,800 vehicles.



The 4th generation of Schram family members started to trickle in full time in the early 2000s to continue growing the business. They've dedicated time to Schram's website and the use of eBay to continually increase Schram's and U-Pull sales. They're also focusing on the continued development of the IT, marketing, & advertising departments and everything in between to keep their family business thriving in today's world.

The Schram's are grateful for their dedicated employees, a great team of people who are like family, and who have helped them hit 100 years of business. The sky's the limit with Schram Auto Parts, so much has happened with this company in the last 100 years, and it'll be exciting to see what they can do in the next 100. 🚗



JOIN US ON FRIDAY EVENING FOR OUR CORNHOLE TOURNAMENT!

Our Cornhole Tournament was so popular at last year's Road Show we decided to bring out the cornhole boards again this year. Choose your teammate and register to compete for the top prize and bragging rights at our 2nd Cornhole Tournament. There are no limits as to how many teams each facility can register. It will be bracket play, single elimination and we will follow simple backyard rules. A fun, competitive time is promised for everyone involved. **You must be pre-registered to participate. Registration details coming soon!** 🚗

TENTATIVE SCHEDULE OF EVENTS

THURSDAY, MAY 18, 2023

9:00 a.m. **Kent Utter Jr. Memorial Scholarship Fund Golf Outing**
Timber Ridge Golf Course • East Lansing, MI • Shot-Gun Start

Extend your weekend
with a fun day of
golf in the sun!



FRIDAY, MAY 19, 2023

9:30 a.m. **ARM Registration Open**
Hawk Hollow Golf & Banquet Center

9:30-11:30 a.m. **Exhibitor Set-Up**

11:00 a.m. **TOUR: Bus leaves Hawk Hollow Golf & Banquet Center for Schram Auto & Truck Parts-Lansing: Celebrating 100th Year Anniversary**
Lunch at Schram's
You must be pre-registered.

2:00-4:30 p.m. **Exhibitor Set-Up**

3:00 p.m. **Bus Returns to Hawk Hollow Golf & Banquet Center**

4:45-5:00 p.m. **Exhibitor/Volunteer Meeting**

5:00 p.m. **Opening Exposition, Happy Hour with Exhibitors, Cash Bar**

5:00-8:00 p.m. **Road Show Exposition Hours**

5:30-8:00 p.m. **Corn Hole Tournament**
Silent Auction

6:30 p.m. **Buffet Dinner with Exhibitors**

8:30 p.m. **Live Auction & Last Man Standing**
Fun & Comradery with Fellow Recyclers & Exhibitors

SATURDAY, MAY 20, 2023

8:30 a.m. **ARM Registration Open**
“Rise & Shine” with Coffee & Donuts
Bring your donated CATS & enter the drawing.

9:00-9:55 a.m. **Rise & Shine with the Exhibitors**
Road Show Open with Continental Breakfast

10:00-10:55 a.m. **Seminar: “Getting Your Parts on an Estimate: Tips from a Former Recycler”**
Speaker: Kenny Whipple, General Manager of Caliber Muskegon

11:00-11:55 a.m. **Introduction to New MICAR/ARA Car Certification Program**
Trainer: Dave Kendziorski, MICAR Program Manager
Panel Discussion: “From Minutia to Master Plans: a Full Spectrum Sales Panel”
Facilitator: Amber Kendrick, Pete's Auto & Truck Parts

Noon-12:55 p.m. **Road Show Exhibition Open**
Buffet Lunch

1:00-1:55 p.m. **Seminar: “Future of the Professional Auto Recycler”**
Speaker: Jarret Hann, Team PRP Executive Director

2:00-2:55 p.m. **Panel: “Maximizing Your Inventory Listing Potential”**
Facilitators: Larry Williams, Fox Auto Parts & Jayson Doren, Morris Rose Auto Parts

Panel: “How Vendor Resources Can Help Maximize Your Bottom Line”
Facilitators: Daniel Gray, Doug's Auto Recyclers and Ross Lewicki, Highway Auto Parts

3:00-3:55pm **Panel: “Lessons From the Many Paths to Success of Independent Automotive Recyclers”**
Facilitator: Jarret Hann, Team PRP Executive Director

4:00 p.m. **Wrap-Up, Vendor Tear Down & Safe Travels Home**



ARM ROAD SHOW PREVIEW

Things to Do in Michigan's Capitol

By Amber Kendrick

If you are considering coming in early or staying late for the Road Show this May, being held at the beautiful Hawk Hollow Golf Course in Bath Township, or perhaps you are thinking about bringing family along but are worried about what they can do while you are in the educational seminars here, there are many activities in the Lansing area!

Potter Park Zoo: 9 miles/17 minutes away, open daily 9am-5pm. Ride the camels, peek at playing penguins, pet barnyard animals, check out the African lion or spot the spotted leopard! The Potter Park Zoo has excellent animal welfare and impactful conservation; their grille serves up lunch and snacks. You can buy tickets at the gate or in advance at www.potterparkzoo.org

RE Olds Transportation Museum: 8 miles/16 minutes away, open Tues-Sat 10am-5pm and Sunday 12pm-5pm. See over 80 vehicles that range from 1886 to 2004! Whether you are interested in the first steam carriages, 1930's hearses and limousines, 1950's wood wagons or actual NASCAR cars, 1980's Indy cars, the first electric vehicles, or any of the other immaculate automobiles RE Olds has on display, it will surely delight you! Located at 240 Museum Drive, Lansing, MI 48933 you can learn more at www.reoldsmuseum.org

Beal Botanical Garden: 5 miles/13 minutes away, open sunrise to sunset. Immerse yourself in nature as you walk through the beautiful WJ Beal Botanical Garden on the sprawling MSU campus beside the Red Cedar River. Parking is easiest in Lot 62 or along West Circle Drive, use 330 W Circle Dr, East Lansing MI 48824 for GPS directions.

SUPPORT YOUR ARM ASSOCIATION WITH NO OUT-OF-POCKET COSTS!

CAT DRIVE

In return for your generous donation of a catalytic converter(s), you will have the opportunity to win a large screen smart TV. All you have to do is bring them with you to the ARM Road Show & Business Networking Conference at Hawk Hollow Golf & Banquet Center, Bath, MI, on May 18-20, 2023. For each "CAT" you donate you will receive one entry into the giveaway! Three (3) CATS, three (3) entries...you get the idea...the more you bring, the better your odds. Looking forward to seeing you at the Road Show with "CATS" in hand.

Michigan Wildlife Conservatory: 3.5 miles/9 minutes away, trails are open daily dawn to dusk, office open 10am-5pm, the pub is open Wednesday through Friday 4pm-11pm and Saturday 5pm-11pm. With 4 miles of hiking trails, 3D archery course, a disc golf course, catch & release fishing, and a pub with delicious food where you can play cornhole, shuffleboard, and more, the Michigan Wildlife Conservatory has a little something for everyone! Plus, every dollar you spend helps conserve and protect wildlife in Michigan.

Eli and Edythe Broad Art Museum: 5 miles/14 minutes away, open Wed-Sun 10am-6pm and always free, has over 10,000 works representing a wide array from ancient to the present. The permanent collection includes Greek and Roman antiquities, pre-Columbian sculptures/vessels, African, Asian, Latin American, Middle Eastern, North American and European art. Details on the current art exhibit "Blind Spot" by Stephanie Syjuco can be found at www.broadmuseum.msu.edu, and the museum is located at 547 E Circle Dr, East Lansing MI 48824. 🚗

EVENTS: COME JOIN THE FRIDAY FUN!

FRIDAY'S FUN DAY OF Touring Schram Auto and Truck Parts-Lansing:

We are kicking off the Road Show with a fun, relaxing day networking with our fellow recyclers as we have lunch and tour Schram Auto & Truck-Lansing location and help them celebrate their 100 years in business. This great full service and u-pull facility is a great opportunity for all of us see. We are confident it will be a beautiful spring day in Lansing as we begin our 2023 ARM Road Show & Business Networking Conference.

COME JOIN THE FRIDAY NIGHT FUN!

Once again we have a whole lineup of fun activities and prize winning opportunities planned for Friday night.

Join us for...

Pick Your County! We will have a map of our great state of Michigan with all of counties clearly visible. You can purchase and claim as many counties as you like. Once the map is full of signatures and all counties have been sold, we will draw the big winner.

Cornhole Tournament! Choose your teammate and register to compete for the top prize and bragging rights at our annual Cornhole tournament. There are no limits as to how many teams each facility can register. It will be bracket play, single elimination and we will follow simple backyard rules. A fun, competitive time is promised for everyone involved.

Live Auction! We are once again having a live auction as well as a silent auction with a great array of items that everyone will have fun competing for. If you would like to donate a special item to this lively event, please contact the ARM office at 810-695-6760 or arm@mi.automotiverecyclers.org with a description of the item to be used on our website and Facebook.

Last Man Standing! Back by Popular Demand! You don't want to miss our annual "Last Man Standing" event. It's a great way for everyone to support your ARM Association and it is so easy, so fun and so competitive...you just bring your checkbook, cash or credit cards and your passion to support YOUR association. We will do the rest.

We will ask anyone willing to make a monetary donation to ARM to please stand up and then we will continue to progressively go up in increments to as high as the crowd dictates. And yes, it is 100% ok to let your competitive side show by not allowing your fellow recyclers to outbid you for the crown of "Last Man/Facility Standing".

This year's top contributor will receive half off their ARM annual dues, a featured article about your business in our newsletter, a 30 day website ad on our site, as well as the trophy declaring you the "2023 ARM Last Man/Facility Standing." Our past events were a huge hit and success due in part to the active participation of so many members, employees, vendors and guests. And it sure beats selling cookies and candies! 🚗

Go Go Auto Parts Receives a Perfect Score

By Amber Kendrick

It was a cold rainy day when I pulled up to Go Go Auto Parts; storm clouds hung over the 26-acre facility but inside it was all smiles and warm welcomes. The business opened back in 1968, buildings were added, and many improvements have been made throughout the years and especially recently. Go Go Auto Parts was purchased by Jen and Eric Benson just shy of a year and a half ago, and although these new owners have been in the business for decades, they are passionate about changing and improving their acquisition. Jen has been



with Go Go Auto Parts since 1993; she was hired to do the books but after answering the phone one day to help out, prior owner Ron Daniels spotted a talent for sales in young Jen and moved her into the position she has been thriving in for nearly thirty years! Eric started at Cut Rate Auto Parts in Flint back in 1996 and over the years has worked with many awesome recyclers like Howard Veneklasen, spent time at Eagle Auto Parts in Kalamazoo, which sold to U Wrench It while he was there, and Eagle Auto Parts in Three Rivers as well. Over the years, through working together, Bert Hovenkamp and Ron Daniels both became like second fathers to Jen and Eric. Bert helped Eric build a self-service facility, taught him so much about the business and about life. Eric and Jen speak reverently about their mentors, Bert, Ron and Howard. "They were pioneers, and they taught us so much over the years, different perspectives and methods in business and in life! We are forever grateful to those men, and to Barb at the ARM office who has always been an amazing advisor, coming into this business it has been wonderful to be able to call her and take advantage of the resource of her knowledge, she really helps members."

Go Go Auto Parts has been a longtime supporter of ARM and they have been in the MICAR program since its inception. Jen says they love MICAR because "it's easy to follow, it gives you a simple structure of what to do. It's easy in the busy day-to-day to get tunnel vision and forget to do the things you mean to do, but with MICAR it really breaks it down so you just have to follow the plan, follow the audit schedule. It's not difficult stuff to do and the result is you are proactively keeping the business right, which I think has long-term cost savings." Go Go Auto Parts was the only yard to pass their MICAR audit with a 100% perfect score! I could tell on my tour they take the safety and environmental program seriously, and we discussed the many benefits of the program. "I've learned a lot from Dave Kendzioriski over the years when he comes in to do these audits. Dave taught us the best method of recycling dirt around our crusher, which saves us time while keeping us in compliance with the governmental regulations." Jen says one of the great things about MICAR is that a lot of it is simple common sense, making it easy to comply. "We just do what we are asked to do, we don't have a



on MICAR Audit

state-of-the-art facility but we follow the program and we can see how taking the time to do so can help with profit and efficiency in the long run!"

With 30,000 square feet of inside storage and 3,000 vehicles on site, Go Go Auto Parts has room to grow, and they have been working hard at it. They are trying to hire another salesperson right now, to keep up with the community demand and even the nationwide demand. "We joined the MidWest Runner because it seemed like everyone else was, and we are moving a lot of parts on



it," said Eric. Go Go Auto Parts is on EDEN Exchange, Car-Part.com, and they also have a large eBay footprint, they are a "top rated seller" with over 27,000 parts sold and a 98.5% positive feedback rating. Customers online rave about the customer service at Go Go Auto Parts, and you can tell talking to their people that they really care.

"It's been an amazing experience," said Jen, "especially seeing our staff and their families grow and being close with them, watching their kids grow up and become customers!" I asked Jen if there was anyone in particular that is important in the business, and she talked about each and every member of her staff as crucial. "We are so blessed to have an amazing, hardworking staff who have stood by us and helped us so much in good times and bad. COVID was a challenge, but they rose to it, and even took the time to help others." Go Go Auto Parts is very involved in their community, from supporting the local Moose Lodge, T ball and Little Leagues, to donating to local animal shelters and taking in feral cats and feeding them. Since COVID they have been doing food drives and distributing donations to local families in need.



On my tour of Go Go Auto Parts, Jen pointed out areas where they had made changes since taking ownership. I was impressed by the warehouse storage parts they have boxed up ready for shipment and the way they had converted racks of previously slow-moving inventory to some of their high dollar hot sellers. Their improvements have been thoughtful and worked within the structure the facility came with, even something as simple as changing the color of the part tags each year to make it easier to see at a glance is a time-saver. Go Go Auto Parts has a series of bays for scrap cars, and in a totally separate area, dismantling and inventory bays. "You can see so much more when a car is inside under these bright lights we just installed, than trying to inventory out in the field!" They also have a body shop area where repairables are fixed and prepped to sale. By diversifying multiple income streams, from eBay to business-to-business to the retail public to repairables, Go Go Auto Parts stays busy even when one area struggles. When they aren't doing as many repairables it seems like the parts business is surging, or if one area has a slower week they see are still seeing an increase on the MidWest Runner that is keeping them busy. As every automotive recycling owner or manager knows, part of the fun of this business is that it's never-ending and always changing. "We love it, we really do," said Jen. "Eric and I met in this industry, and we wouldn't change our path if we could!"

If you aren't already doing business with Go Go Auto Parts, the only yard in Michigan to receive a perfect score on their MICAR audit, reach out to them at contact@gogoautoparts.com or give them a call at 269-623-2775 today. 🚗

Sales Team Development

By Amber Kendrick

Recently I listened to Rob Rainwater with Profit Team Consulting speak passionately about sales and sales management and he started by asking a broad question: where do you want to take your company? Rob said we need to start with the theory/concept of who are we and most importantly, who do we want to be? How well do we satisfy our customer's needs? Rob says we need to run our sales team with these philosophies clearly in mind, and that our team needs to know who we are, and let those philosophies be reflected in our management strategies, our pricing approach, and our customer service from the time we first speak to a customer until the part is at their doorstep, and even beyond into our accounting department!

Rob reminded us that salespeople are emotional creatures, and the first part of the day can set the mood of the day, so the first call of the day is the time to start the day off right! "Start every day great!" If you are a salesperson, get into a morning routine that sets you

up for success. If you are a sales manager, coach your salespeople into this. He said "it's a game, and part of the game – the most important part of the game – is when I'm driving to work and I understand there are going to be problems, there are going to be parts dropped or broken, engines are going to go bad, but I am going to get past them and I am not going to let any of it hurt me or be a problem! I am solution based."

"Sales managers, you need a score card: you should know when you go home each day how you did that day based on a simple scorecard. How did each salesperson do according to their scorecard and their daily average?" Rob says good sales managers set goals with each salesperson and put the goal right in front of them. "Set small goals, set the hourly goals or the daily goals or the weekly goals. Ask for the money. Ask for the sale. Break it down to what you have to do to get there. How many quotes?" Rob said it's important to set attainable goals not pie-in-the-sky dreams. "Not as many salespeople know the numbers as you think – they

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should know their numbers better than they do. They should know how much of their sales are warranties and are brokered, how much of their sales are to end users, how much are to shops, how much are to yards."

You have to be valuable to your customer to get them to call you back and to get them to call you specifically, to call your direct line, how will YOU be valuable. Some phrases they can try are "what other parts are on the estimate that I can quote for you today?" or "while I have you on the phone is there anything else I can help you with, are there any other parts you need?" It's important that a phrase like this be ingrained into each salesperson, that they say it every single time, no matter what, before they hang up the phone.

When Car-Part people call, you can just sell them the part, or you can build more sales into it and you can make a real customer! You can provide the part the vehicle buyer really sold, or you can provide excellent service, ask what else they need, ask how many bays they have in their shop, how many cars they push through, what type of jobs they do, get to know them, and explain we can ship/deliver to them; turn them into a customer! We're in the relationship business. Today is the day we make a new customer, and over time we will build up all these people who directly order. I don't just sell the customer what I have, I sell them what they want! Ask questions! Don't be afraid to ask for the money, after you ask the questions to establish what they really need.

"There can be a mentality that if it's not on the computer it doesn't exist – we have to get past that and get creative! Let's build the relationship and find ways to solve problems for customers, especially when there are parts on national backorder." Rob encouraged trading favors – such as when a customer needs a weird little wiring piece or something, ask them for a favor like "call me first on every part you need for a month. You don't have to promise to buy it, but promise to give me the first shot on EVERY part, even if you see it online somewhere else, give me the first call." This helps build the relationship.

Rob talked about hiring and how important it is to create a really specific job description and the profile of the salesperson you want to hire. He encouraged us to look at our past track records, avoid our previous mistakes and try to repeat the good hires! "Bad habits are hard

to break so it's better to hire someone fresh. Good characteristics include good customer service, good bartenders, good servers, people who are used to fast paced sales, cell phone salespeople, upselling, paid by commission jobs, not someone who was in a slow-paced job used to hourly. Personality is a huge part of it. Also look for fast typing. They need to be able to work fast on the computer. I use the program Mavis Beacon Teaches Typing – if your salespeople have faster and better typing, they can move through the screens better!" In addition to general typing skills, Rob encouraged us to train the yard management system specific shortcuts (like hotkeys and such) and make sure they know how to sell with the keyboard not just with the mouse because it's so much faster. Sales professionals



practice their skills. That includes keyboard skills and computer skills. Professionals hone their craft; their craft includes Pinnacle/Powerlink/Checkmate skills. Help your salespeople improve these skills and they will sell more.

"Do you have the drive and do you want to be there? Do your salespeople? Drive makes such a difference. It's not always about the money, the money is nice but it's more than money." Really great salespeople have a love of the hustle and helping people. There are many different types of people who share these characteristics even though they are very different from each other. "There are three salespeople I see over and over again. You have the parts nerds," Rob explained "these people get the technical side of the job and you may have to help them with the people. Then you have the people-people, they thrive on connection, and you

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Sales Team Development

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may have to teach them about the technical side but they can learn. Last you have the money people. Those people will learn about the connection and the technical side because they want the commission!" Rob says the people who perform consistently over time are organized, and understand what happened yesterday, take it into account for tomorrow, and they are always working on themselves. They take time and pay attention with their new customers and don't rush, they ask the right questions and do a great job with them regardless of how busy the phones are.



Salespeople need to build value – how do you build value? Ask questions!! If you ask questions, you learn what is important to the customer, then you can build the value where it belongs. If you learn the customer needs it tomorrow, then you can build the value in your delivery service. If you learn the customer needs it for your daughter's car, you build the value in the warranty that it's going to last and if anything goes wrong in the next year, you'll cover it. If you learn the customer has no money, then you build the value in the savings of the used part and the discount you can give them. Rob said "whatever is important to the customer, that is what you build the value around, but if you don't ask the questions to find out what is important to the customer, then you don't know how to build the value." Rob gave us some great one-liners, such as when you get a call from someone who says they saw our part online, he suggests "sir, my job is not to sell you this one part this one time, my job is to impress you so much in this one deal that we build a relationship and I sell you thousands of parts over the next many years!" This is sell yourself

and your company! Another one-liner Rob shared was a response to "I'm just looking for the best price" – he said good response would be "well what would the best price be?" because the customer might share what that would be and we might be able to meet that vs giving them the lowest price possible. Will they wait 2 weeks to save \$100? Some will and some won't, but if you don't ask questions you don't know the customer. Rob advises us "don't talk too much. Just ask questions, find out what is important to them and then solve their problems. Is it price? Availability? Warranty? People buy from people they like. So ask the right questions and create value. I'm sorry you have a broken car, please let me know what is your hesitation? Is it price, availability or warranty?"

Rob encouraged us to give the salespeople some room to play and make moves. He gave the example of a yard that had a credit card with \$250 on it at a time and let salespeople buy shops donuts and things, quoted a new shop something and they bought them donuts with door dash. He says we can build a culture where we can trust people to satisfy the customer's needs and the salespeople can make the decision and take care of the customer without having to get management approval for every little thing.

To set salespeople up for success, Rob suggests holding contests for things like bigger monitors and better chairs. Better headsets and better keyboards. This way, they can earn the very tools that will enable them to continue to grow their sales. You can ask them, what is the biggest deal you can't close this week and give them some way to help them try to close it, whether it's tips on the callback or lowering the price or offering a warranty. Show your salespeople you are rooting for them and celebrate with them when they hit their goals!

You can find many more tips directly from Rob Rainwater on his YouTube Channel @profitteamconsulting9066 these were my notes from his excellent and passionate speech! You can also often see him speak live at industry events. Check out his website for more information: www.profitteamconsulting.com 🚗




F.Y.I. The deadline for the next issue of the Automotive Recyclers of Michigan *YardTalk* newsletter is May 17, 2023. 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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We have a **NEW** application form for the 2023-2024 school year.

New information is required this year. Be sure the application you submit says "2023-2024 School Year".

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The application and qualifying information are available on our website at automotiverecyclers.org or contact the ARM office at 810-695-6760 or arm@mi.automotiverecyclers.org.





And The Award Goes To . . .Katrina Hall

Katrina Presented "2022 Ted Eckstein Award"

By Paul D'Adamo, RAS "Core Hunter"

The best award is the one you weren't expecting. And so, it was on a cold New England Night at the Crown Plaza Hotel in Warwick, Rhode Island, as the employees of RAS (Rebuilders Automotive Supply) gathered for their annual Christmas Party. RAS's ownership and executive team have built a reputation for respect and gratitude to their employees. The Christmas Gala is the year's highlight: a festive buffet, service awards, generous gift cards, and dancing. If you recall, we celebrated our company's 50th Anniversary in 2022 with a full-blown Trade Show at our Rhode Island location. To say the least, it has been an awesome year for the company and its dedicated workforce.



It is our distinct pleasure to announce Katrina Hall as the 2022 recipient of the Ted Eckstein Award. The Ted Eckstein Award is given to a single employee "In grateful appreciation and distinguished recognition of your hard work, devotion, and commitment to excellence."

Ted was the founder of RAS, and the award has been given out since 1999. RAS has many long-term employees, and it is always a highlight to see folks get 5, 10, 15, and yes, even 20-, 25-, and 30-year awards. Katrina has been a loyal and productive employee for 12 years.

What's there to say about Katrina? Only that she is one of a small group of women in the Core side of the auto recycling business. Her bright and sparkling personality is but one facet of her overall persona. Katrina represents

the best of our industry with a high level of product knowledge, the ability to establish and maintain relationships, a genuine concern for recyclers, good-humored, and a keen sense of business. Don't let her warm Georgia personality or distinct Georgian dialect get your guard down. She is sharp as a tack and wants your business. And she always backs it up with the highest degree of customer service! Her work ethic is second to none.

On the personal side, Katrina's "Southern Hospitality" shines through due to her faith, love of family, strong sense of community, willingness to help others, and devotion to the Georgia Bull Dawgs. Katrina and her husband Brad are the proud parents of three boys and their growing family, including one daughter-in-law and two grandchildren.

It has been my distinct honor to have the pleasure of knowing Katrina well before I joined RAS. Working with Katrina on the road these last five years has been an honor and a privilege. I have learned so much from her and know she always has my back.

Congrats Katrina! Send Katrina your best wishes at katrinahall@coresupply.com.

Congratulations!

To Bill Wild who was recently named President and CEO of Midwest Independent Retailers Association, a 110 year old, nonprofit trade association. Bill had been the Mayor of Westland since 2007, was former owner of Scrap Busters, Inc. in Warren and a Past President of ARM. We wish him much success in this new endeavor.

To Schram Auto and Truck Parts, a family owned business and one of the founding members of ARM, as they celebrate a century of business. Be sure and plan on joining us as we tour their Lansing location Friday, May 19th during the Road Show as we all join in their celebration.

To W. A. Young Insurance, a family owned and operated independent insurance agency and longtime Associate member and supporter of ARM as they celebrate 100 years in business. They are proud to call Rockford, MI home and they look forward to a special year ahead. 🚗



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