

# FADRA

## NEWS

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### Special Sections

**Alabama Auto Recyclers**

pg. 11

**Georgia Auto Recyclers**

pg. 14

[www.fadra.org](http://www.fadra.org) Issue 2, 2016

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## FADRA NEWS Issue 2, 2016

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# PRESIDENT'S MESSAGE

By Tim McMillon, M & K Auto Used Auto Parts, Inc.



Tim McMillon  
M&K Auto Recycling

Fellow FADRA members, we are coming up fast on our premier association event, the annual Convention. Last year's fortieth anniversary brought founders and new members together and reminded us of our ability to survive and thrive for the long haul. Every business and every generation has its particular struggles and challenges, but seeing yard owners who've been with us for

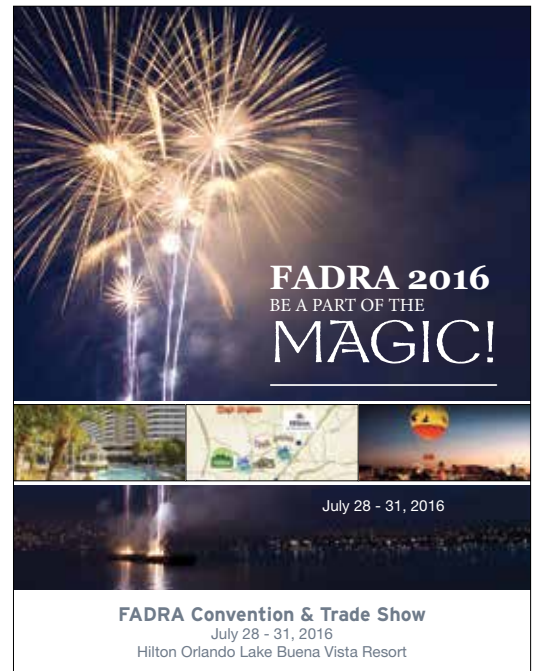
decades, along with young people who see opportunity in the auto recycling business, makes me very proud to serve and lead this organization.

Our convention committee led by Shan McMillon has put together a fantastic program for owners, sales people, and dismantlers. It will be exciting to have Sandy Blalock as our keynote speaker. Sandy has seen it all—as yard owner, ARA president, consultant, and now an association executive working to create organizations in several states without coherent leadership. She brings a national perspective from which we all can benefit, and she'll be with us throughout the convention for you to talk with informally. We're also bringing in Mike James

of James Environmental, Joe Ferrazzo of Hollander, and Mike Kunkel of Counts Consulting to help you keep on top of using today's technology to improve your business.

The Disney-area location outside of Orlando is also designed for you to mix family vacation with convention fun. Thursday evening is an open night for you to enjoy the attractions, while your family can go while you are engaged in industry education throughout the meeting. I hope everyone takes advantage of this. Our hotel cutoff is coming up fast (July 6), so contact them now to get a room at the convention rate. Please also register early for the convention itself, even though we will have on-site registration available. I look forward to seeing everyone soon!

Tim McMillon, FADRA President



Visit your association Website!  
**www.FADRA.org**

Find more useful information from your Professional Association, including procedures for applying for the Salvage Dealers License.



## Calendar

**July 28-31, 2016**

FADRA Annual Convention  
Hilton Lake Buena Vista, Orlando  
FL

**October 26-28, 2016**

ARA 73rd Annual Convention  
Baltimore Convention Center

## New Employee

David Rizzo, formerly with Brandon Auto Salvage and Cocoa Auto Salvage, joined All Pro Auto Parts in Auburndale as Sales Manager.

## New Life

Sarah Kathryn Wright of Auto Data Direct in Tallahassee announced the birth of twin girls on May 23, 2016. Their names are Callie and Lilly.

## New Members

The following new members were approved by the FADRA Board of Directors on June 2, 2016:

### Planet Auto Recyclers, LLC

Andrew Goberdhan  
1915 NW 8th Ave.  
Ocala, FL 34475

Phone: 407-960-9529

Email: Andrew.goberdhan@gmail.com

### PMR, Inc.

Christian Thibault  
4640 Grande Allee Blvd  
Boisbriand Quebec Canada J1H 1S7  
888-330-3423  
info@pmrcc.com

### Raceway Auto & Truck Parts, LLC

Gary Coln  
5350 Hwy 226  
Savannah TN 38372  
731-925-8000  
racewayauto.com

### Team PRP – Premium Recycled Parts


Ray Coker  
2950 Charmwood  
Dublin OH 43017  
844-270-6025  
raycoker@teamprp.com

## Out of Business

After more than three decades, **Panhandle Converters Recycling** of Dothan, AL, a long-time exhibitor at the FADRA convention, went out of business on January 25, 2016. The website refers current customers to Panhandle Iron and Scrap, 100 N Beverlye Rd, Dothan AL 36303, phone 334-671-2699.

## Scam Alert

Steve Holland warned everyone that a scam has been going around that affected Brandon Auto Salvage. Do not open any emails from Bitcoin Rush, as it is used to gain control of your accounting and other business files. The email will have a copy of a purchase order or a picture. The scammers then call you to ransom them, forcing you to pay to get personal and business financial data back. All it takes is an employee to open an email to the company and they can get into your systems.



**FADRA 2016 DECADES PARTY**

'70s '80s '90s '00s

DO!!!

TRON

Breakfast Club

M&M's

Get Retro at the FADRA Convention  
Decades Party at the Closing Banquet  
Wear your fonkiest period attire from '70s-'00s.

## PRODUCT OFFERINGS:

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- 939-101 covering Malibu 08-12 17", fits interchange # 560-8075

### Center Console Lid Repair Kits

Over 6 part numbers including:

- 924-811 covering GM Trucks 01-07 and 07-13, 3 colors, 2 models

### Remanufactured Hybrid Drive Batteries

Over 10 part numbers including:

- 587-001 covering Toyota 04-09 Prius featuring all pre-programmed plug and play electronics, fits interchange # 600-103

### Control Arms

Over 50 part numbers including:

- 521-880 covering Ford Five Hundred, Ford Freestyle, Mercury Montego

### Handles

Over 3,300 part numbers including:

- 80374 covering GM Silverado 07-11, a kit which allows you to replace inside handle

### Spare Tire Hoists

Over 18 part numbers including:

- 924-510 covering GM Trucks 03-13

## And More



Interchange No.  
560-8075

Dorman No.  
924-811



Interchange No.  
600-103



Interchange No.  
512-1449R

Dorman No.  
80374



Dorman No.  
924-510

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- Now Open 8AM-6PM EST



# LEGISLATIVE UPDATE

By Steve Holland, Brandon Auto Salvage, Legislative Chairman



FADRA participated in the 2016 Florida Legislature Session and all salvage-related Bills failed. We monitored the following:

1. HB 1091 - This bill presented by PWOFF addressed the Illegal Signage for purchasing salvage vehicles.
2. HB 1029 - This House bill was presented by LKQ for an Electronic Data Reporting Program. The purpose of this program was to require tracking of salvage vehicles and the reporting them to NMVTIS.

3. Windshield Fraud Draft was promoted by the Safelite Glass Company and focused on repairs of glass by unlicensed people such as Car Wash Facilities. This bill was discussed in committee.

5. SB 960 & HB 1087 - Bill protects consumer information that is collected by Auto Dealers and was sponsored by Senator Bradley and Rep. Rooney.

6. HB 875 Amendment 3 - This Amendment by Rep. San-

tiago defines Aftermarket and Recycled Parts and restricts warranties from being void for repairs of the vehicle with those parts. This amendment was withdrawn from committee.

I personally want to thank the Board, my Legislative Committee members, our Lobbying Firm, and every person that supported our mission this year. I would like to invite you to attend our Hill Days next year on March 22, 2017. This is very educational and relationship-building event. You will truly enjoy the trip.

We are in the midst of election season. In Florida, all 120 House seats and 40 Senate seats are up for election, while 27 U.S. Congressional representatives and one Senator are up for election. Now is the time to contact your local legislators and candidates to get acquainted with them. Either invite them to your facility to educate them about your industry or visit their office to speak with them. Attend community events that they attend and speak with them. Be on first-name basis when you need them or when they need your expertise and knowledge. It benefits your business and your industry.





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## More Workers Will be Eligible For Overtime Pay

The federal Fair Labor Standards Act (FLSA) requires that all workers (with some exceptions) receive at least a minimum wage (for 2016, the minimum wage in Florida is \$8.05 an hour), as well as overtime pay at one and a half times the employee's regular rate of pay for hours they work beyond 40 in a work-week. This applies to both hourly and salaried workers.

Please note: It is a common misconception that employees who are paid on a salary basis are automatically exempt from overtime; this is not true. Employees on salary must be paid overtime, unless they make a certain amount and their job duties meet specific criteria.

There are 5 categories of employees who do not have to be paid overtime: executive, administrative, professional, outside sales and certain computer-related occupations. These are known as the "white collar" exemptions because employees must be paid a certain salary amount and have specific job duties to qualify, like management of other employees or specialized skills that require advance schooling.

To qualify for one of these exemptions (and thus not receive overtime pay), employees must meet certain tests regarding their job duties and be paid a certain minimum salary. (One side note: the outside sales exemption does not require a minimum salary amount.)

Currently, the minimum salary amount to qualify for an overtime exemption is \$23,660. Starting December 1, 2016, however, the minimum salary to be exempt from overtime will increase to \$47,476. This means that salaried employees whose salary is less than \$47,476 a year (or \$913 a week) cannot be exempt regardless of their job duties and must be paid overtime for all hours over 40 they work in a given workweek, effective December 1, 2016.

To prevent the salary level from becoming "outdated," it will be updated automatically every three years. The first update will take place on January 1, 2020, with future updates occurring every three years after.

This change will entitle many workers making more than the current threshold of \$23,660 to overtime pay and will be a big change for small businesses. We have information on

our website explaining this change as well as the "duties test" that employees must meet to qualify for each exemption. Go to [FUBA.org](http://FUBA.org) and look under the "Small Business Alert" tab on the home page. If you have any questions about how this change will affect your business, please call our offices at 800-262-4483 and ask for Karen or Lance.

Source: FUBA



## Low-Interest Loans Available Through DEP for Recycling Equipment

The Florida Recycling Loan Program was created to provide access to capital for the purchase of equipment and machinery to expand recycling capacity in Florida. The program offers long-term fixed-rate loans at interest rates up to 2% below Prime. The maximum loan amount is \$200,000. The program is limited to for-profit small businesses that are either legally licensed and operating in Florida,

creditworthy start-up companies or out-of-state firms considering expansions into Florida. Eligible recycling companies must have a net worth less than \$6 million and have less than 100 employees. Eligible companies include automotive scrap dealers and recyclers.

Since its inception in 1995, the Recycling Loan Program has entered into twenty-seven loans totaling over

\$3.9 million. The equipment purchased ranged from extruders and conveyors to tub grinders and crushers.

For more information or a pre-application, contact Florida First Capital Finance Corporation at 1711 South Gadsden St, Tallahassee, FL 32301. Phone: 850-681-3601. Email: [ffcf@ibm.net](mailto:ffcf@ibm.net)

## The New Classics?

What if you could buy a vehicle, knowing it would become a classic? With a deep understanding of the market, the collector car experts at Hagerty released their annual list of vehicles that stand out as likely collector cars within the next 25 years. In order to be considered for the "Hagerty Hot List," the vehicle must be produced within the 2016 model year with an MSRP of less than \$100,000.

"Despite all the negative talk about the future of the car, this is one of the most exciting times to be a car enthusiast," said McKeel Hagerty, CEO of Hagerty. "Manufacturers seem to have found the golden combination of performance, handling, safety and styling. The cars on this list check all of these boxes and will make them desirable for years to come."

The 2016 Hagerty Hot List ([www.hagerty.com](http://www.hagerty.com), along with base price):

### **Mazda MX-5 Miata (\$24,915)**

Since 1989, this car has consistently flown the flag of the lightweight roadster. The newest generation is shorter and more nimble than the preceding model and is quickly gaining the respect of driving enthusiasts.

### **Ford Focus RS (\$35,730)**

The RS will finally reach American dealers for the 2016 model year with 350 horsepower, 350 pound-foot of torque, a six-speed manual and an all-wheel drive system that promises everything but the moon and a World Rally Championship trophy in every garage.

### **Chevrolet Camaro SS (\$37,295)**

Following last year's debut of the sixth-generation Mustang, Chevrolet has once again risen to the challenge with the newly designed sixth-generation Camaro. There's a new 2.0L turbocharged four-cylinder powertrain along with the V-6, but traditionalists will be glad to know that the SS badge remains in all its 455-hp V-8 glory.

### **BMW M2 (\$51,700)**

In 2016 BMW will launch the M1 Coupe's successor under the M2 nameplate. It's slightly larger, significantly sexier and equipped to bookend the M Division's lineup in the best possible way.

### **Ford Mustang GT350R (\$62,195)**

As if the GT350 wasn't enough, the "R" version of Ford's hottest Mustang does away with everything possible to save weight - including the rear seat - and even offers wheels made of carbon fiber. Given the collectability of the Shelby GT350R from the '60s and even the Mustang Cobra R from 1993, we'd say this one's a shoe-in.

### **Alfa Romeo 4C Spider (\$65,900)**

We love the pureness and simplicity of the 4C. It's a refreshing reminder that great cars don't have to be complicated. The little 4C offers performance similar to a Ferrari 360 Modena from not too long ago at a bargain price for an Italian exotic.

### **Porsche Cayman GT4 (\$84,600)**

This just might be one of the most exciting driver's cars ever to come from Stuttgart. It borrows components from the current-generation 911 GT3 and puts them to work in a smaller, mid-engine package that makes many people wonder how much further the Cayman can go.

### **2016 Dodge Viper SRT Coupe (\$89,090)**

This isn't the first year of the current Viper, but in a time when most cars are trading engine displacement for forced induction there is just something to love about the brute force of the 8.4-liter V-10. If words like "bludgeon" "eviscerate" and "trounce" appeal to you, this is your car.

### **Cadillac ATS-V (\$60,465)**

This car is built in Lansing, Mich., to do battle with bad boys like the BMW M3 and Mercedes-AMG C63. Its twin-turbocharged 3.6-liter V-6 makes an eye-watering 464 horsepower that you can control through an eight-speed automatic or a six-speed manual with no-lift shifting and a penchant for taking punishment.

### **2016 Lotus Evora 400 (\$89,900)**

This is the brand's quickest and most powerful series-produced car ever, but it doesn't sacrifice Lotus' trademark lightness.

Source: Used Auto & Truck Parts Locator

## ELVS New Location and Program Manager

Many of us contribute used mercury switches as part of a national program. EQ Industrial Services, Inc. (EQ), the program manager for the ELVS/National Vehicle Mercury Switch Recovery Program (NVMSRP), has relocated its mercury switch collection operations. In order to ensure that all returned mercury switch collection buckets are sent to the new address, please note the following shipping label changes:

All buckets sent out by EQ after December 5, 2014 will include return UPS shipping labels with the new address listed below.

If you process your own return shipping labels, please ship to the new address.

If you are in need of a new return shipping label, please contact EQ.

EQ has also changed the ELVS Program bucket ordering phone number. Please call the new number 800-495-

6059 for all of your mercury switch recovery program bucket needs. You can also e-mail EQ at [elvsbuckets@usecology.com](mailto:elvsbuckets@usecology.com).

The new EQ address and contact information is:

EQ A US Ecology Company  
2000 East Ferry Street  
Detroit, MI 48211  
[elvsbuckets@usecology.com](mailto:elvsbuckets@usecology.com)  
800-495-6059

Judie Napier is the Mercury Switch Program Manager.

Please make special note of these important changes. If you have any questions, or need assistance in shipping your return buckets, please feel free to contact EQ by e-mail at [elvsbuckets@eqonline.com](mailto:elvsbuckets@eqonline.com) or by phone at (800)-495-6059. ELVS will also have a booth at the upcoming FADRA convention in July.

## ARA Memo: Automaker Recalls and Your Business

Since the beginning of 2014, over 100 million vehicles have been recalled, creating multiple challenges for professional automotive recyclers who provide safe and quality OEM recycled automotive parts to the marketplace. It is the goal of your ARA leaders and Association staff to keep you, its members, informed of the latest actions that ARA has taken to address the implications that recalls have on the automotive parts supply chain, and what you must be aware of as business owners.

Please be familiar with the laws related to the recall process. In 2012, Congress enacted the Moving Ahead for Progress in the 21st Century Act (MAP-21) in 2012 which provided for a recall database with individual VIN look-up tool to be established by 2014. In addition, the FAST Act, signed into law by President Obama on December 4, 2015, includes

language secured by ARA that now requires automakers to provide OEM parts data for recalled parts.

As regulators begin the regulatory rulemaking process to implement this new requirement, know that ARA continues to talk with the National Highway Traffic Safety Administration (NHTSA) on a regular basis to ensure that after such a hard fought legislative victory, the requirement is effectively implemented and professional automotive recyclers continue to have a seat at the table during the rulemaking process.

As part of this effort, ARA CEO Michael Wilson testified on April 14, 2016 before a subcommittee of the House Energy and Commerce Committee outlining why any OEM parts data provided must be tied to specific VIN numbers, integratable into industry inventory management systems software, and address recalls going

back 15 years to when the TREAD Act was passed. To minimize the effects of the safety recalls on the automotive parts supply chain, your inventories, and the consumers who rely on OEM recycled parts, these three things are necessary so that you are able to identify in a streamlined and efficient manner those OEM parts which have been recalled.

Lastly, ARA has also taken steps forward to ensure that automakers adhere to the law and provide ARA with fair market value for recalled parts that recyclers have removed from their inventory. High-level meetings with Congress, NHTSA, the automakers and consumers are ongoing to consider how best to address the fair market value of those parts that ARA members have and continue to take out of the market.

# BE PART OF THE MAGIC WITH FADRA

By Bobby Davis, Editor



The hotel room cutoff date is July 6, 2016. You will probably be able to get a room after this date but not at the convention rate. Call 407-827-4000 to secure your room now.

Certified Automotive Recyclers and the New Mexico Metal Recyclers Associations. Sandy has also been assisting other states in starting or rebuilding their associations. She is trying to create a Regional Alliance between New Mexico, Arizona, Nevada, Utah and Colorado.

We are gearing up for another informative and entertaining convention at the Hilton Lake Buena Vista on July 28-31. We expect a great turnout of members from Florida and even a few from Alabama and Georgia to take advantage of the location near Disney Springs and the theme parks. Our Thursday night opening event provides time for everyone to spend time enjoying the attractions with your family and FADRA colleagues. There will be discounted tickets available for FADRA attendees and vendors.

Saturday is the day to get your employees special training. Paul Secker of SAS Forks will provide a forklift certification session, followed by a session from Brian Schell of Fenix Parts on efficient dismantling methods. Your sales people will benefit from Mike Kunkel's Sales School and Joe Ferrazzo of Hollander's session on online sales. Your employees can also hit the trade show and get lunch for a one-day price.

There's plenty of education from our lead speakers:



## Sandy Blalock

A Past President (2008) of the Automotive Recyclers Association, Sandy managed her family's business, Capo's Truck and Auto Parts in Albuquerque, NM. In January 2011, Sandy started Blalock Consulting to "help and give back to the industry that gave so much to me." She has worked on building and managing the New Mexico



## Joe Ferrazzo

Joe is Director of Product Management with Hollander, a Solera Company, and is an expert in technology operations, e-commerce, and marketing. He is in charge of all of the e-commerce products, which includes the eBay program, the HollanderParts.com marketplace, Hollander Storefront, and the EDEN repository of data.



## Mike Kunkel

Mike has been a consultant with Counts Consulting in Ft. Worth, TX since April 2014. He has more than 35 years of experience in new, aftermarket, and used auto parts. Mike serves on the URG Advisory Board, the Collision Industry Council, and I-CAR.



## Mike James

Mike is owner and principal with James Environmental Management in Austin, TX, which he founded in 1994. The company provides environmental compliance services to small and medium-sized industrial businesses. Before founding his own company, Mike was a manager with General Electric for five years, and also served as Environmental and Safety Affairs for High Voltage Engineering.

There are countless opportunities to talk with your fellow yard owners and vendors in a comfortable and enjoyable environment. The Friday night hospitality suite and other social events make it easy to share ideas and make acquaintances and business contacts. Our final banquet will have a Decades theme, so bring our favorite throwback period costume from the last 40 years and get ready to dance before the auction and Special Membership Drawing.

# Special Section: Alabama Auto Recyclers

## ALABAMA RECYCLERS WORK WITH LKQ AND ARA ON LEGISLATIVE AFFAIRS

Alabama has a small state association of about 20 members, the Alabama Auto Recyclers Association (AARA). Leading this organization is ARA Regional Representative Chad Counselman of Counselman Auto Recycling in Mobile, Alabama. With few resources, Chad has worked to keep members abreast of legislative issues and brought members to the capital in Montgomery to meet with legislators.

"We didn't have to fight anything this year, but we did work with LKQ to propose a bill regarding people who advertise they will buy "junk cars," often without a proper license," Chad said. "We developed bill language and get it to the Senate Floor, but it died in committee in the house. We will try to get something passed next year. We worked closely with LKQ lobbyists Jorge Conforme and Ray Kolas, and we held a meet and greet in February with five Alabama yard owners. LKQ brought several legislators to the meeting, so our industry got some exposure.

"I think the members who went were pleasantly surprised," Chad said. "They had some trepidation about it all, but they all found it wasn't as difficult as they thought and even enjoyed themselves. At first, they only wanted to talk to legislators they knew personally from their area."

Membership recruitment is a challenge for AARA. "People in our industry are a bit lethargic about getting together, and it can be like pulling teeth to get people to make calls to legislators. We have 20 members at present, but I'd like to see more auto

recyclers join AARA and work together on common interests and do business together. I have been trying to get more people from Alabama to attend the FADRA convention."

On the ARA front, Chad has been active as the Regional Representative, attending Hill Days and participating in meetings and conference calls. He will serve another year as Regional Director beyond his original terms, as ARA recently went to 4 Regions (East,

North, South, and West) instead of seven. He and East Regional Director Scott Robertson will stay on for another year and elections will be held at the October ARA Convention for the North and West for two-year terms. He has been developing relationships with leading yards in Tennessee, Kentucky, Georgia, and the Carolinas to make sure Southeastern yards are aware of local and national developments affecting the auto recycling industry.



# Special Section: Alabama Auto Recyclers

## YARD PROFILE: PALMER'S AUTO RECYCLING

Palmer's Auto Recycling has been a family affair since the yard was founded way back in 1968. Now owned by Eric Wood, the company was started by his grandfather and his brother Clint. The grandfather and uncle split and Clint started his own yard in 1971, and Clint's son Jeff started one in 1992, all right next to each other in Woodlawn, Alabama, which has since been absorbed by the city of Birmingham. Eric, his mother, and his grandfather ran the original yard together until the latter retired in 2007. They then bought Jeff and his uncle out in 2013, creating a 15-acre Palmer Brothers' yard that has 1100 vehicles stored. Palmer Brothers sits in an industrial zone, near other large businesses and a dog track, so they haven't had to worry about suburban growth around them.

"My grandfather started all of us working summers in the yard when we were 12 years old," Eric said. "He paid us a dollar an hour, and he'd increase it by 50 cents each year. I made \$40 one week and thought I was rich. But it was such a great lesson in hard work. You had to pull a dash out of a hot car, or cut a quarter panel off with a torch in those days. It was not easy but we loved it."

Eric went to Auburn University to play baseball, and he earned his degree in Business and Economics in 1999. "I thought I'd go into coaching or possibly insurance; my dad worked in insurance and never had any interest in the auto salvage business. But the more I sat down and looked at things, I thought I could put a stamp on this business. I was kind of the last in line of all the cousins, and my grandfather was excited when I decided to come on. My cousins wanted to do other things and my uncle Jeff wanted to retire."

Eric's apprenticeship lasted eight years, until his grandfather decided to retire. Eric's mother always did the book-keeping and taxes and other management tasks, and

Eric does everything else. "I wear a lot of hats," he said. "I do sales, inventory, e-link, keep everything on task for the employees. I like to make sure everything is done the correct way."

Palmer's has always concentrated on Dodge/Chrysler/Jeep vehicles; his grandfather was the first to specialize in that way in Alabama. "His peers told him he wouldn't last five years doing that, but here we are. He wanted to know his product inside and out. Sometimes we'd see a Hollander interchange suggestion and my grandfather would know if it wouldn't work, and we'd contact them

to let them know. When people want parts from those vehicles, they think of us. We do have separate a yard with Hyundai and Subaru vehicles.

"My grandfather was old-school all the way. We didn't have a computer until 1999, when we finally got on hotlines. He just didn't understand the technology, but he retired in 2007 knowing that we needed to do things differently. We had to catch up. We started our eBay store and got involved in on-

line sales, and built a new building. Our sales have tripled since 2007."

Apart from the changes in technology, the biggest change Eric has seen is the increase in the cost of salvage. "The cost of doing business always seems to go up, and we need to find every outlet to sell parts," Eric said. "You pay a \$400 buyer's fee, \$50 set-up fee, \$20 premium vehicle fee, then \$700-800 to strip the vehicle. Margins have gotten tighter, and we need to get deeper into each vehicle to maximize income.

"These fees are just a small part of it; I don't think they are fair, but you have to deal with them and find other ways to succeed. In addition, now a lot of yards are paying on the back end to sell parts as well. As insurance companies have gotten more involved, we have to sell



# Special Section: Alabama Auto Recyclers

our parts on Internet websites and pay a percentage of what we sell. It's crazy. As a smaller yard taking on the big boys, it is a tough task, but I think networking with other yards that are committed to doing business the right way and lining yourself up with like-minded business owners is very helpful and will continue to be into the future. Technology is ever changing, so to keep up with that field you feel like you're always in the left lane trying to catch up."

Eric's grandfather was involved in the old Alabama Auto Recyclers Association, though back then "it was a good-old boys' club that would meet at a restaurant and talk about things. I've been involved in ARA and go to the annual convention when I can. Last year, we fought a Copart bill where they wanted to open auctions up to any buyer, no matter if they were legitimate salvage yards or not. They don't concern themselves with fluid recycling, storm water, OSHA, and of the stuff we do and pay for. Chad Counselman and a few others of us went to the capitol and convinced legislators to defeat the bill. We're also working to force the people who put up 'We buy junk cars' signs to include their license number.



## **Alabama Yards!**

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# Special Section: Georgia Auto Recyclers

## STEVE LEVETAN AND PULL-A-PART WORK ON BEHALF OF ALL GEORGIA AUTO RECYCLERS



It has been several years since the Georgia Automotive Recyclers Association has been active, but the state still has a large number of yards who maintain an informal network of activity. A consistent player in this network is Steve Levetan of Pull-a-Part, a self-service company with four facilities in Georgia and headquarters in the Atlanta area. Steve is Executive Vice President for the company and heavily involved in the American Recyclers Association. He received ARA's President's Award in 2013 for his contributions, and was named Keep Georgia Beautiful's Man of the Year in 2008. Last September, the company received the "Clean Tech Innovation Award" at the Metro Atlanta Chamber of Commerce E3 Awards. This recognizes companies, organizations, and individuals who work to conserve metro Atlanta's natural resources, develop clean technology to enhance its economy, and support sustainable initiatives.

Steve started in the scrap business in 1970, and began working on legislative affairs in the mid-1970s. He remains deeply involved in legislative

affairs, and his company also retains its own lobbyist.

"During the last four years, we in Georgia have dealt with issues such as the derelict vehicle titling law for vehicles both with and without titles you had in Florida. It has been an issue all over the country," he said.

In addition, Georgia recyclers "created the first system in the country to report vehicles to the state, and then the state reports to NMVTIS at no cost," Steve said. "The state DMV contracted with Auto Data Direct and it has worked extremely well. We're still trying to increase our participation, but we have the basis for a really good system and we have an excellent relationship with the DMV here in Georgia. We maintain these relationships through opportunities such as participating and presenting at the upcoming meeting of the AMVA (American Association of Motor Vehicle Administrators) in Louisville, KY. These relationships are important and we work to develop and improve them in every state. Even in Tennessee, where the relationship is not as well developed, we are working with the State to assure a smooth rollout of good legislation passed last year that takes effect on July 1. With short notice, we are all working cooperatively."

"In Georgia, we have a handful of auto salvage yards we call upon when issues come up, but we also work a lot with the scrap yards in the Georgia Recyclers Association," Steve said. "Our lobbyist and theirs often work as a team on issues of mutual

concern. It's been a good partnership.

"We fought the same issue you did in Florida, a tire bill pushed by the Rubber Manufacturers Association (RMA). We met with the sponsor of the bill, who quickly understood the background of the bill, and we offered a compromise solution to RMA. Unfortunately, they were not interested in compromise. They were, as a result, unable to pass their bill, based on the outstanding work of our team."

"We need to get GARA back together," Steve said. "We have a lack of burning issues that draw us together, but the reality is if you don't have a presence and contacts when you don't need them, it's impossible to create them when you do need them. A good year on the legislative front is when nothing happens. But it often takes a lot of work behind the scenes to make nothing happen.

"You guys in FADRA do such a great job. I actually worked with FADRA and Steve Holland back in 1988 and '89 on rewriting Statute 319.30, which included many improvements over the old law, such as establishing the damage percentage that lasted until last year unchanged. We established the affidavit system for derelict vehicles, which was only supposed to be a temporary fix lasting until the next legislative session, but was never changed until a couple of years ago. The lesson is that we are patient, and continue to make improvements to legislation, year after year, state after state."



# Special Section: Georgia Auto Recyclers

## YARD PROFILE: CTV

Moultrie, Georgia-based CTV is a family business, started in the 1970s by current owner Jason Cox's father and uncle as two separated yards near each other. His father bought out his uncle and combined the yards, which now covers 65 acres. Jason started working in the yard as boy, cutting grass and cleaning up the yard, then delivering parts when he got his driver's license. He did dismantling and sales, then took over with his brother Joey. The company has six teardown bays and dismantles an average of 60 vehicles per week. They have been in expansion mode as they recently acquired an old-time yard in Gainesville, GA, about an hour north of Atlanta, and have been very active with Recyclers' Cross Dock.

We bought Johnny Hulsey's Truck Parts in Gainesville, a 65 year-old firm on 35 acres," Jason said. "He had gotten cancer and sold it to an employee, but after four years it was in pretty bad shape. We closed it for a month and thoroughly cleaned it out and drained it. We'll have our grand opening on July 6. With all the hills and valleys on the property, it probably has 15 useful acres. We plan to have four teardown bays and sell all late-model salvage, which we'll supply from our yard here in Moultrie and from our Cross Dock connections. Labor is more expensive in north Georgia, so it's cheaper to supply it from the main yard than hire a lot of new staff. We thought the market might be a little different up there, but after hanging out and meeting people in the area, we see a need for late-model salvage."

CTV has been very active with Cross Dock, which now has 22 yards participating in the Southeast. CTV runs a truck nightly to Tallahassee and they plan to run a truck from the Gainesville yard to Birmingham. CTV also has a scrap yard, CTV Recycling, owned by Joey and now run

by an employee who "has worked there from Day 1 and has been running the yard under our supervision for the past year. He does a great job," Jason said.

As a family-owned business, they communicate regularly about business strategy, employee issues, and other matters. "We sit and talk about things a lot," Jason said. "We had been wanting to buy another yard for two years, and we visited yards in Florida, Tennessee, Georgia, and South Carolina trying to find the right opportunity. We looked at local populations and the competition, and the price of the yard. We narrowed it down to two similar yards, and while the other yard was more advanced, we felt that for the price the Gainesville yard offered a lot of potential."

Jason has always focused on sales, and he marvels at the changes that have occurred since he came into the business in 1997. "Customers today call and they know all the options for a part, how much they cost, and they're ready to deal. They might say, 'I know yours costs a little more, but I like getting parts from you or I don't want to wait for it from somewhere else,' or 'You have the lowest price, I want to buy it.' Before, they'd often call, get your price, and call around to different yards before coming back. Body shops were slow to use the Internet, but now they send AIM messages on the computer, or text my counter guys with part requests. We provide shops with a back-up cell number that goes to our sales manager so they can call him direct if there's a problem or emergency, rather than just going to the main number. They like that. Now we text our dismantlers on their cell phones to retrieve parts. It was weird making the transition to new technology at first, but we love it."

Opened new yard in Atlanta.

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# Ron Sturgeon's Tools for Success

## Share, Listen and Be Collaborative

By Ron Sturgeon, Auto Salvage Consultant



The first article in this series listed more than 25 tactics to increase your business success, all of them based on my experience. I started with nothing and didn't get to college, so I know you can achieve maximum success, regardless of your education. E-mail me to get the first article or any of the other articles in the series. Each of the

articles after the first takes a closer look at one of the tactics.

Share with others, listen, be collaborative – you simply don't know what you don't know. I wish I had done more of this when I was younger.

I was too autocratic in the beginning of my business career, though I make no excuses for it except to myself. I was relentless. My naiveté and inexperience were quickly overcome by my strong work ethic and willingness to implement ideas.

After I sold my salvage operation to Ford in 1999, I went to work at Ford. I recall sitting in meetings about how to sell more parts to the body shops. A dozen people at the table wanted my insights because I was an industry expert.

By the time it was my turn to talk, I was embarrassed by how little I knew. I was impressed by the quality of the questions they asked and how strategically the members of that group thought about the business issues.

I am proud of what I learned from my 18 months at Ford. I was blessed to work with some brilliant thinkers, including Dixon Thayer, Tim Milligan and Greg Winfield, all of whom are outstanding businesspeople and quickly became experts in auto recycling. It worked because we listened and collaborated.

Some of the most valuable sharing and collaborating for business builders happens at association meetings. Be sure you belong and attend annual meetings. The seminars and break out sessions are important, but so are the informal connections you will make at happy hour after the sessions are over.

When I parked myself on a bar stool, I always wanted to share new ideas and innovations with other

operators. Trust me when I tell you that most ideas are not a secret. You will gain much more by sharing freely because other perceptive owners will want to reciprocate and share their best ideas with you. Be known as a giver.

Listen to your employees. They have first-hand experiences that can be the source of great ideas to make you more productive. Listening to them is a powerful way to show them that they are valuable members of your team.

Read business books. I try to read at least one business book every month. Use your commuting time to listen to a recorded book about an area of your business you want to improve.

The classics of management are sure to have a few ideas that will make your operation better and make you more effective. Read about marketing and advertising so that you can get better ROI for your spend in these crucial areas.

Attend seminars and send your employees to them. Helping your most valuable employees learn new skills will pay dividends in loyalty and higher productivity. Challenge and reward them for finding ways to use their new skills to make your business better.

Get your people involved. We keep post it notes on the table when we hold staff meetings. When I am curious about how much of a sales bump we will get from a new initiative, I get my people involved by asking them to write their estimate on a post it note. We tally the results. The group's number is often more accurate than my solo forecast, so I get to tap the wisdom of the crowd and they get involved and engaged in making the new initiative hit the forecast. The numbers lead naturally into a discussion of ways to get more from the initiative.

### **Remember only you can make business great!**

Ron Sturgeon, Mr. Mission Possible, has been a successful business owner for more than 35 years. As a small business consultant, he can deliver wisdom and advice gleaned from an enviable business career that started when he opened a VW repair business as a homeless 17-year-old and culminated in the sale of several businesses he built to Fortune 500 companies.

To inquire about consulting or keynote speaking, contact Ron at 817-834-3625, ext. 232, rons@MrMissionPossible.com, 5940 Eden, Haltom City, TX 76117.



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