

FADRA

NEWS

www.fadra.org Issue 4, 2014

*Merry
Christmas* ❄️





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July 23 – 26, 2015

Sheraton Sand Key Resort
Clearwater Beach, Florida



Florida Auto Dismantlers & Recyclers Association

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Being a Member Has its Benefits!

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FADRA NEWS Issue 4, 2014

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PRESIDENT'S MESSAGE



Tim McMillon
M&K Auto Recycling

As I enter into my first full year as President of FADRA, I'm filled with anticipation and excitement. This year marks the 40th anniversary of Florida Automotive Dismantlers and Recyclers Association. I've worked in this business all of my life, and I've seen many changes, mostly good and some that have presented challenges to us as an industry. Most recently, we

fought hard in Tallahassee trying to protect the interest of recyclers from those big companies that have deep pockets. Well, the deep pockets eventually got more of what they wanted than what we wanted, but a compromise was reached that we felt we could live with. It was certainly better than what they were trying to force down our throats. Without the efforts of dozens of members through our association, we would be working with something far more unpleasant.

This brings me to what I feel most passionate about for my presidency. As an association we are stronger with more members. As business people, we all know that numbers is where it's at and we need more members to have a stronger voice in Tallahassee where our businesses can be dramatically affected without us even seeing it coming.

At our last meeting in October, I charged each board member with recruiting new members for the association, but it's going to take more than that. All of us - yes,

I'm talking to you! - need to actively reach out to other recyclers and let them know that we are fighting for their rights in Tallahassee and we want them to join us. Under the skilled legislative leadership of Steve Holland and our lobbying firm, hundreds of hours each year are spent making sure we are represented and protected. While Steve graciously donates his time and efforts, having representation in Tallahassee is not cheap and member dues help to fund our legislative initiatives.

Okay, I'm finished with my rant. There are many other benefits to FADRA but the one I appreciate the most is the relationships that I've been able to make and grow through our association functions. This year, we look forward to going back to the Sheraton Sand Key in Clearwater, which is a favorite of many members. I'm excited to see the familiar faces I get to see year after year, but I'm hoping to see lots of new ones, too. Spread the word! The planning is already underway and it's going to be a great convention, but there's a lot to be done between now and then.

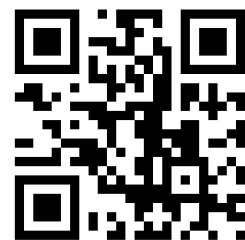
The holidays are here and I'm sure everyone is feeling the hustle and bustle of the season. It's a great time to reflect on last year and start preparations for 2015. As President of your association, if there is anything you'd like to see FADRA offer as a membership benefit or any ideas you might have that would improve our association I would love to hear from you. Please email me at mkauto@me.com.

I'm wishing everyone a Merry Christmas and a prosperous New Year! I look forward to growing stronger with you in 2015.

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



Visit your association Website!
www.FADRA.org





*Kim O'Dell, CMP
Executive Director*

Has this year flown by, or is it just me? December is upon us and a New Year is right around the corner.

There have been many great events to take place over the past year within your association: a trip to Tallahassee for Legislative Days, a successful Yard Expo at Brandon Auto Salvage, the FADRA Annual Convention & Trade Show in Melbourne, Florida, meetings


with Legislators, members speaking on your behalf at conferences around the state and nationwide, FADRA Members were recognized for outstanding leadership at the ARA Convention in Nashville, and Steve Holland received the ARA Member of the Year award! There is so much to reflect on and to be thankful for!

FADRA would not be a success without each one of you! Your support, input, participation, and dedication to this organization is what continues to make FADRA one of the premier State Associations in the country. Members compete with each other, but as our current and some past presidents say in this newsletter, they also share information and ideas with each other that helps everyone achieve success, and forging a few friendships along the way. As we look to 2015, FADRA will celebrate its 40th Anniversary! We have some wonderful things planned for next year, and a convention that will honor the history and members of this great association. We look forward to you joining us in the celebration!

Thank YOU for being a member of FADRA! As you move into the new year, think about your local peers who could benefit from joining our association. On behalf of FADRA's management staff...Kim O'Dell, Latisha Moore, Bobby Davis, Lane Wadsworth, Tanner O'Dell and Lois Bak, we wish everyone a Merry Christmas and a Happy New year!

Florida Auto Dismantlers & Recyclers Association

Merry Christmas



During the holiday season, more than ever, our thoughts turn gratefully to our members for their confidence and dedication to the Florida Auto Dismantlers & Recyclers Association.

On behalf of the entire FADRA Board of Directors, thank you for your membership, and best wishes to you, your family, and staff for a Merry Christmas and Seasons Greetings for a happy, healthy and prosperous New Year!

Tim McMillon , FADRA President

ASSOCIATION NEWS

Jim Butler of **Butler Auto Salvage** in Pensacola announced that he has been teaching a 13-week financial wellness class, using the principles of Dave Ramsey, for employees and family. This is the second year he has done it, and he says "it's a very good financial planning class, concerning retirement, financial investments, how to get out of debt, and get your financial life in order."



Also, The General, Jim's monster military vehicle, took part in the Veteran's Day parade in Pensacola.

Dennis Gardner, North Florida Manager of **LKQ Pick Your Part** in Ft. Lauderdale, announced that he and his wife Sabrina had their second son, Easton Douglas Gardner, on October 13, 2014.



Brad Rutherford reported that his 14 year-old dog, Maggie, died recently. Shown below is Kim Rutherford with their new puppy.



Calendar

February 5-7, 2015

Mobile Air Conditioning Society (MACS) Training Event & Trade Show Royale, Orlando FL
Info76rmation: 21
Caribe 5-631-7020, www.macsw.org

March 17-18, 2015

ARA Hill Days
Washington DC

March 24-25, 2015

FADRA Hill Days
Tallahassee FL

April 21-15, 2015

ISRI Annual Convention
Vancouver, Canada
Information: 202-662-8500, convention@isri.org

July 23-26, 2015

40th Annual FADRA Convention
Sheraton Sand Key, Clearwater Beach FL

October 7-10, 2015

ARA Annual Convention
Charlotte NC

FADRA Members Honored at ARA Meeting

Two FADRA Past Presidents received high honors at the 71st ARA Annual Meeting in Nashville, TN on October 22-25. Steve Holland of Brandon Auto Salvage in Brandon received the Member of the Year Award, while Bob Eubanks of Rusty Acres Auto Parts in Jacksonville received plaques as an outgoing Regional Director, outgoing Committee Chair (Regional Directors Committee), and was made a Lifetime Member of ARA.

The Member of the Year Award honors an ARA member who has shown exemplary dedication to the industry through their service and work on behalf of the Association.

Ed MacDonald, outgoing President of ARA, said in his remarks about Holland, "Steve has been at the forefront of the legislative arena, is a strong and dedicated advocate on behalf of ARA member businesses, his state affiliate chapter, and ARA. He has spent countless hours in the statehouse fighting to level the playing field for professional automotive recyclers, is active in his local community and numerous civic organizations. His warm personality, industry knowledge, positive attitude and will-

ingness to give back to the ARA community are true asset to our Association."

Steve currently serves as Chairperson of ARA's Events Advisory Committee and is a longtime member of the Governmental Affairs Committee. Since 1971, Steve Holland and Ken Anderson have taken pride in building

Brandon Auto Salvage into one of the most progressive and organized salvage operations in the world. The company is an active community supporter, participating in numerous civic organizations and sponsoring youth activities.

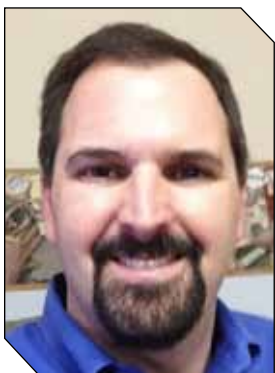
Bob Eubanks has served as FADRA's ARA Regional Director for the past four years. He reports at each Board meeting events from ARA and attends ARA events to represent our membership.

"It was such a surprise to receive the President's Award," Bob said. "I don't know if I did as much as some

of my peers, but it was a great honor. I plan to continue going to ARA conventions and I'm going to Hill Days this year. It's really exciting and an eye-opener. As Ron Sturgeon often says, you don't know how much you don't know, and at Hill Days I learn so many things."



New ARA Representative Appointed



Chad Counselman
Counselman Auto
Recycling, LLC

With Bob Eubanks completing his term as Regional Director for the Southeast Region, ARA needed to appoint a new Director, and for the first time in years, it is not from Florida. Chad Counselman of Counselman Auto Recycling in Mobile, AL. 251-330-2700 Jim is

very excited to represent the region at the national level and asks all members in Florida to feel free to contact him if you have issues or problems that need to be addressed. "I am here and willing to help in any way I can," Chad said.

Here is his contact information:
Chad Counselman
Counselman Automotive Recycling, LLC
3019 St. Stephens Rd.
Mobile, AL 36612
251-330-2700 Main Work
251-391-6551 Cell
Chad@CounselmanAuto.com

Lamb Fuels Now Representing Vortex

Lamb Fuels is now the Master U.S. Distributor for Vortex De-Pollution Equipment,

including their fantastic new GreenCar product line. Vortex makes depollution tools, which puncture holes in gas tanks, so the customer can see whether it's good or bad gas. The product lines of the two companies fit together very well.





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LEGISLATIVE UPDATE

By Steve Holland, Brandon Auto Salvage, Legislative Chairman

Brad Rutherford and I attended a conference for the FLEPRU (Florida Law Enforcement Property Recovery Unit) in Orlando on November 12. We educated them about FADRA, about our association's mission, and about legislative issues. Over 200 detectives attended these three days of education for the investigation all types of crime. Brad and I presented a PowerPoint that showed what FADRA has to offer as educational to the membership, our achievements and defeats in legislative matters through the years, and an invitation for them to share information with salvage yards that needs to participate with FADRA.

I feel this was very productive and we are creating an ally that can respect the FADRA Membership and help with the growth of knowledge we can share with our industry. The majority in the room had no clue the true value of our industry to society or the mechanics of how it works.



Brad said to me, "It was enlightening to speak with law enforcement on an educational level. If any of our FADRA Members have an opportunity to speak and educate any of the agencies that regulate us, it is a winner for all."

On another front, we are currently evaluating language presented by the Professional Wreckers of Florida to the DMV concerning automotive buyers. They are also dealing with competition from unlicensed practitioners, just as we do, and want the DMV to adopt standards and penalties for unlicensed activity. I have presented this to the Board of Directors, but if any member is interested in reading it, please send me an email and I'll send you a copy of the legislative language. This would also help law enforcement crack down on unlicensed and, in some cases, unscrupulous practitioners.



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Different State, Same Issue: Unlicensed Recyclers on the Rise

Number of Unlicensed Auto Salvage Yards Increased With the Price of Scrap. The increase in Rhode Island is because of a spike in scrap metal prices, but some legitimate salvage owners say the state has done little to crack down on them.

By Tim White
November 10, 2014

Auto salvage yards – commonly referred to as junkyards – are regulated by the Rhode Island Department of Business Regulation (DBR). According to an online state database there were 67 licensed salvage yards in Rhode Island as of the end of October. Salvage yards are any facility that removes parts from a car for resale or to prepare for the recycling of a car, according to state law.

Over the last six years the price of scrap has increased, and state officials have previously acknowledged that fly-by-night unlicensed salvage operations have popped up across the state as a result.

Salvage yard owner Mike Cavanaugh – of J&D Auto Salvage in West Warwick – said he has been complaining to DBR for years about illegal operations.

“What’s going on isn’t right. It isn’t fair to the small business,” Cavanaugh said. “We pay our taxes, pay the insurance. We have rules [and] the other side of the fence doesn’t.”

Cavanaugh said he pays a \$750 licensing fee to the state – which went up from \$250 in 2009 – for a three-year period. On top of that he has a near-\$1,000 a month insurance bill, as well as taxes. Junk car operations – some that often advertise themselves on telephone poles – aren’t regulated, Cavanaugh said, so they are off the state’s radar screen.

“The [Department of Environmental Management] comes here, at any given time they could walk in the door right now for an inspection,” Cava-

naugh said. “The fluids from the cars, where the batteries go, the mercury switches... we have to account for.”

A 2009 letter from DBR to state lawmakers acknowledged the state is “seeing a proliferation of non-licensed salvage yards, and in this regard continue our enforcement efforts to put a stop to this unlicensed activity.”

Cavanaugh said there was a brief period around that time when DBR was facing scrutiny from legislators that they cracked down on a handful of yards – records indicate they cited nine salvage yards for operating without a license that year – but then enforcement became lax.

In 2010 he wrote an email to DBR and received a response from a department attorney that said they had “limited resources to handle all investigations and matters that regulated by the department.”

“This is unfortunate but a reality we must deal with,” the email went on to say.

Records show DBR cited unlicensed yards once each year in 2010, 2011 and 2012. There were no violations until October of 2014 when DBR issued three “cease and desist” orders to what they say are unlicensed yards.

Maria D’Alessandro – the Deputy Director of Securities, Commercial Licensing, and Racing and Athletics at DBR – said there is just one inspector that not only handles salvage yards, but a list of other areas including auto body shops, real estate, upholstery, liquor operations and mobile home parks.

“I understand [Cavanaugh’s] frustration that there’s unlicensed people out there. That’s why, give us more tips,” D’Alessandro said. “We are acting on these tips.”

In 2010, legislation that would have required licensed salvage yard owners to display a special plate on their tow trucks to crack down on unlicensed operators stalled out. D’Alessandro said she hopes the legislation comes up again this year. She also said she feels DBR has been proactive, meeting with licensed operators over the summer to hear their concerns.

“We encourage people to call us and let us know that this location appears to be an unlicensed salvage yard and I will send the inspector out,” D’Alessandro said. “It’s that simple.”

Cavanaugh said the recent activity is because he has become more vocal and because he went to a reporter for help.

He added the window is closing as scrap prices fall so he expects unlicensed operators will disappear because the money will dry up.

“The playing field is not equal,” Cavanaugh said. “Either give none of us a license, or give us all one.” Tim White (twhite@wpri.com) is the Target 12 investigative reporter for WPRI 12 and Fox Providence.



Phony Unemployment Claims on the Rise

Florida businesses need to be aware of a new type of scam involving unemployment benefits. Using stolen identities, criminals are filing fake unemployment claims on behalf of innocent victims who are gainfully employed and who are unaware that an unemployment claim has been filed in their name. Once the claim for benefits is accepted by the state Department of Economic Opportunity, the criminal files a change of address so the benefit checks bypass the innocent victim and instead are paid right to the criminal's bank account.

When any claim for unemployment benefits is made (even legitimate ones), the state DEO notifies the claimant's employer that a claim has been filed against their business for reemployment assistance benefits (formerly called unemployment benefits). DEO sends the employer a document called Notice of Unemployment Compensation Claim Filed. Employers have 20 days to review the form, which asks the employer to verify that the claimant actually worked for the business,

to verify the wages paid to the claimant, and to verify the reason the claimant is no longer working at the business.

Given the increase in the number of phony unemployment claims, it is more important than ever for business owners to review all communications from the DEO, especially all notices of an unemployment compensation claim being filed. If the state ends up paying a phony claim out of your account, it could increase your unemployment taxes for the following calendar year.

If you receive notification from the state about an unemployment claim that has been filed on behalf of an employee who is still employed by your business, and you suspect fraud, you can call the FUBA offices at 800-262-4483 and ask for Karen or Lance. We will contact the Department of Economic Opportunity to alert them to the fraud so they can make sure that no benefits are paid out on the phony claim.

Source: FUBA

Minimum Wage in Florida to Increase in 2015



On January 1, 2015, the minimum wage that all Florida employees must be paid will increase to \$8.05 an hour, an increase of 12¢ an hour over the current Florida minimum wage of \$7.93 an hour. Florida employers must pay their employees at least the hourly state minimum wage for all hours worked.

Source: FUBA

Be Cautious When Selling Used Tires

A Used Tire Bill has been presented in the last four Florida Legislative Sessions and FADRA has successfully fought any legislation that places liability on tire sellers. But stories like this make change the attitude of many legislators.

As reported on WFTV-Channel 9 on October 11, 2014, a Seminole County woman blames a used tire for a catastrophic wreck along Interstate 4 that sent her SUV tumbling, killing her best friend and leaving her with severe injuries.

The accident blocked three westbound lanes in Lake Mary and snarled

traffic long into the evening, Florida Highway Patrol troopers said. Troopers said a 1998 Ford SUV was traveling westbound on I-4 in the center lane. A 1999 Pontiac was traveling in the right lane. A rear tire of the SUV separated, causing the driver to lose control and veer toward the Pontiac, according to a report.

The driver of the Pontiac, 39-year-old Nathan Standley of Lake Mary, tried to avoid the SUV and ended up leaving the interstate, striking a light pole on the shoulder and flipping over. The SUV ran off the road and flipped multiple times.

Some good Samaritans stopped to help. They uprighted the SUV but a passenger in the vehicle, 47-year-old Angela Crom of Winter Springs, Fla., died at the scene. The name of the 43-year-old Altamonte Springs woman driving the Ford SUV was not released.

Another passenger in the SUV, 44-year-old Sheila Daniels of Altamonte Springs, suffered minor injuries. Daniels and the driver were taken to Orlando Regional Medical Center.

Standley also suffered minor injuries.

Two Former Manheim Execs Hope New Technology Changes Salvage Space

Two former Manheim executives who headed up the company's Total Resource Auctions division recently announced the formation of Novum Auto Services. Michael Lasini and William Coleman highlighted Novum's patent pending technology CrashCalculator can provide cash market value

dollars in the hands of the consumer. Lasini and Coleman contend this new source of liquidity will drive more new- and used-vehicle transactions.

Novum currently has two consumer facing brands — DamageMAX.com and CarBuyerUSA.com. DamageMax.com buys damaged and

consumers with cash market value for a damaged car and the related diminution in value," Lasini and Coleman said.

"In addition to streamlining the process for consumers, Novum's institutional version of CrashCalculator will help dealers, banks, title lenders and fleets make smarter decisions on repossession and remarketing," they went on to say.

With more than 25 million accidents annually in the United States, the founders believe DamageMAX.com can serve a vast customer base seeking to sell their non-total-loss vehicles. CarBuyerUSA.com went live in 2013 to serve consumers with vehicles they are unable or unwilling to trade or sell to a private buyer.

"With more than a quarter billion vehicles on US roads, millions of consumers are seeking a faster, safer and easier way to sell their car," Lasini and Coleman said. "Since inception, DamageMax.com and CarBuyerUSA.com have put tens of millions of dollars into the hands of consumers.

"Novum's technology and direct-to-consumer value proposition will continue to disrupt and transform the remarketing industry for damaged cars," they added.

Source: AutoMarketing Magazine, November 2014



(CMV) pricing to owners of damaged, disabled or otherwise compromised vehicles.

Lasini and Coleman stressed that Novum backs the valuation with an immediate offer to buy the vehicle with guaranteed funds — without requiring physical inspection of the vehicle.

"By providing consumers with accurate pricing information and the immediate opportunity to sell their vehicle, Novum empowers vehicle owners with choice — to repair or replace their car," Lasini and Coleman said.

The founders explained Novum can offer cash market value pricing because of the objective nature of the data inputs and the certainty of the predictive results its technology provides.

In addition to significant time savings, this option often puts hundreds or thousands of additional

inoperable vehicles directly from consumers "as-is" without performing a physical inspection.

CarBuyerUSA.com buys any vehicle, anywhere in the United States, picking up the vehicle from the seller and paying guaranteed funds on the spot.

Novum will launch its third consumer-facing brand, CrashCalculator, in early 2015. The company indicated CrashCalculator is currently Novum's internal pricing system, used by customer service agents at DamageMAX.com and CarBuyerUSA.com.

Upon launch to the public, CrashCalculator can calculate not only valuations based on immediate collision damage, but also repair-related and stigma-related diminution in value that results from the accident. CrashCalculator correlates damage-specific information for damaged cars with the most robust sales data industry wide

"CrashCalculator will provide



Thefts Increase Over the Holiday

Electric Guard Dog reminds members that commercial thefts increase by 61% PER DAY over the Thanksgiving and Christmas holidays. Cargo thefts over Thanksgiving increase more than three times the incidents on a regular weekend. Statistically, it is one of the MOST LIKELY TIMES OF THE YEAR that your business will be robbed by professional crooks.

Electric Guard Dog recommends the following security procedures for all auto recyclers, both for their facilities and their trucks.

For Facilities:

- Check security alarm and surveillance systems to ensure proper working order.
- Test security systems -- including Electric Guard Dog -- to ensure that the entire system is functioning and that monitoring company(ies) are receiving signals.
- If there is a fault in your Electric Guard Dog system, skilled technicians are available 24/7 for troubleshooting on the phone. In many situations, issues can be resolved within a day.
- Ensure batteries are fresh in exit doors and in back up cellular phones (used to maintain alarm reporting, if phone lines are com-

promised).

- Perform perimeter checks, look at your electric fence, non-electrified fence, and other types of barriers to ensure they are properly secured.



- Check perimeter lighting to ensure lights are on and replace any non-working fixtures. Review timer so that lights come on while facility is closed.
- Use a non-integrated alarm back up system with verified response capabilities.
- Ensure company alarm call list is current and contains valid phone numbers. Require responsible persons to respond to all alarm calls even if the system is suspected of malfunctioning.
- Contact law enforcement and ask

for additional patrols in the area.

- Remove keys from all warehouse equipment (forklifts) and place them in a secure location.

For Freight In-Transit:

- If you have to leave your rig or loaded trailer unattended, look for a secure lot or authorized location to leave vehicles.
- If forced to leave vehicles at a public facility (truck stop, etc) pick one that is well lit and utilizes surveillance equipment. Park within view of the camera.
- Secure the tractor and trailer with a steering wheel locking device, kingpin locks, glad-hand locks (or other security equipment). Put industrial strength padlocks on trailer doors.
- Do NOT leave keys inside tractor.
- Check on the unattended vehicles as frequently as possible.
- Use embedded covert tracking in the freight with geo-fencing and alert notification.
- Notify dispatch of where and when you have dropped the load and estimated time of return.

For more information, call James Fischer, National Sales Manager, at 901-356-2873.



RIP Mark Buessing

It is with a heavy heart that we send this message notifying you of the passing of Mark Buessing, owner of American Auto Recycling, this past Friday night in Arizona. Mark was attending the state show (Arizona ARA) when he collapsed.

The entire ARA family mourns the loss of this distinguished gentleman. Please

keep Moe, the boys and rest of the Buessing family in your thoughts and prayers.

Besides being ARA's President in 1998-1999, Mark was also President of the ARA Scholarship Foundation and very involved in the automotive recycling industry and will be greatly missed.



40 Years of FADRA

Still Going Strong in the New Millennium

By Bobby Davis, Editor

The year 1975 seems like ancient history now. Americans watched with a mix of sadness and relief the fall of Saigon on April 30, ending the Vietnam War. Gerald Ford was president and survived two assassination attempts within 17 days in September. Gasoline cost 44 cents a gallon, but OPEC decided that year to increase crude oil prices by 10%, which would set off a recession. The unemployment rate reached 9.2%. The government bailed out New York City with a \$2.3 billion loan. The average cost of a new house was \$39,300. Jimmy Hoffa disappeared, never to be seen again. American astronauts on an *Apollo* spaceship met up in space with Russian *Soyuz* cosmonauts, a landmark in the field of space exploration. *Jaws*, *The Godfather II*, and *One Flew Over the Cuckoo's Nest* were released. Ali defeated Frazier in the "Thrilla in Manila." Bruce Springsteen released *Born to Run*. The Big Red Machine and The Steel Curtain dominated major league baseball and football. George Carlin hosted the debut episode of Saturday Night Live on October 11.

Something else dear to our hearts began that year: the Florida Auto Dismantlers and Recyclers Association. FADRA was incorporated by the state of Florida on January 8, and held its first convention that February. Although a national association of auto salvage yard owners had begun in the 1940s, Florida had lacked a formal organization until 1975. Vernon Mellette of Used Cars & Parts served as the first president, and an 11-member Board of Directors was elected the following year, on January 31, 1976. J.B. Rogers, Jr., was hired as FADRA's first lobbyist and General Counsel, and Association Management Services provided management services, although they were replaced the following year by IntraCom, Inc. Rogers would serve as lobbyist until 1985, while Crow-Segal Management took over management in 1982. We had 81 people representing 39 yards at the 1976 convention, and total cash assets that year were \$2,099.83. FADRA presented its first bill to the Legislature in 1976, a Salvage Dealer Licensing Bill, which did not pass. Ron Copher became our first representative to the national association, ADRA (now ARA).

FADRA has taken some missteps (such as with a self-funded health insurance program in the '80s) and tried various types of cooperative marketing and product discount plans, but over the decades we have thrived and

expanded. The association now has more than \$171,000 in assets, has an active legislative program, established a scholarship program for member employees and their families, and has one of the nation's largest and most innovative annual conventions. For the coming year, we will be commemorating the organization's 40th anniversary year. With so many members today taking over businesses started by their fathers and grandfathers, we are mindful of our past, while trying to keep up in an era of great technological change. We asked some past presidents of FADRA about how they got involved in the association and how things have changed.



Jim Butler

"I joined in the early '80s, and my first convention was in Clearwater. We raffled a truck back then, and Larry Leger, who was a real character, was the keynote speaker. We weren't very active in FADRA, though, until the 1990s, when Garry Howard asked me to join the Board. I started going to ARA meet-

ings at that time as well.

"In looking at how FADRA has changed over the years, I'd say that while our overall numbers have remained pretty stable, we as owners have grown closer and more familiar with one another. And where we used to have more of an informational or educational focus—which we still do—we are far more politically active and organized today. We have had a lot of good years in Tallahassee, even though this last year was a tough one. Today's politics are a bigger stretch for me; I'm kind of old-fashioned about that.

"As far as our business, I'd say profit margins are narrower today, especially for those getting into the business who had to buy their own land at today's prices instead of the ones who have owned their land for many years. People in the declining years of their business can manage more easily with the narrower profit margins, but newer ones have it tougher. Obviously, technology has changed our business tremendously, but I'm sometimes stunned at how many yard owners don't like to use the Internet or use it only sporadically."



Terry Thompson

Terry's father Butch joined FADRA not long after it started and he served on the Board for two years in the early '80s. After Terry graduated college in 1988, he came to work for his parents at Ole South and joined FADRA.

"I used to go to FADRA conventions mostly to have fun at first. But the person who influenced me was

Garry Howard when he was President. He brought an air of professionalism to an industry that could be rough around the edges, and that made an impression on me. It made me more willing to jump into a leadership role when Jim Seamans asked me to join the Board. He twisted my arm to get involved, and I'm glad he did.

"FADRA has been very consistent over the years. It provides a venue for education, sharing ideas, and legislative affairs, and has done exactly what it was meant to do for 40 years. Jim Seamans has been a big part of that. He has been the voice of reason and steadiness when controversies have erupted, and reminded us to take a step back and look at the history when considering new ideas."



Bob Eubanks

Bob joined FADRA in 1979 thanks to FADRA's second president Hayden Haskins, who owned Haskins Auto Parts in Ocala.

"Hayden showed me what an organized yard looked like and preached the value of association. At the time, I thought I couldn't afford FADRA, like some people still do today. But I went to an ADRA

meeting in Atlanta and I was so impressed I came back and joined FADRA. I had also been involved with the Long Lines, so that helped me get more involved as well. When I got with FADRA, Steve Holland drafted me onto the Board in 1985 or '86. He's such a great guy. FADRA has been a great growing experience for me. I've been fortunate to learn from people like Lenny Damron, Steve, the Copher brothers, who had the biggest yard in the state when I got started.

"I love the camaraderie of our state and national associations. I've been all over the country racing, and years ago I was in Ohio and needed a part. I looked up a nearby ARA member and went to his yard and was able to ask for the owner. He came out and we got to talking and he gave me the part I needed. That kind of camaraderie is priceless.

"After 41 years in the business, I still love to look at people's yards. I go to Rusty Acres once every couple of weeks and love to see what they're doing that's new."



Brad Rutherford

"There is such a vast fund of knowledge in our industry; I have learned so much over the years from Lenny Damron, Jim Reed, Butch Thompson, and so many others. When I was young and getting into the business, I had the opportunity to learn from people who had already made mistakes and hit some land mines. I became

a FADRA member in 1983 or '84 when I worked for Copher's. I saw the first u-pull-it yard when I went to an ADRA meeting in Anaheim, California; Ronnie and I were so excited about it and we knew it could work in Tampa. We saw all these people out in the yard, black, white, and brown, and it was the most exciting thing I'd ever seen.

"For those of you who have joined FADRA, I would say there is so much to learn by participating. People have always been open to share ideas if you know how to ask. Ask Jim Butler how much Garry Howard shared him when he was starting out. Someone like Steve Holland has always been willing to take on responsibility that benefits every recycler in this state, and he's always willing to share his knowledge.

"I love the live auctions at the FADRA convention. We do such a great job of getting good prizes, and there's so much entertainment at them. I'm glad to see the second- and third-generation like Bill Glueck and Jason Langston stepping up and keeping it going. We've been around 40 years; there's no reason we can't go on for 40 more."



Steve Holland

"Ken Anderson and I credit FADRA with much of our success and accomplishments in this salvage industry. If we hadn't attended the conventions, we wouldn't have seen the latest products or learned the best procedures to enhance our business. The relationships we built with other yards increased our sales and the knowl-

edge of modern technology being used in other businesses. Happy 40th and Thanks to all that participated in building FADRA into the association it is today!"

DEP Revives Green Yard Program in Southwest Florida

By Ana Gibbs, External Affairs Manager

The Green Yard program is returning to southwest Florida. Green Yard is a voluntary program designed to encourage auto salvage facilities to go above and beyond environmental compliance through the use of best management practices and pollution prevention strategies.

Florida has over 900 known auto salvage operations across the state. This industry has a large potential for environmental impacts. The Green Yard program – offered by the Southwest District Office of the Florida Department of Environmental Protection - recognizes facilities that stand out from the rest by being good stewards of the environment.

Waste reduction and pollution prevention practices can help businesses by creating a healthier, safer work environment for employees, reducing long-term liability risks, reducing the costs of hazardous waste management and disposal, and reducing operating costs by using fewer raw or new materials. Recognition as a Green Yard also can be a great marketing and public relations tool.

A compliance workbook has been developed by the Department and the Florida Dismantlers and Recyclers Association (FADRA) specifically for the auto salvage industry. The workbook and additional helpful resources can be found at <http://www.dep.state.fl.us/waste/categories/hazardous/pages/AutomotiveRecyclers.htm>. The workbook can help managers determine if their facility complies with federal and state environmental regulations.

Facilities complete six modules related to waste and stormwater management, pollution prevention, and air quality. Completed modules are submitted to the Department for review. After review, a certification inspection is performed at the facility to ensure the information presented is being implemented.

Facilities that are in compliance and successfully implement the necessary best management practices and pollution prevention strategies are certified as a “Green Yard.” A Certificate of Recognition and a Green Yard flag are presented to each facility during a designation ceremony.

Certified facilities are listed on the Department’s website advertising they are “Green Yards” and are often announced through Department press releases to local

media. The certified facilities may use the “Green Yard” logo in their marketing materials to help set them apart from their competition. Facilities striving to become a Green Yard receive technical assistance, mentoring by other Green Yards and continuing education. Designated facilities and those facilities seeking designation receive ongoing technical support from the Green Yard program. For additional information, contact Sean McGinnis at 813-470-5866.

Ana Gibbs works out of the Temple Terrace office of the DEP and can be contacted with any questions at 813-470-5707 or email: ana.gibbs@dep.state.fl.us.



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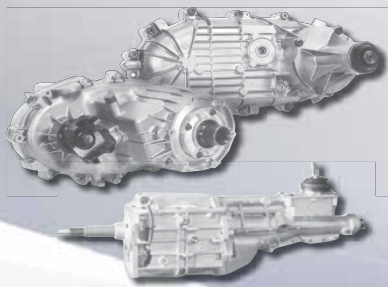


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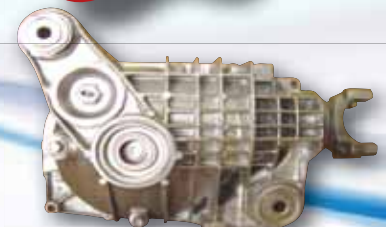
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Since its founding in Pompano Beach, FL, in 2008, Smart Miles has redefined the used automotive parts purchasing experience. President Todd Marmer and his father Seymour have a combined 60+ years of automotive experience, starting with Seymour's yard he started in Maryland in 1977. Todd, who was a CPA, grew up in the business and became a professional CPA for a time, but decided "I didn't like sitting in front of a computer all day and wanted to meet people." He also began thinking about ways to run a different kind of auto recycling yard.

"My dad had a 12-acre yard done the old way, with cars parked out in the weather. We decided to move to Florida and began building a vision of a business that focused on reinventing an old industry," Todd said.

Smart Miles has a 4500 sf facility where parts are inventoried and sold. As Todd noted, "space costs money," so they have minimized the land the company needs to function. They purchase late-model, low-mileage vehicles that are thoroughly inspected and researched prior to purchase. They specialize in hybrids and other fuel-efficient Japanese vehicles that have a positive impact on our carbon footprint.

"Within days after a car arrives at our facility, the car is dismantled and the parts are inspected and photographed. We call our process 'pre-dismantling.' This

means we do not have an actual 'yard' where the parts are exposed to extreme weather conditions; the parts are dismantled at a recycling yard about two miles away, tagged, and shipped to our main facility here in Pompano. We then scrap the rest of the car that we don't use within days and sell it to Trademark Metals. We care about the environment and make it a priority to eliminate risk factors that cause pollution."



Smart Miles uses a rigorous three-step inspection process. First, an inventory specialist inspects and takes photographs of the vehicle and completes an inventory worksheet noting any visual damage to the parts. Once the parts are removed, all parts are cleaned, marked, and inspected for a second time. A final inspection is completed when each part is photographed. Actual photos of all our parts are available and ready to e-mail to customers in seconds. Parts are ready to ship in less than 24hrs from the time an order is placed.

"We don't get a lot of walk-in traffic," Todd said. "We work with a lot of dealerships, body shops, and rebuilders, and do a lot of Internet business. We have one truck with a part-time driver and use Advantage Courier and sometimes FedEx to ship parts. We provide a 90-day warranty on all mechanical parts and have the capability to prepare large quantities of parts (from pallets to containers)."

When asked how new-school son and old-school dad work together (Seymour still works five days a week at age 66), Todd said, "We are a good combination. He has a lot of experience and I have a lot of ideas, and we listen to each other, which results in a good working relationship."



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Ron Sturgeon's Management Tips

Tools for Success

By Ron Sturgeon, RDS Investments



If I had to summarize the tools I've used to become successful and not all are financial, they are: (not in any order). In coming months, I will discuss each of these in more detail, so get your pen and pad ready!

1. Always do EXACTLY what you say you will, to EVERYONE
2. Surround yourself with people that are smarter than you.
3. Surround yourself with people that can do what you don't, won't or shouldn't do, or that can do it better than you.
4. Become an effective leader. Not a boss, a leader.
5. Have a mantra of constant development and improvement.
6. Be technologically savvy.
7. You simply must keep perfect credit.
8. Understand the financials and operating metrics.
9. Rely on peers and other professionals, including consultants, to help you, being judicious about the cost of course
10. Be willing to promote yourself, talk about your successes and mentor others, sharing.
11. Learn marketing and advertising.
12. Learn to think strategically.
13. There is no substitute for an extreme sense of urgency.
14. Be the 80 percent person.
15. Host weekly meetings with all key employees, with an agenda.
16. Learn to delegate; tolerate mediocrity and the value of five seconds.
17. Share with others, listen, be collaborative – you simply don't know what you don't know
18. Don't be afraid to be a rebel – Push back, think out of the box, but be strategic and analytic about it.
19. There's plenty of money. Be patient and prove you can plan and then execute against a plan.
20. Don't create a solution for a problem that doesn't ex-

ist and don't breathe your own exhaust (get enamored by your own ideas excluding others).

21. Watch and understand your competitors but don't focus on them.
22. Positive energy – There is no other way to survive the grueling crawl to success.
23. Systems run like watches; people can let you down



24. Understand how your world is going to change – Many successful people start businesses, but their skills were limited to what they did. Chefs cook great and they may even be great leaders in the kitchen. But it's important to understand in a new role as owner that the employees are counting on you to run the restaurant. They know you can cook; it's not enough. Can you hire and fire, deal with clients, do the marketing, bring the clients, handle the legal stuff and keep track of the money. Until you've learned those skills, you are going to be frustrated and your team will be frustrated and you won't be an effective leader. Remember, they are counting on you to be the leader. It took you years to learn to cook, but you won't have years to learn all the rest of the stuff!



25. Do hard stuff first and have a good work ethic and a strong sense of urgency.

26. Have “positive dissatisfaction” about everything.
 27. If you make me look good and I make you look good, then we will both always look good. Apply it and teach it, demand it.

Remember only you can make business great!

Ron Sturgeon, founder of Mr. Mission Possible small business consulting, combines over 35 years of entrepreneurship with an extensive resume in consulting, speaking, and business writing with 9 books in print. A business owner since age 17, Ron sold his chain of salvage yards to Ford Motor Company in 1999, and his innovations in database-driven direct marketing have been profiled in *Inc.* Magazine. After the repurchase of Greenleaf Auto Recyclers from Ford and sale to Schnitzer Industries, Ron is now a sought-after consultant and a successful real estate investor.

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QUESTIONS?

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