

YARDTALK

Issue 4 Summer-Fall 2024

The President's Message

Transition Update

We're pleased to announce a smooth transition process underway with Kelley Cawthorne (KC) and the management team (Jackie Timm, Kim McKenna, and Kim Davis). They are working diligently with Barb and Kathy to handle the details of the transition,

includina:



Daniel Gray

- Transferring email accounts, phone numbers, banking information, and credit cards.
- Securing the

history of ARM by forming a past presidents' committee.

- Closing the Grand Blanc office and selling furniture.
- Preparing for the Board meeting and upcoming Annual meeting.

Please make a note: All staff contact information (email and phone) remains the same. However, our mailing address has changed to:

Automotive Recyclers of Michigan 208 N. Capitol Ave. 3rd Floor Lansing, MI 48933

Continued on page 22

A Truly Premier Recycler

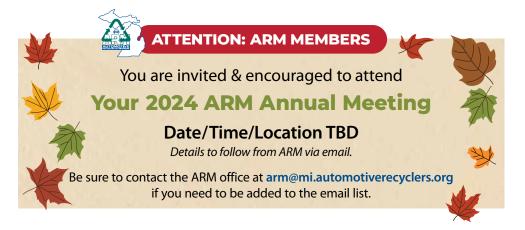
By Amber Kendrick

ach member of ARM has their own unique history and story, and even though ARM members interact with each other often, we frequently know only a fraction of each other's whole stories. If you are an automotive recycler in Michigan or beyond, or you do business with Michigan facilities, you certainly have interacted with the good folks at Premier Auto & Truck Parts, in



Cedar Springs. This article is a chance to learn a little more about your friends and colleagues at Premier, dive a little deeper into their history and how they became the powerhouse they are today! ARM board member and owner (partner) Scott Kooienga was kind enough to share their story with me.

Tom Kooienga started Premier Auto & Truck Parts back in June of 2000, after a seventeen year career at Weller Auto Parts. His older son, Chris was his first employee, he started with him on day-one of the business. They began on less than 1 acre of property in downtown Cedar Springs, and started primarily as a *Continued on page 21*



BUNDLE AND \$AVE



Recycler Management System by Car-Part.com

- Car-Part Interchange Plus (CPI+)
 Enhanced interchange for 100+ new part types
- Car-Part.com Demand Data
 Demand Data from the #I Recycled Parts Marketplace,
 powered by CPI+, to help you buy, inventory, and sell parts
- Bidmate Car Buying & Evaluation Tool
- Partmate Tablet based Part Inventory & Pricing Tool
- CrashLink OEM Data, Diagrams, Schematics
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Oh, the Memories!

A s I sit here trying to write my last newsletter article, I'm filled with a lot of memories as I look back over my time spent with ARM. Kent & I came to ARM in 1990



Barb Utter

after Don & Janis Rouse retired as the first Executive Director & ARM longline monitor. It was a smooth transition as we had recently sold our salvage facility and Kent was a past President of ARM. He always felt he had the best of both worlds. He was able to continue working in the industry he loved with his friends

and peers, without the headaches of ownership. A new chapter began for ARM and all was good as he had the knowledge, skills and love for the industry as did Don & Janis and I became the longline monitor. It was a perfect job for me because as you all know, I love to talk, plus I was able to meet so many of our wonderful members. Life was good and the ARM family continued to grow and prosper as our forefathers intended, with everyone working together for the common cause. Exciting new programs like our own auto auction MASCO was established, membership grew and then the unexpected happened with Kent's sudden passing while we were at our fall meeting at Boyne Highlands. Needless to say, my life fell apart and ARM was without an executive director, but once again, everyone rallied together for the good of ARM. Another chapter was about to begin.

Needless to say, the last thing I wanted to do was to follow in his footsteps so we began the search for a new executive director and after an extensive search of qualified candidates through Michigan Association of Executive Directors, we thought we had found the perfect person. Unfortunately, that was short lived. So after some emotional and persuading conversations, the next chapter of ARM was about to begin. The torch was again passed as I accepted the position and for the next 28 years, I have had a labor of love. I have worked for and with 17 Presidents, each with their own leadership style but with the same end result in mind: to help move the industry and our association forward together. They and their Board of Directors freely gave so much of their time and energies to reach these goals for the benefit of everyone. Each and every one was remarkable!

Life was good but I was looking for a new secretary. And then came another new chapter in our ARM world: enter our remarkable Kathy. The day she interviewed for the position of secretary I knew I had just met an exceptional person who was going to help us continue to move forward and wow, was I right on the mark with that intuition. She soon became more than just an employee. She is not only my administrative assistant; she is my dear, dear friend, my confidant, and a cherished "member" of my family as well as the ARM family. We have been through a lot together, both happy and sad times, but we're always there for ARM and each other and this past year with my health issues, she has been our saving grace. We truly could not have made it without her and for that I am so, so grateful. While we will miss our times together in the office, the good news is that she recently moved close to Grand Blanc so we have vowed we will continue seeing each other often.

I have written approximately 112 newsletter articles, give or take a few. It is probably my least favorite task as I struggle with each and every article but I am so proud of how our newsletter has grown over the year thanks to Donna & Gordon Middleton for their dedication to get us started at their kitchen table and to Sue Crego from Artzy-Smartzy Inc. for her creative ability to continue to help us move forward. It is a great tool to promote our association and our industry not only to our members, but to other licensed recyclers in Michigan, our vendors and other state associations. We have also continued to grow with our training, educational programs and member services that continue to benefit our members and we have had lots of fun along the way. I wish I had room to list all of our outstanding programs and the people who made them possible but that would take an entire issue in itself, but I hope you know who you are and how grateful I am to have played a small part in their success. We have a strong association and I am proud to have been a part of this great organization. I have loved working with each and every one of you through the years. I have made so many friendships around the world while representing ARM at ARA meetings. The sharing of ideas with my fellow Executive

Continued on page 4



2023-24 OFFICERS

President Daniel Gray, Doug's Auto Recyclers

1st Vice-President Gordon Middleton, Middleton Auto Parts

2nd Vice-President Simon Savaya, Holbrook Auto Parts

Secretary/Treasurer Scott Kooienga, Premier Auto & Truck Parts

Immediate Past President Slater Shroyer, Shroyer Auto Parts

Executive Director Kim McKenna

2023-24 BOARD OF DIRECTORS

Eric Benson, Go Go Auto Parts
Lance DeKeyser, George's Auto Parts
Jayson Doren, Morris Rose Auto Parts
Ron Elenbaas, Past President
Stefan Gravis, East Bay Auto Parts
Gary Hooper, Hooper Auto Recycling
Ross Lewicki, Highway Auto Parts
Bernie Milnes, Roscommon Auto Recyclers
Glenn Neuner, Neuner's Automotive
Recyclers, LLC
Chris Roberge, Michigan Auto Recyclers

2023-24 ARM COMMITTEE CHAIRPERSONS

Dennis Tomes, Auto Farm Recycling

Legislative

Chair - Scott Kooienga

Member Services Chair - Gordon Middleton Co-Chair - Glenn Neuner

Website Coordinator Kathy Cooper

Newsletter Coordinator Amber Kendrick

MIARC Board Daniel Gray

Meetings/Conventions Chair: Jayson Doren Co-Chair: Ross Lewicki

Scholarship Chair: Gary Hooper Co-Chair: Stefan Gravis

MICAR Chair: Slater Shroyer Co-Chair: Eric Benson

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 208 N. Capitol Ave. 3rd Floor Lansing, MI 48933

Calendar of Upcoming Events	
Sept. 10-12, 2024	International Congress for Battery Recycling Basel, Switzerland
Oct. 24-26, 2024	81st Annual ARA Convention & Exposition Reno, Nevada
Nov. 5-8, 2024	SEMA Las Vegas, NV
April 10-12, 2025	URG United Recyclers Group & Team PRP Conference

ARM Road Show & Business Networking Conference

From the Desk of Your Executive Director

Orlando, FL

Cedar Springs, MI

Premier Auto & Truck Parts

Continued from page 3

May 16-17, 2025

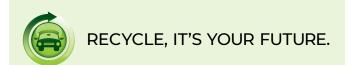
Directors was second to none and their friendship continues beyond our positions. The ARM family has been by my side since we first joined the team. My immediate family has met so many of you at the Kent Utter Jr. Scholarship Golf Outing, of which we are so proud to support since it is in memory of their father. Needless to say, we will continue to support this great benefit and the students who benefit. My family has always been so grateful for your support and friendship as they know they don't have to worry about me during my travels because I'm with my ARM family. (You took a lot of pressure off of them.)

People keep asking me if I'm sad to be retiring and I can honestly answer that I am not, I have been so blessed and proud to have been a part of this organization and the ARM family and for what we have accomplished together. Of course I will miss each and every one of you and the sharing of ideas and news about our families. The friendships are why we are such a strong association. We care about one another and together we have continued to provide that strong foundation that our forefathers started for us generations ago. However, as another chapter of ARM closes, another opens that will take us to the next level and I'm so excited and confident knowing the Kelley Cawthorne team with Jackie Timm at the helm, will be leading that new chapter for ARM and will continue to take us to the next level. We truly are in good hands. They know us well as we were one of their first clients when we changed lobbying firms and they have so many resources to help ARM reach new heights. Change is Good, Embrace it!

It's time for me to do what my dear friend Ted Dusseau always kept encouraging me to do: get a good book, a great bottle of wine and put a sign on the door "Gone fishing".

Love and Hugs to All of you, Barb





Scrap Market Report

 Foundry Steel.
 \$265.00 gt

 Clean Auto Cast
 \$360.00 gt

 Unclean Motor Blocks
 \$340.00 gt

 Auto Bodies
 \$157.00 nt

 Batteries
 \$.16 lb.

 Copper/Brass Radiators
 \$2.28 lb.

 Aluminum (clean)
 \$.59 lb.

 Whole Aluminum Transmissions
 \$.23 lb.

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

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





What You Need to Know

By Amber Kendrick

n a landmark decision, the Michigan Supreme Court has mandated that the Earned Sick Time Act (ESTA), along with a 2018 ballot initiative to raise the state's minimum wage, come into effect on February 21, 2025. This ruling, delivered on July 31, 2024, overturns legislative maneuvers that had prevented these initiatives from becoming law. Each Michigan Automotive Recycler with employees is subject to this new ruling, so we must all prepare for these changes. Understanding the requirements of the ESTA will help ensure compliance.

Accrual and Usage Details

Time accrues at a rate of one hour for every 30 hours worked, without a weekly cap. Employers have flexibility in defining the "year" for accrual purposes, which can be based on a calendar year, fiscal year, or another 12-month period.

Employees start accruing paid sick time the day they start, but employers may require them to work 90 days before they can begin to use it. Employees are entitled to accrue up to 72 hours of paid sick leave annually. For small businesses (fewer than 10 employees), employees accrue one hour of sick time for every 30 hours worked but can use only 40 hours of paid sick time per year.

Any additional accrued sick time up to 32 more hours is unpaid. Businesses with 10 or more employees must provide up to 72 hours of paid sick time per year. The ESTA requires time to "carry over from year to year, but a small business is not required to permit an employee to use more than 40 hours of paid earned sick time and 32 hours of unpaid earned sick time in a single year, and other employers are not required to permit an employee to use more than 72 hours of paid earned sick time in a single year." Meaning all employers must carry forward the sick time on paper – but, in practice, can actually limit the time used.

What Can Sick Time Be Used For?

Under the ESTA, employees are entitled to use paid sick time for a range of situations that extend beyond conventional policies. Eligible uses include:

- Personal or family illness or injury
- Medical care or treatment
- Preventative care
- Public health emergencies requiring workplace closures
- School or care facility closures due to public health emergencies
- Exposure to communicable diseases
- Meetings related to a child's health or disability

Exemptions and Specific Scenarios

- Employees under the Fair Labor Standards
 Act (meaning salaried and commissioned
 employees), are presumed to work 40 hours per
 week unless their normal workweek is shorter.
- Part-Time Employees: Accrual is proportional to the hours worked, so a part-time employee working accrue sick time based on their hours.
- Vacations and Holidays: no sick time is accrued during non-working periods like vacations or holidays, though employers may choose to allow this.
- If an employee is let go or leaves the company and is rehired within six months of separation, previously accrued sick time must be reinstated. Transfers within the same employer must also retain accrued sick time.
- Pay rates must be the "the normal hourly wage...
 For any employee whose hourly wage varies
 depending on the work performed, the 'normal
 hourly wage' means the average hourly wage



of the employee in the pay period immediately prior to the pay period in which the employee used paid earned sick time." This means your commissioned and piece rate employees wage for earned sick time must be the average from your most recent pay period, not an annual set average or other calculation as you may have done in the past.

Continued on page 11





Meet the New ARM Team

RM is thrilled to announce that we will be working with Kelley Cawthorne for our staffing needs! Kelley Cawthorne has been a leading lobbying organization in Michigan for decades and through that work understands the importance of a strong association. With that knowledge and understanding, Kelley Cawthorne developed a platform for association management to provide organizations with all of the necessary tools to advance the interests of their organization without the hassle of day-to-day management and costs. The ARM board found that this was a good fit, given our longtime partnership with Kelley Cawthorne and we are confident that the staff will execute our goals successfully.



We are excited to welcome **Kim McKenna** as our new director for ARM! Kim brings an extensive customer service background and experience in both marketing and event coordination from her time working locally in

advertising and at several golf properties, including Colorado's famous Broadmoor Resort. Kim also ran her own cheesecake business for several years. Prior to joining Kelley Cawthorne, Kim served as the Member Services Coordinator at the Michigan Association of Superintendents & Administrators. Kim holds a Bachelor of Science in Merchandising Management from Michigan State University. She is currently the Vice Chair for the Foundation for Haslett Schools and in her third year serving as a board member.

Kim can be reached at <u>arm2@mi.automotiverecyclers.org</u> and/or 810-695-6760.



Kim Davis will assist with administrative duties for ARM. She brings over twenty years of experience in meeting planning and coordination, document preparation, human resource administration, and overall administrative support. Kim

received her associate's degree in business management from Lansing Community College and currently resides in Holt, MI.



208 N. Capitol Ave | Third Floor | Lansing, MI 48933



Nate Love has worked as ARM's lobbyist for several years. He will continue advocating for us, and he will also be collaborating with the rest of the team for other association business. Nate has an extensive background in non-

profit organizations and campaign finance. Nate has a bachelor's degree in public policy from Albion College and he earned his Juris Doctorate from Michigan State University.



Jacquelen (Jackie) Timm attended Clio High School and obtained her bachelor's degree in marketing and management from Saginaw Valley State University in 2007. Jackie has built a decade-long career in communications and strategic

business management while serving in leadership roles with the Michigan Legislature, Michigan Council of Nurse Practitioners, Michigan Association of Broadcasters and Muscular Dystrophy Association. She earned her CAE status from the American Society of Association Executives Center for Association Leadership in 2021. Jackie lives in Clio, MI with her husband John, daughter Leah, and son Henry. Jackie serves as the Director of the Association Management Program at Kelley Cawthorne and will oversee staff for ARM. She will also assist with financials and other business as needed.



RECYCLE, IT'S YOUR FUTURE.



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

CALL FOR PRICING AT ANY OF OUR FOUR MICHIGAN LOCATIONS

ADRIAN 815 Treat St. 517-265-5195

BAY CITY 1414 N. Madison St. **989-895-5571** JACKSON 711 Lewis St. 517-787-1731 JONESVILLE 751 Beck St. 517-849-2149





Steel Dynamics, Incº

Enforcement ALERT to Auto Recyclers



By Sue Schauls

ational Motor Vehicle Title Information System or NMVTIS serves as a repository of information related to vehicles that have been in the possession of auto recyclers, junk yards and salvage yards. This repository is then used by states and consumers to ensure that junk or salvage vehicles are not later re-sold and ensures that the VINs from destroyed vehicles can never be used for a stolen automobile. Reference: https://vehiclehistory.bja.ojp.gov/nmvtis auto#auto

Although not required, NMVTIS can also serve as a tool for junk and salvage yards to check a vehicle history for any reason before accepting the vehicle into inventory.

Reporting Methods

Auto recyclers, junk yards, and salvage yards must submit the required monthly reports to NMVTIS through third party organizations that have agreed to provide this service. Reporting can be as frequently as desired, but not less frequently than monthly. The Department of Justice encourages all reporters to submit information to NMVTIS as soon as possible to prevent fraud and theft and to protect consumers.

NMVTIS reporting is done through approved NMVTIS service providers known as third party consolidators. There are four reporting methods available, listed at the bottom of the webpage https://vehiclehistory.bja.ojp.gov/nmvtis_auto#auto. Most have a free reporting option for individual VIN reporting or low-cost options for bulk VIN reporting.

Reporting Issue

One issue that came to light through certification audits of the NMVTIS standard was that the "most recent report date" may not reflect accurate information. It does not appear that the reporting of VINs to NMVTIS is in error only that the public record information does not reflect the actual most recent report date. Auto recyclers are urged to periodically check their "reporting status" at https://www.nmvtis-le.org/NMVTISReportingStatus to verify that the public record reflects their data correctly. If the public information is at odds with the facility's actual report date, contact your third-party consolidator to fix the issue.

Contact a data consolidator for more information on reporting methods and technical specifications if you have not yet set up an account or if you need assistance getting caught up.

The U.S. Department of Justice, Office of Justice Programs' Bureau of Justice Assistance (BJA) oversees the National Motor Vehicle Title Information System (NMVTIS), with the American Association of Motor Vehicle Administrators (AAMVA) serving as the system operator.

Recently the BJA has issued a warning to entities that have not met the reporting requirement that enforcement will begin with those that have NEVER reported. Additionally, the fine has increased from \$1000 per VIN to \$1850 per non-compliance. The DOJ BJA stated:

"BJA is currently assessing entities that have registered to report to NMVTIS but have not reported any junk and salvage automobiles. All required reporting entities are encouraged to comply with the reporting requirements that are outlined on the NMVTIS Program page at https://vehiclehistory.bja.ojp.gov/nmvtis_auto. For entities that fail to come into compliance, BJA will, as appropriate, initiate civil actions that may lead to penalties."

The pending threat of enforcement should not be taken lightly given that steep fines may be levied per vehicle and can be retroactive back to the March 2009 implementation date. Check your reporting status at https://www.nmvtis-le.org/NMVTISReportingStatus.

Address the issue immediately and set up an ongoing method to stay compliant as the second wave of enforcement could focus on those that are behind reporting at least monthly.

About the author: Sue Schauls has a Science degree in Environmental Planning. As the Executive Director of lowa Automotive Recyclers she developed and implemented the lowa – Certified Auto Recyclers Environmental (I-CARE) program. She conducts on-site compliance audits and online or in person training. She is the certification consultant to ARA and the MICAR Auditor for the Michigan program. Guidance resources can be found at https://aracertification.com/.

New Sick Time Act

Continued from page 7

Record Keeping and Compliance

Employers must maintain records of hours worked and sick time taken for at least three years and provide these records to the State upon request. Failure to maintain adequate records may result in a presumption of ESTA violations. You likely need new labor law posters! Like the minimum wage law, employers must conspicuously display a poster that contains compliance information at their place of business. A reputable source for these posters can be found through the Michigan Chamber of Commerce at https://www.michamber.com/publicationsstore/

If an employee uses more than 3 consecutive days, an employer may require reasonable documentation for that time, such as a doctors note, however if an employer chooses to require documentation then the employer is responsible for paying all out-of-pocket expenses the employee incurs in obtaining

the documentation. "If the employee does not have health insurance, the employer is responsible for paying any costs charged to the employee by the health care provider for providing the specific documentation required by the employer."

Implementation Challenges

Michigan auto recyclers may face challenges with integrating ESTA requirements into their existing policies, especially regarding combining paid time off (PTO) banks with sick leave, or setting up new accrual systems. Clear, updated labor law posters must be displayed, and written notice about sick time policies must be provided to employees at the time of hiring. Many employers are still waiting for the state to clarify aspects of the new law before writing their policy. You have time, but as February of 2025 approaches, you should be aware that it's coming and work to get ready for this. Review your policies carefully and consider legal counsel to navigate these new requirements effectively.





Emil Nusbaum, VP of Strategy, Government and Regulatory Affairs is Named Co-Chair of NAATBatt's Policy and Regulatory Committee

mil Nusbaum was recently named co-chair of NAATBatt's Policy and Regulatory Committee. Emil will serve as co-chair along with Jeff Yambrick,



Founder and CEO of Energy Supply Developers. NAATBatt International is the preeminent trade association for advanced battery technology in North America. Members of NAATBatt include organizations and companies across the entire

battery value chain. Emil is excited to have the opportunity to work with committee members on issues related to the proliferation of battery technologies and policy.

ARA Shares Expertise on Batteries

uch activity has taken place recently that highlights the crucial role that ARA and professional automotive recyclers play when policy decisions are made surrounding all aspects of EV and hybrid batteries.

Last month, ARA's VP of Strategy, Government and Regulatory Affairs, Emil Nusbaum, was invited to speak in Atlanta at the Battery and Critical Metals Recycling Conference where he was one of three panelists invited to give a presentation on the transport and storage of lithium-ion batteries. ARA's presentation emphasized how the professional automotive recycling industry is adapting to ensure that end-of-first-life lithium-ion vehicle traction batteries are being put to their highest and best use. It also highlighted how the industry is working to ensure that facilities can engage safely with large-format lithium-ion batteries and safely store and transport these batteries to reusers, repurposers, and recyclers.

Moderator, James Keefe, EVP of Recycling Today Media Group, asked how ARA is working with regulatory agencies such as the EPA on assisting in the development of battery collection best practices and the development of waste regulations. For almost ten years, ARA has been working to prepare the automotive recycling industry for an influx of vehicles containing high voltage vehicle batteries by providing training and resources for the entire industry. For more information on these resources please visit https://arauniversity.org/electric-hybrid-vehicle-technology-guide/.

Also in June, the American Association of Motor Vehicle Administrators (AAMVA) just recently held its Region 2 Conference in New Orleans, LA. ARA presented on the transition to electric vehicles to state departments of motor vehicles, first responders, and industry. Emil also had the pleasure of sitting down with AAMVA's President and CEO, Ian Grossman, on AAMVA's podcast to discuss how ARA and its members are working to facilitate a successful environment for vehicles containing high voltage batteries. To listen to the podcast click here: https://aamvacast.podbean.com/e/episode-214-electric-vehicles-with-the-automotive-recyclers-association/.

Lastly, ARA recently submitted comments in coordination with affiliate chapter member, the California Auto Dismantlers Recyclers Alliance (CADRA), on a bill governing electric vehicle and battery recycling.

Aquire Salvage Through the ShiFT Program

stablished in partnership with ARA and the Automotive Recycling Training Institute (ARTI), the SHiFT Vehicle Retirement Initiative[™] https://shift4tomorrow.org/ is helping consumers and companies responsibly recycle vehicles and presenting new opportunities for ARA members to purchase salvage at a discounted price.

With an even more discounted price for Certified



Automotive Recycler (CAR) members, ARA members can find out more information

about how to take advantage of SHiFT opportunities for salvage by clicking here: https://www.a-r-a.org/shift-program.html or contacting ARA staff at staff@a-r-a.org.

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padnos.com



By Nate Love of Kelley Cawthorne *Legal & Government Relations Counsel to ARM*

The legislature is currently at ease for the summer, and is expected to meet on an extremely limited basis until after November's general election. Until then, legislators are expected to remain in their districts and in "campaign mode."

HB 5354 was reported to the floor after being moved between multiple committees. While the legislation does not directly impact the automotive recycling industry, it could impact ARM members who offer "buy here/pay here" vehicle sales.

Michigan's state primary election took place August 6, with U.S. Rep. Elissa Slotkin emerging as the winner for the Democrats for U.S. Senate. State Sen. Kristen McDonald Rivet won her primary race to replace

FOR Salvage Yard in Battle Creek, MI



- ▶ Located just 2 miles from I-94
- ▶ Over **3 million** in annual sales!
- Self Serve & Full Serve Auto Sales | Scrap3.2 million asking price

Contact owner Mark Hense at:

hensemark@yahoo.com or call 269-317-9541 U.S. Rep. Dan Kildee as the Democratic nominee in the 8th congressional district.

Before adjourning for the summer, the legislature and governor enacted the \$82.5 billion FY24-25 omnibus budget which includes funding for public safety, housing, infrastructure and more. The \$23 billion education budget was also enacted, providing funding for student mental health, school safety needs, literacy grants and coaches, free breakfasts and lunches and more.

Formal conversations on a long-term economic development policy package are ongoing. The House Economic Development and Small Business Committee took testimony on several pieces of legislation that would overhaul the state's current Strategic Outreach and Attraction Reserve (SOAR) Fund, as well as separate legislation aimed at implementing other policies around economic development and attraction.

SB 669 and SB 670 passed the Senate. The bills would expand FOIA to include the Legislature and governor's office, with several exemptions. Bill sponsors and supporters said while the bill package was not perfect, members from both sides of the aisle said what was before them would provide long-overdue transparency to a state which has ranked near the bottom nationally by some groups for years in government transparency.

The Michigan Supreme Court ruled that the legislature's 2018 decision to adopt and then amend two voter-initiated laws in the same session was unconstitutional. That means the two laws passed using the scheme – PA 368 of 2018 and PA 369 of 2018 – were ruled invalid and that two voter-initiated versions – PA 337 of 2018 and PA 338 of 2018 – were ordered to go back into effect 205 days from today, on February 21, 2025. One of the laws called for raising Michigan's minimum wage to \$12 per hour by 2022 and bringing the tipped minimum wage up to the regular minimum wage, and another that mandated paid sick time for workers.

We continue to monitor the legislature for any other legislation that could impact the automotive recycling industry and will keep everyone updated as things arise. \Leftrightarrow

Getting Involved in ARM:

By Amber Kendrick

s busy as running a business can be, you may worry you don't have a lot of time to offer the Automotive Recyclers of Michigan. The great news is that you can get involved in ARM with very little time commitment. Serving on a committee is a great way to dip your toe in the waters of volunteering for ARM. Most committees meet quarterly and the short meetings are on zoom or by phone. The Meetings and Conventions committee, which is responsible for the Road Show, does take more time and dedication than most, but people who have served on ARM committees in the past often say how much more they gain than they give!

Often members who volunteer find they form strong ties with other committee members, giving them excellent resources and sounding boards for business questions and projects. Gordon Middleton, owner and operator of Middleton Auto Parts, has been volunteering for decades, says "I was fortunate to be around a lot of smart people who shared their thoughts and ideas. If you truly love recycling please get involved. We need young people on the board

and on committees. The next few years are going to be crucial, but what I can say is stay focused and hang with good people! WE must stand together to have a great association."

ARM has eight active committees you can get involved in to benefit yourself and your association!

- Legislative
- Member Services
- Website
- Newsletter
- MIARC Board
- Meetings/Conventions
- Scholarship
- MICAR

If you aren't ready to join a committee, you can still get involved in ARM by contributing to the publication you are reading, YardTalk! We are always looking for submissions for YardTalk, so if you would like to share something happening in your business, interview another recycler and write an article on their business, or if you've attended a seminar or something that you think would be valuable to share with your peers, we would love for you to send it in to amber@petesauto.net to include in the next YardTalk quarterly newsletter.

Have you ever sat around and griped about the rules and regulations that face our industry?

Do you say to yourself "I wish there was something I could do" or wish you had a say in what changes are made or what new Bills are passed?

Here is your chance to be heard!

Send your non-corporate check (personal or LLC checks only) made payable to **ARM PAC** at 208 N. Capitol Ave. 3rd Floor, Lansing, MI 48933

Together we are making a difference!!

ARA's 81st Annual Convention & Expo

By Amber Kendrick

RA's 81st Annual Convention & Expo in Reno, Nevada, promises to be an incredible event. Held at the Peppermill Resort and Casino which has very reasonable room rates, the event is packed with educational seminars and networking opportunities. There will also be a limited number of special tours of the Tesla Nevada Gigafactory, exclusive for ARA members!



Thursday, October 24th the ARA committee meetings are held along with an opening keynote with Keith Webster, President of JD Power Global Business Intelligence. The exposition opening will be held Thursday night following a ribbon cutting and there will be a fun reception with food and drinks.

Friday, October 25th there are no less than 15 sessions with a number of practical panels, including "Do's and Don'ts of Dismantling: How to Maximize your Factory" with Dave Hansen from United Auto Recyclers, lan Yeager from EL&M Auto Parts and Brad Smith from Smith Auto & Truck. There will be familiar faces like Sue Schauls, Mike Kunkel and Rob Rainwater, but also fresh new speakers such as Amy Hinton, the North American Scrap Editor for Fastmarkets, who will share on the potential scrap shortage in the US. On Friday night, female attendees have the opportunity for a special wine and cheese social with LARA, the Ladies of Automotive Recyclers Association. Open to all is Cowboy Casino Royale themed networking and awards night! Many will dress to impress for this theme night, but business casual apparel is also welcome.

Saturday, October 26th promises to be just as packed with great content. The morning kicks off with

the exposition with brunch, and over 80 vendors are already signed up. Then the afternoon schedule includes panels on eBay, bookkeeping, parts prep & shipping, wheel stands in self-service, and opportunities and resources for independents. There will be speeches on sales from Chad Counts, market changes from JC Cahill, running hybrid yards from Mark Forcum, plus tons of great information on ARA programs like Gold Seal and tech talks from your favorite technology partners like EZ Suite. An "Afterglow Party" wraps up the weekend that is sure to be a success.

The Peppermill Resort and Casino has an incredible spa, and has a number of great lounges, bars and hangout spots. The casino features single and multi-deck Blackjack, Roulette, Craps, 3-card and 4-card Poker, Let-It-Ride, Pai Gow Tiles, Pai Gow Poker, Baccarrat, a smoke-free Poker Room, and a high-tech, non-smoking Race & Sports Book with over 100 screens for the best viewing.

Nearby there are a number of attractions you can walk, drive or Uber to, including the Stone Age Quarry, Nevada Museum of Art, Lake Ridge Golf Course, Meadowood Mall, the National Automobile Museum, Reno Arch and the Truckee River Walk. There is something for everyone in Reno, and many attendees will want to fly in early or extend their stay to make it a working vacation!



October 23-26 may seem like a long ways away but really it's in less than two short months, so don't delay, make plans to attend in order to discover new products and services, learn from outstanding educational sessions, and network with you top colleagues in the country. For more information visit www.a-r-a.org.



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



By Amber Kendrick

n 2024, the Kent Utter Jr. Memorial Scholarship through ARM awarded scholarships to two new and two returning recipients. This scholarship fund was established by the Automotive Recyclers of Michigan in memory of Kent Utter, our Executive Driector who passed away October 1st of 1995, in recognition for his dedication to the industry and our members. Each of these students is a child of an employee of an ARM member, and each applied and submitted extensive written histories of themselves and their education and provided references from their teachers and community members. These four young people's education is made possible partially through member donations to the scholarship fund, so thank you to all the ARM members who have donated! It truly makes a difference in the lives of these bright students.

Emma Watson

Emma Watson is a new scholarship recipient this year. Emma is a graduate of Quincy Community High School, and is currently attending Hillsdale Beauty College to pursue her passion in the cosmetology industry. She says "I've chosen this career because all my life I loved people and I want to be part of making people more confident in themselves... My goal is to own my own salon and be able to to help families with lower income."

After participating in sideline and competitive cheerleading through high school, Emma also worked teaching children in Junior Cheer. Emma says "Junior Cheer has contributed to my development. Seeing children show up excited to learn and how much they looked up to me made me want to be better for them. I wanted to be the best role model for them, and that meant becoming the best version of myself!"

Emma has a story of inspiration and resilience, she has overcome a lot in her young life. Emma is the daughter of Emmanuel Watson, who works in Shipping & Receiving at Doug's Auto Recyclers in Coldwater. She says moving in with her father and stepmother her sophomore year of high school was instrumental in getting her into a positive environment and made the difference for her to be able to overcome mental health barriers. Emma also looks up to her older sister, who she says is one of the strongest people she knows, and who took care of her when she was young and is now an

amazing mom to Emma's nephew. Emma's essay on her family for her scholarship application was moving and shows what an important influence Emmanuel has been in his daughter's life.

Isabella Allen

Returning scholarship recipient Isabella Allen is a Junior on the dean's list at Western Michigan University, where she is studying nursing. Last semester she



received a 4.0 GPA! Following an illustrious high school career where she was on the dean's list in addition to being an athlete all four years, Isabella has worked very hard in college. She is working towards a BSN, Bachelor of Science in Nursing,

and has dreams of someday becoming a Certified Registered Nurse Anesthetist (CRNA). Specializing in anesthesia takes great dedication and schooling, but Isabella has always been interested in the human body. "The science behind how even a simple Advil pill can treat headaches and reduce fevers is fascinating to me," Isabella said, "Being a nurse anesthetist is a higher responsibility, for one has to make sure vitals and levels of anesthesia are regulating during surgical procedures. I would love to achieve this position."

John Allen, the controller at Regal Auto Parts in Howell, Michigan, is the proud father of Isabella, and has been with Regal for over six years now. Isabella names her father, John, as one of the most influential people in her life. She says he has "beautifully displayed the art of "pushing through" and "holding on" as he has built a sustainable life for her two siblings and herself. When she was just six years old, John worked two jobs plus volunteered as a swim coach and sang in a band, and when Isabella would struggle with going to swim practice, she remembers John saying "you will never regret going to practice after you are finished." This was a powerful message for young Isabella and one she carries with her in her collegiate studies. "If I do

Continued on page 20

Continued from page 19

not feel I want to do something, I remember that I will never regret reaching closer to my goals when I am finished." She also says "my parents have shown me how dedication can create a successful life path, and also build my character."

You may remember Isabella as a scholarship recipient last year, when she was attending Oakland Community College. Isabella says "while attending community college last year, I was determined to become a university student, and I had the grades and potential to do so. While filling out almost fifty applications for scholarships to afford a higher institution, I was awarded the Kent Utter Jr. Memorial Scholarship and that enabled me to continue my plans for university." Isabella plans to take the lessons she learned from home and her upbringing with her into her career in nursing. She says "a nurse is someone who comforts a patient when he or she feels as if nothing will be okay. When I was little, I broke my arm... the nurse stayed with me through everything and made me laugh. I would love to be the person who can put a smile on someone's face in their worst moments. Nurses are caring, compassionate and loving. I have also been very interested in science, and it is interesting to learn about the body." We wish this young woman all the best in her schooling and career and are proud to be able to support her journey through the Kent Utter Jr. Memorial Scholarship through ARM. Since receiving this award, it gave me a boost in affording university, and I am able to attend Western Michigan University which has an exceptional nursing program."



Jennifer Bacilio Chavez



Also attending Western Michigan University this year is new recipient Jennifer Bacilio Chavez, the daughter of Miguel Bacilio and Maria Chavez. Jennifer is studying Marketing, something that has always interested her, and she wants to "pursue a career that allows me

to be creative and collaborate with others... I have always been fascinated by how our society uses many media and forms of effective marketing. I believe a marketing role will allow me to express my creativity in a professional capacity."

Jennifer attended Hartford High School through COVID, giving her a much different high school experience than those older and younger than herself, one that would be easy to see as negative, but in her scholarship application she highlighted the positives of learning and maturing through the difficulties. In her Junior and Senior year of high school, Jennifer was able to enroll in the Marketing, Sales and Business program at Van Buren Tech, where she was titled 2023-2024 Outstanding Student of the year for her contributions in and outside of the classroom! This active involvement at Van Buren Tech led her to the National Technical Homor Society and Distributive Education Clubs of America, which she enjoyed and brought her into the Jobs for Michigan Graduates Career Association. Jennifer won a number of awards and even got to intern with the Van Buren/Cass District Health Department.

Citing her parents as inspiration for her work ethic, Jennifer shared "working beside my family has shown me their hardships and desires. I have always been involved in seasonal farm work and spent my summer break working picking blueberries... To give my siblings and I a better life, I often watched my parents go to work early and come home late... I admire my parents hard work and determination and that's why I want to accomplish my goal of pursuing a degree."

Parker Sparrow

Our final scholarship recipient is another returning student, Parker Sparrow. Parker is the daughter of John Sparrow, the Sales Manager at Regal Auto Parts in



Howell, Michigan, who has been with the company since 2011. Parker attends Eastern Michigan University to study Physics Research and Mathematics and plans to attend graduate school for astrophysics or aerospace engineering. Parker is fascinated by

space, enjoys solving problems with physics and engineering, and hopes to work for NASA one day. Parker is a member of the Astronomy Club at EMU, and a member of the Society of Physics Students. She became the Vice President of the EMU Chapter of the Society of Physics Students for the 2023-2024 school year. "Being surrounded by peers who are passionate, intelligent, motivated and hardworking has inspired me and

encouraged me to work harder and be the best I can be," says Parker, "additionally, being the vice president has taught me a lot about being in a leadership position, including collaboration and coordinating events with my peers.

Parker received a glowing letter of recommendation from her professor Jonathan Skuza, PhD, formerly of the NASA Langley Research Center, who commended her for her engagement in class, her strong work ethic, and thoughtful questions and answers. Dr. Skuza commented on how well Parker worked with small groups, as well as her ability to work independently. "She has a great work ethic, which was evident from her clear, complete and correct exams... I would rank her within the top 10% of all undergraduate physics and engineering students that I have taught at Easten Michigan University as well as the other previous institutions I held professional appointments."

Congratulations to all the fine scholarship recipients and a hearty thanks to all donators to the fund that made these scholarships possible!

Premier Auto & Truck Parts

Continued from page 1

towing facility, morphing into recycling. "When the business first began," Scott said, "Dad would go to auctions during the day, and dismantle cars at night." His son Chris was busy selling during the day and towing vehicles at night. Scott graduated from high school the same year the business began and came on board shortly afterwards, just a year after the start of Premier. While the business is technically second generation, because the brothers purchased the business from their father, they were instrumental in the growth of the company with their dad from the beginning, so it's a little different than a lot of second generation businesses. The boys were there through the lean early years.

It was five years in, back in 2005, when Tom purchased an old roller skating rink and moved Premier Auto & Truck Parts. By then they were growing, and used auto parts were the main business instead of towing. Having 11 acres instead of less than one seemed a luxury! Over the next ten years, the family grew the business, transforming that roller rink into a modern recycling facility. Where there used to be skaters dancing to the hokey-pokey, engines were now stored. It was not conventional, as with many recycler stories, but it didn't need to be. Tom instilled in his sons the value of hard work. Scott remembers how his dad modeled working hard for what you wanted in life, and how selfless he was. "My dad always lived by the golden rule, treating people how you want to be treated, he still does, and I try to remember that and bring that with me no matter how big we get. I want to maintain that legacy that my dad started."

In 2016, Chris and Scott purchased the business from Tom, and Tom retired. Shortly afterwards, they were able to buy 100 acres next door to them, and they expanded and built another building for inventory, quality control, shipping and distribution. "At the time we purchased

Continued on page 23

President's Message

Continued from page 1

MICAR and Safety Update

Sue Schauls has successfully completed the first two rounds of on-site inspections for 2024 MICAR/ARA CAR members, with participating facilities receiving positive feedback.

The automotive recycling landscape is constantly changing, with increased testing, benchmark monitoring, particulate monitoring vs. fluid containment, spill prevention control and countermeasure (SPCC) plans, High Voltage Vehicle (HVV) handling and dismantling, and stricter Lock Out Tag Out (LOTO) requirements. Maintaining MICAR membership is more important than ever.

Self-audit guidance is available year-round for MICAR members. Contact Sue at 319-290-7843 with any questions or guidance needs.

If you are not a member of ARM or MICAR, please contact the ARM office for more information.

ARA Convention

Join us at ARA's 81st convention and expo, taking place October 23-26 in Reno, Nevada, at the Peppermill Resort! I'll be attending on behalf of ARM and look forward to presentations by our own Slater Shroyer on the importance of lobbying for automotive recyclers and Amber Kendrick's talk on identifying and overcoming complacency.

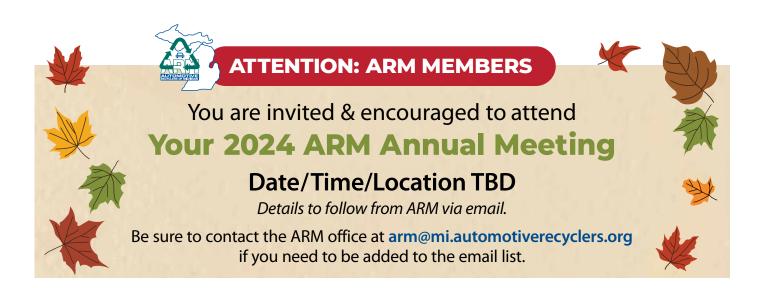
Lobbying

Kelley Cawthorne is a top 5 lobbying firm in the Midwest, making them a natural choice to pair association management services with our existing lobbying efforts. Our industry faces significant challenges in the coming years. Here are some key areas where Kelley Cawthorne's leadership and expertise can benefit us:

- Electrification: Safety training and protocols regarding High Voltage Vehicles (HVV)
- Extended Producer Responsibility (EPR): Challenges and solutions for net-zero and negative value High Voltage Batteries
- Limited Markets: Planned obsolescence by manufacturers, limited repurposing markets, and OEM resistance to reuse
- Lack of Data: Difficulty in obtaining State of Health data for batteries and converters
- Right to Repair: Ongoing legal battles regarding access to telematics data
- Environmental Regulations: Changes to stormwater permits, increased testing and monitoring, and a shift in focus to particulate control

ARM: Moving Forward

As we transition leadership, the officers and board of directors remain committed to the future of automotive recycling, safety in our facilities, and regulatory compliance for all members. My goal is to provide tangible benefits to your business. If you face any challenges, please don't hesitate to reach out to myself or the ARM staff directly. We are here to help. \Leftrightarrow



Premier Auto & Truck Parts

Continued from page 21

the company in 2016 we had 15 employees, we've been growing ever since, now we employ 52 wonderful people!" Scott says. "2023 was a huge year for us, we purchased a building in Westland, Michigan, outside of Detroit, opened up a hub, and now we have three full time delivery drivers out there delivering parts. We utilize that location to store all of our remanufactured motors and transmissions, over 65 skus we keep in stock there, that works really well for that." Every night they shuttle parts from Cedar Springs to Westland to deliver parts into the greater metropolitan area of Detroit and they continue to grow, adding salespeople, Premier now has 12 salespeople, 6 remote and 6 on site. "We started pushing more for remote workers after opening into the Detroit market because we wanted to find people that were already in that market. We hired people who had a customer base in that market, 4 salespeople in the Detroit market that came with a customer base and that's been very successful for us." Scott's main role in the company right now is growing their Detroit market as well as overseeing the overall operations and financial health of the company. He enjoys looking at the bigger picture and he has a general manager, Andy Helmus, who takes care of the day-to-day operations as well as hiring and firing, which allows him to focus on what he is best at and enjoys. Andy says "I have had the privilege of working alongside Scott for nearly 11 years. Throughout this time, he has exemplified true Christian leadership, consistently leading with kindness and compassion. As Premier has experienced tremendous growth, Scott has been unwavering in preserving the close-knit, family-owned culture that makes our company unique. He's always willing to roll up his sleeves and contribute wherever

needed, demonstrating a genuine commitment to both the team and the business. Personally, I have learned and grown immensely under his guidance. I consider myself fortunate to have Scott not only as a boss and co-worker but also as a friend, and I am grateful to work with him side by side every day."

Scott is no stranger to hard work, but he has also worked hard to find a balance with what matters most to him, his family and spirituality, taking time to get away and to give back. "For the first years after we purchased the company, my brother and I worked very hard and put everything back into the company to grow it to where it is now. It was hard for the first couple of years, and we worked so much, sometimes our families suffered, but it has paid off, and with adding people and layers of management, the last few years we do work but but work isn't a grind, we don't have to work 80 hours a week anymore, we have great people and we can spend time making memories with our wives and our kids. My wife and I love to go to our cottage up by Silver Lake, my brother Chris and his wife love camping and they take time to do that. As a business owner, if we have to work 80 hours to make it work, we will, but we try to work smart enough and put systems in place so that we can enjoy life, too, and we are blessed beyond measure." Chris is in charge of the buying for the company. Although Premier has gotten so large he cannot do it all on his own, now he is not the only buyer, Todd White is also a buyer, but Chris's main role in the company is purchasing inventory. I chatted with Todd who said "I began working for Chris just as a transporter years ago. So knowing the person he was, the company he was running, I jumped at the chance to join the team as an Continued on page 24



3-D rendering of the expansion and final facility appearance

Premier Auto & Truck Parts

Continued from page 23

employee and work side by side with him. Upon joining the Premier team, they knew I was the father of three active girls and they told me from the beginning 'family first and foremost!' The amount of passion Chris has for the company is amazing, I enjoy working and it's more like a family. Chris treats and respects everyone as one of his own family and it's a pleasure to work for him!"

The strong family values that Tom instilled in Chris and Scott are alive and well at Premier Auto & Truck Parts, which continues to support local Christian schools, churches, and the local lacrosse team! The brothers feel strongly about giving back in their local community as well as in their industry. Scott has been serving on the ARM board of directors for the past 5 years. He feels in recent years the board is active and involved, saying "the last few years the board meetings are very well attended, you can tell the board members really care, and I'm excited to see what the future holds for ARM and where we can take the association!"

Scott is very driven when it comes to the future of Premier Auto & Truck Parts, as well. "Looking ahead, we have a large building project that is going to be underway," he says, "this fall we are adding 5 dismantling bays to our 6 current bays. That will be done before winter." He explained how early next spring they also plan to do a full demo of the old roller rink and offices. "The roller rink is a warehouse that has done fine for the last 15 years but we want to replace it with a modern warehouse with much higher ceilings. The whole project will be about 24,000 square feet. It's a big project but it will give us the opportunity to grow!"

Scott is fairly young for such an experienced owner, eight years into his ownership and he and Chris have nearly 25 years into working at Premier, and they are always looking at new technology and what the latest and greatest is to take the next steps in their business. "We have a pretty young staff and we like to utilize technology as much as possible and streamline things as much as possible. We implemented EZQC and while that was a big undertaking, it has been a wonderful for accountability and tracking. We've been part of profit team consulting with Mike Kunkel for 8 years and that has been the single most effective tool for our growth. Mostly because it keeps us focused and goal oriented. It gives us access to so many other bright recyclers to grow with and

learn from. Right now we are getting set up with AutoPartnered Solutions, and we are excited to use their services to give our main buyers more time to look at vehicles we don't normally buy and do more speculative buying. Expand and diversify. I think that's so important!"

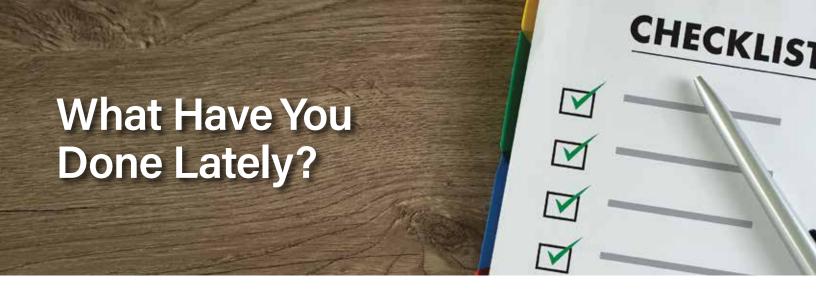
On the employee benefits end, "every year we like to get the team together and do a Whitecaps outing – we rent a deck and invite the employees and their families, spouses and kids, this year we had 125 people that came and had a great time, enjoyed dinner together. We do a Christmas party, last year we rented out a restaurant for the night for the employees and the spouses and gave out gifts. Just this year we started doing monthly birthday lunches, such as, all the August birthdays out to lunch together. This gives us an opportunity to talk for an hour outside of work, talk about anything besides work. It's so nice to build relationships and include people and make people feel part of the team, to make connections with people."

Scott hopes to someday make those connections with the next generation. His oldest son is in college and working at Premier Auto & Truck Parts part time while attending classes, he has an interest in working in the company, and he has younger children who may develop an interest. Chris has three kids and they don't know yet but the brothers are hopeful and they have lots of time to pass on those values that Tom instilled in them.

Premier Auto & Truck Parts continues to grow and stands out as a truly premier recycler, in Michigan and across the country. They are MICAR certified, a Team PRP member, URG Member, they have opened their doors to allow fellow ARM and PRP members come tour their facility and have hosted the ARM Road Show and plan to do so again in 2026 when they have their new building up and running.

Premier is on Pinnacle Professional and you can find their parts on URGNet (MI23) or car-part.com or EDEN, call them direct at 800-397-6812 or find them online at www.premierauto-parts.com. ♠

The deadline for the next issue of the Automotive Recyclers of Michigan's *YardTalk* newsletter is November 6, 2024. If you would like to place an advertisement or submit an article, please call the ARM office at 810-695-6760.



By Amber Kendrick

ere is our regular column on what changes recyclers are making in their businesses. We can only keep this going if people are willing to share, so please consider sending in your own recent change!

- Steven Rodriguez Jr. from A1 Parts Mart in Austin, Texas has been posting parts on Facebook Marketplace and is getting a lot of sales that way!
- Jeremy Rodgerson at B&R Wrecking shared his yard water truck setup, with two tanks of water and a gas powered pump and fire hose. Jeremy says "we have consistently put out fires long before the fire department can show up with this setup."



 Both Tolpa's Auto Parts in Remsen, New York and Ding's Auto Parts in Litchfield, Connecticut are utilizing machines that turn your junk cardboard and used boxes into packing material. It does not shred the cardboard (many customers hate receiving that) but instead turns it into sheets of webbed cardboard that work great for filling space in packages. They still use bubble wrap as the first layer, but then are able to utilize the recycled carboard for the filler material.

- David Winslow says Turpike Auto Parts in Ipswich, New Hampshire has had great success joining RDC (Recyclers Cross Dock) which connects them to the entire PRP and CDC network as well, and they were able to add tiering partners on car-part.com that have been instrumental in increasing sales.
- Nordstrom's Auto Parts added a social media "counter" in their lobby, that automatically increases as you receive new likes and follows on facebook and Instagram. It's a fun, interactive way to get customers to like and follow your social media accounts. You can find one for your own business at www.smiirl.com
- Anthony Schmucker with Flora's Auto Parts in Leesburg, Indiana, has found that empathetically checking in with employees has yielded him good results. Recently he had a staff member with decreased performance, and before drawing conclusions or reprimanding, Anthony asked the person what was going on personally. It turned out they had a family member in the hospital, and a simple caring conversation turned their whole attitude around and fixed the performance issue without even discussing that. Employees who feel valued and that you care for them work harder!

We want to hear from you: what are you doing in your business? Take a pic, send in one sentence or one paragraph! It can be a new delivery truck or piece of equipment, it can be adding crushed gravel or asphalt to your yard, it can be a policy or procedure, a new way to incentivize staff or a line of your warranty policy that has been helpful. Email amber@petesauto.net with what you have done lately and your facility name!

The Power of Lean Six Sigma in Operational Excellence

By Amber Kendrick with the help of ChatGTP

t the URG PRP meeting in St. Louis, Missouri, Nick Fiore, Regional Vice President at Fenix Parts, offered a wealth of insights into operational efficiency in his seminar titled "Prioritize & Execute with Lean Six Sigma." Fiore's session delved into the transformative power of Lean Process Management, underlining its role in cultivating leadership depth and driving organizational success.



Central to Fiore's message were the Lean values of providing maximum value from the customer's perspective while minimizing resource consumption and leveraging the talents of employees. He juxtaposed Fenix's core values with Lean values, emphasizing the alignment of customer-centricity, continuous improvement, and the recognition of people as assets. Fiore underscored, "Lean values include putting the customer first, seeing people as an asset, continuous improvement, and standard work." He says Lean serves as a training ground for leaders, equipping them with the skills to navigate complex challenges. Fieore emphasized the practical applications of Lean in problem-solving, productivity enhancement, motivation and the utilization of lean tools such as a pick chart.

Fiore talked about the very real, very tangible costs incurred by organizations when tackling the wrong problems or delivering poor quality. He used the analogy of an iceberg, with the hidden costs beneath the surface: lost repeat business, diminished returns, needless waste. Fiore cautioned against the perils of not addressing problems early, warning of "the cycle of woe" that ensues. He remarked, "there is a huge cost

from not catching issues early – if we don't ask good questions and dig deeper into the problem, we will be fighting the wrong fire." Cultivating a culture where people jump in to identify and solve problems is a difficult but worthy endeavor.

Fiore explained the DMAIC framework as a proactive system for problem-solving, stressing the importance of clearly and objectively defining the root problems and measuring baseline processes comprehensively. He outlined the five-step process of Define, Measure, Analyze, Improve, and Control, emphasizing the importance of objectively defining problems and comprehensively measuring baseline processes. Fiore articulated, "it may seem like a five step process would not be more cost effective or better than a one step process but this way you get it right." By going through the process, business leaders are able to see root causes they would not otherwise think to address.

A pivotal aspect of Fiore's presentation was the Value Stream Map, which delineates processes that add value from those that do not align with customer expectations. He urged attendees to identify and eliminate waste using the TIMWOODS framework (Transportation, Inventory, Motion, Waiting, Overprocessing, Overproduction, Defects, Skills), emphasizing the importance of waste removal in enhancing efficiency. Fiore stressed, "Try to eliminate waste methodically, scientifically and systematically."

Fiore concluded his seminar by advocating for a culture of empowerment and intrinsic motivation within organizations. He underscored the importance of prioritizing problem-solving in the field and fostering open communication channels. Fiore emphasized, "People are our most valuable assets, only people can think, improve, learn, and solve problems."

In essence, Fiore's seminar provided attendees with a blueprint to take back to their own operations, large or small, rural or metropolis, to improve their business strategically through Lean Six Sigma principles. By embracing Lean methodologies and prioritizing continuous improvement, businesses can navigate challenges effectively and drive sustainable growth in today's dynamic and ever-evolving marketplace.

Delivery, Service, and Environmental Fees — a Money Grab or a Necessity?



By Jaret Sweet, Go Go Auto Parts

We all know how tight things are right now with increasing prices on everything from stock to wages to insurance to fuel. With our industry being a race to the bottom in the Internet age, we don't want to price ourselves out of the market completely, so what can we do to offset the rising costs of overhead?

Some fees are necessary in our industry. We provide a service to the customer, and outstanding service should come at a cost.

Where do we draw the line, though? We don't want to get to the point of our fees becoming excessive and borderline fraudulent (looking at you, Copart), so how can we make our living while still being fair to the end user?

Since the beginning of modernity, the automotive repair industry has charged environmental fees on the repair order. Usually these fees are a nominal 3-5% and are capped at a fair rate so that the shop will have an opportunity to make up for some overhead expenses like fluid and tire disposal. The shop is working toward an end goal of being as clean as possible while not having to fork over thousands of dollars in overhead to give great service to their customer. Environmental fees are a staple of the repair industry and are expected.

When I got my start in salvage 20 years ago at U-Wrench-It Auto Parts in Kalamazoo, we charged a 3% environmental fee on each invoice as a way to offset disposal of hazardous materials from the vehicle. Staff was trained to sell that to the customer just like they were selling a part from a vehicle. Explaining the importance of keeping the ground clean wasn't hard at all; customers are more than understanding that we are the end of the road for a lot of nasty stuff on vehicles and they don't want to be left with it for years or decades. Many people who visited after Howard Veneklasen took over could very obviously see the difference in environmentally conscious decisions.

Veneklasen is one of the leaders in environmental cleanliness in the industry. His innovations in disposal became industry standard in the self-service sector, and while still having incredible value for the money, environmental costs were still covered. With a smaller sale price on the ticket, a percentage worked for us.

In this day in age, the general end user is more than understanding about wanting to keep everything clean and safe.

We, as salvage professionals, are the heartbeat of recycling and disposal. We are left with literally EVERYTHING nobody wants from a vehicle. We pay to dispose of coolant, refrigerant, tires, and for those who do not heat with it, waste oil. That costs money, money that is not growing on trees right now. Selling parts is only one small part of our job; selling service is the biggest part. Anyone can get used auto parts anywhere, but the service is what sets us apart from the competition, and that service comes at a cost.

Some operations choose to charge a flat rate on invoices rather than a percentage of sale. If your operation deals mainly with larger powertrain sales, a flat rate may be more fair to your end user. Here at Go Go Auto Parts, we charge wholesale and retail customers a flat \$10 service fee to cover the costs associated with our outstanding service. Service fees on Y2Y sales are omitted, and we are flexible about removing the fee if the cost of the fee becomes a problem. As with environmental fees, the service fee is part of the sales process. Find your number of sales invoices and multiply by your proposed service fee to see the potential.

Feel it out. See what works. You're already going above and beyond for your customer, so why not reward yourself?

Stay safe and happy recycling.



Automotive Recyclers of Michigan 208 N. Capitol Ave. 3rd Floor Lansing, MI 48933



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