

# YARDIALK

Issue 1 Fall-Winter 2024

#### The President's Message

RA held a successful annual conference at the Peppermill Casino and Resort in Reno, Nevada. A full slate of sessions for attendees included ways to streamline production, insights into



**Daniel Gray** 

the Collision Repair industry, and national battery programs to help recyclers. Slater Shroyer, alongside Emil Nusbaum, illustrated

why advocacy matters to a large crowd Friday morning.

Slater and Emil explained how elected representatives misunderstand our industry and the resulting poor policy that had been developed. Through advocacy, representatives were educated on our industry, and beneficial alterations were added to the language of multiple bills.

Amber Kendrick shared her inspiring journey of overcoming complacency and growing her business without compromising her values. Amber did an excellent job illustrating some of the struggles she has endured and creatively wrapped them into a

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# Thank You Barb and Kathy for All You've Done for ARM!

## **WE LOVE YOU!**

met Barb when I was 10 years old, I am now 40. Even with 30 years of friendship it is tough to pick one memory in which to highlight. No one memory moves directly to the forefront, however

all the small instances of gratitude, leadership, integrity, and knowledge stand out. Whether it is the "Barb isms" to which I still refer to today (sit on your hands and count), or the late evening conversations I had and continue to have with Barb throughout my term. With the transition

ne transition

See page 6 for more tributes to Barb & Kathy

to Kelley Cawthorne our conversations have shifted from ARM business to family, daily life, a dabble of politics, and a little wisdom from somebody that has experienced more than I have. Barb, thank you for the confidence and support you instilled within the ARM officers and board to move the association to new leadership.

Kathy Cooper, Barb's right hand, was instrumental to ARM before the transition to Kelley Cawthorne. Kathy was given the Presidential Award at the most recent ARM Road Show for her dedication and unwavering drive to ensure ARM was running smoothly. Kathy spent many late nights with me and Barb on the phone throughout the 2022-23 and 2023-24 ARM fiscal years discussing the many details that must be addressed throughout. Kathy accomplished all of this in the evenings after her 9-5 job. Even if it wasn't her responsibility Kathy was up to the task. Throughout these conversations I got to know Kathy as a genuinely kind and good-natured person. Thank you for everything Kathy. —Daniel Gray, ARM President

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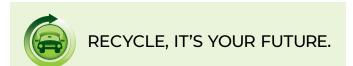
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#### **Scrap Market Report**

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

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#### **2024 ARM COMMITTEE CHAIRPERSONS**

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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	
April 10-12, 2025	<b>URG United Recyclers Group &amp; Team PRP Conference</b> Orlando, FL
May 17, 2025	<b>ARM Road Show &amp; Business Networking Conference</b> AC Hotel Lansing, MI
September 2025	ARM Scholarship Golf Outing Date and Location TBD
October 15-18, 2025	<b>82<sup>nd</sup> Annual ARA Convention &amp; Expo</b> Birmingham, AL

#### The President's Message

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success story that can be applied to facilities around the country.

ARM staff and the Meetings and Conventions committee have already begun planning for our upcoming Road Show, to be held on May 17, 2025, at the AC Marriott in East Lansing, Michigan. This years' Road Show will be a full one-day event held on a Saturday to allow more facilities to include staff in the valuable training and education available at the Road Show. We are seeking vendors, speakers, content, and input for the 2025 Road Show. We are always looking for input on what members want to see at the Road Show. Our goal is to make it beneficial for all members and their employees.

A well-attended and executed annual meeting was held at Kelley Cawthorne offices, where we welcomed new board members: Amber Kendrick of Pete's Auto Parts and Chase Dekeyser of George's Auto Parts. Thank you for your continued support and volunteering your time to the Automotive Recyclers of Michigan. A special thank you to outgoing ARM board members Lance Dekeyser, Ron Elenbaas, and Dennis Tommes for volunteering thier time to the ARM association.

Looking ahead to 2025, ARM staff and officers are discussing a fall golf outing to benefit ARM and the Kent Utter Jr. Memorial Scholarship. The golf outing has been a historically successful, well-attended event for the association. The outing provides the perfect opportunity to network with members of ARM and vendors within the industry. Input on the time and location of the event is welcome, and if you have any questions or concerns or would like to help with the event, please contact the ARM office directly.

ARM staff, with the direction of Nate Love, are discussing beneficial advocacy options for the industry throughout 2025. With the change in legislature following the recent election, early 2025 will be a key moment to highlight the industry and the benefits of the industry to incoming representatives at the state and national level.

I am excited to see an inspired ARM staff push the association into the future. Without dedicated staff and your support, ARM would not exist. As always, feel free to contact me or the ARM office with any questions, concerns, or comments.  $\Leftrightarrow$ 



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

fter two years of the Democratic trifecta, the state House has flipped majority control to the Republicans. The Republican majority will have 58 elected members compared to the Democrats with 52 elected members. Republicans unseated Representatives Jamie Churches, Jim Haadsma, Jen Hill and Nate Shannon to take control. The legislature also met to allow leadership elections to occur for both parties following the election. Rep. Matt Hall (R-Richland Twp.) will be named Speaker of the House, fending off a challenge from Rep. Tom Kunse (R-Clare). On the Democratic side, current Speaker Tate (D-Detroit) has decided not to run for the position of Democratic leader. Rep. Ranjeev Puri (D-Canton) will take on that role.

While the Senate was not up for election, the Senator Kristen Macdonald Rivet ran for the 8<sup>th</sup> Congressional district and won. This will leave the Senate democrats with a one seat majority. The major question is if and when a special

election would be called to fill her vacated Senate seat. Currently, the likely candidate to run is Republican Representative Bill G. Schuette. Rep. Schuette would be a formidable candidate that would be difficult for a Democrat to beat.

Federally, Elissa Slotkin narrowly beat Mike Rogers for the US Senate seat that has been held by Sen. Debbie Stabenow. Congressionally, former Senator Tom Barrett beat also former Senator Curtis Hertel for the 7<sup>th</sup> Congressional district. This was the most expensive congressional race in the country.

What will happen in lame duck remains largely unknown at this point. We do expect that over the next few days, it will become clearer how aggressive the democrats will be in clearing out several of the priorities that have been sitting on the back burner. The current lame duck calendar has the legislature in session November 12-14 and December 2-19. We will continue to keep everyone updated as things shake out over the next few weeks.  $\Leftrightarrow$ 



#### Thank You Barb & Kathy!

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We have been fortunate to know Barb since around 1985. Initially, she served as our monitor on the LATA long line and did a phenomenal job. We were also lucky to have the support from both her, and husband, Kent Utter, as our director. After Kent's passing, we realized we didn't have to look far for someone to step in and fill his shoes.

Over the years, Barb has taken ARM to a whole new level. Our good reputation in the industry is largely due to her dedication to our association. You could always count on Barb, whether for personal or business-related matters. Through our interactions, we have formed a close relationship with her.

We will miss her and wish her all the best.

Thank you, Kathy, for always being there; you were a real asset in making things run smoothly day after day. We wish you the best as well. —*Middleton Auto Parts* 



When I first started working for my family in my mid 20's Barb was proactively engaging me and urging me to get involved with the state and national associations. Barb was always there to hold open doors for me and help push me through them. Barb's passion for the industry and the people in it was contagious and I will forever be indebted to her for showing me the benefits of staying involved. The amount of work



that Kathy and Barb did for the association certainly made my time as President go easily and I'm sure plenty of past presidents and board members would say the same thing. To Barb and Kathy, thank you from the bottom of my heart for everything you've done for me personally and this amazing industry I've grown to love. —Ross Lewicki

ears ago, then ARM president Bill Wild, called me to ask if I would serve on the board of directors for the Automotive Recyclers of Michigan. I guickly answered, oh no, I really have no time as it is, I really can't fit this in. His reply, "That's exactly what we want, people with no time. They are the ones that get things done and are clearly doing something right. Will you please consider?" I did, and accepted a term on the board that would last for 15+ years. I settled on the Treasurer position for a while. During this time when I would talk to Barb, I often asked her the question, "Who's your next president?" Usually, she had an answer for me but this one year she kept avoiding the question and would change the subject. Finally, after I asked her for like the tenth time, she said "Are you kidding? Hasn't Fred called you yet?!"That gave me a good idea of what they had in mind! Fred, being one of those people that had no time but got things done, wore me down. After a lot of persuasion, I agreed to be president. I can't tell you the support she gave this shy person that was terrified of public speaking. She always made me look good and was ready to take the ball and run when she saw me struggling. She had my back... I give her 100% credit for helping me get over my fear of public speaking. Barb often reminded us that she worked for the members. Membership was so important to our success, she said, and she was always looking for ways to increase

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

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the value of benefits to members. She was a large part of creating MASC, the ARM owned auto auction, and ARMSIF, the self-insured workers compensation program. Both were wildly successful in their day. Each program saved our members thousands of dollars. She routinely reminded us to support our associate members, as they were an important part of our association as well. At one point in my run on the board, I was urged by some members to try to get a feel for Barbs exit plan. This was probably a little less than 15 years ago. Barb's answer was, I don't have an exit plan as I don't plan to leave something I love so much. You'll have to carry me out kicking and screaming! What a relief that was for all of us! We went forward with the confidence of her leadership for many more years to come. When the ARM office had a change of staff, Kathy Cooper came in as Barb's wing woman. Kathy, I can't thank you enough



for what you did for the association while working with Barb. You were the experience and detail we needed and your friendship with Barb was a match made in heaven. Your accomplishment of getting Barb to accept and run with a computer program like QuickBooks was a remarkable mountain to climb! I planted a seed years earlier and you were able to implement this plan. Your patience and expertise did not go unnoticed! Thank you from the bottom of my heart for all you did for ARM, the ARM office and Barb. You are a very special lady. So, Barb, I haven't witnessed any kicking and screaming lately but following your wishes, we are entering into a new chapter in our association leadership. You have



left some big shoes to fill! While we are still getting it all figured out, you are there for us once again advising and offering your experience and expertise. As you enter your retirement, I wish you peace and good health and time to enjoy the things you love the most... Family and friends. More than anything, I feel grateful for your part in my life. Thank you so much, my friend. I miss you!

—Kim Gray, Doug's Auto Recyclers

irst of all, let me say Barb is one of the most kind and genuine people I have ever met. She has been the energy that kept this association at the top of all state associations. When interacting with other recyclers at national meetings they all would rave about ARM being such a close knit and well-run group. That was 100% due to Barb's leadership. She was so involved and interested in each and every member, and not just their business process but more importantly their families. Family is the most important facet of Barb's life, and her members were part of her family. Every time I spoke with Barb about business the conversation would always lead into family. She has been the heart and soul of ARM and will be dearly missed by all. Personally, I will miss our catch-up



calls and hope she doesn't mind if I call her now and then. Happy Retirement Barb! Well Deserved! Enjoy...

—Wiley Wiltse

y memories with Barb and her always amazing staff, date back to 1993! This was still an era of mostly men in this industry. It was not uncommon for the only women at ARM meetings to be there "attending" with their husbands or bosses. I had bigger dreams of being a manager, or owner one day, Barb was the most confident in me, always saying that nothing should hold me back, keep pushing, keep achieving and do what anyone else can do, so I did! I will always remember our talks, her kind words, and always giving me confidence to push forward! —Jennifer Benson



here was always Barb. When I was coming up in the auto recycling industry Barb was always there as a mentor, leader and "Junkyard Mom". In the early days, she was always there to answer my many questions regarding ARM and how a modern salvage yard was operated, I truly always felt like I had another Mom in my corner, regarding all things salvage yard and life too. I would also like to honor the life of Kent Utter who like Barb, was always in my corner. As a young buck totally lost on the ARM board of directors, Kent took me under his wing and helped me at every board meeting until his untimely passing. The Utters are family and I wish Barb the best of life as she moves into the next phase. Thank you Barb, God Bless.—John Sparrow

Thank you Barb for everything! I will always cherish your warmth and caring heart! ARM will not be the same without you! You are the only leader I've known of this amazing group of recyclers and you have made it

more like a family with your boundless love. My dad has spoken fondly over the years of you and Ken as you have both been such a blessing to our industry! Best wishes & blessings to you & I hope to see you soon! Proverbs 31:29 "Many women have done noble deeds, but you surpass them all!"

Kathy, it has been so great getting to know you better over the years and I'm grateful for our time together! Thank you for all you have done! Hope to see you again soon! Love and hugs —Jenny McDonald, Grand Valley Auto Parts

grew up seeing Barb a couple of times a year at ARM events and she always had a warm smile and a kind word for the kids running around the conventions and meetings, so by the time I went to work for Pete's Auto Parts, Barb felt like an aunt to me. Back in the days when we had the auction, Barb and I processed countless titles and had endless laughs together. It wasn't long before she got me working on the newsletter, and then onto the board of directors. Most of my peers and I saw her as family. Barb has a flawless grace about her, and a way of getting us to do things as our kindly aunt that she might not have been able to pull off as our Executive Director! I can't tell you how many hand-written thank you notes

I have received over the years from Barb; she was always so appreciative for the time and money donated that she herself had roped me into! Most of my memories of Barb are the understated ones, the little moments where she gave me a wink when I needed one most, or when we laughed so hard, usually at ourselves. There were

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times when she rolled her eyes when I didn't expect her to, and times when she told me to put my big girl pants on because I was needed, right now! Barb's impact will forever ripple through the Automotive Recyclers of Michigan as she has mentored me and so many of us in the association and we will never forget her or stop trying to model the kindness she showed to us. —Amber Kendrick



S imen and Tom from Holbrook Auto Parts would not be where they're at without Barb. She made a difference in our lives by being generous, kind and supportive. We love you and are going to miss you, Barb! We hope you have a wonderful retirement and look forward to possibly seeing you at future events!

—Simen Savaya

Barb Utter was always a Breath of Fresh Air in every meeting I attended with her...She was Honest, Factual and always had meaningful reports from ARM to ARA...Barb in her way MADE A POSITIVE DIFFERENCE IN OUR INDUSTRY, not only in Michigan but throughout the USA per her ideas, initiatives and performance.

Thank you Barb for all that you have done and all that you are... Our Industry is a better one because you have been part of us. —*Herb Lieberman* 



The Schram family would like to honor Kent and Barb Utter and Kathy Cooper for their dedication to the Automotive Recyclers of Michigan members and their families.

Barb has dedicated over 40 years both by the side of Kent and as our admired director. Barb was assisted with her success by the dedication of Kathy Cooper, who not only stood by Barb and ARM but upheld her dedication in Barb's absence. Thank you, Barb & Kathy!

—The Schram Family ←



## **Strategies for Selling in a Bear Market:**

## **Insights from Chad Counts**

#### By Amber Kendrick

"bull market" is characterized by gains of 20% or more, and we all experienced a bull market 2022-2024. As most are noticing, things have shifted, and many predict a "bear market" is on the way, defined by a drop in investment prices, 20% or more from the most recent high. At the 81st Annual ARA Convention



in Reno, Nevada, sales and business consultant Chad Counts offered guidance on turning challenges into opportunities for growth and stability in a unique bear market. From recalibrating sales tactics to refocusing on customer needs, Count's strategies are designed to help auto recyclers thrive in a shifting, slowing market. Count's key insights began by reminding recyclers that although things may get tight for a time, typically down economies are positive for automotive recyclers as our customers are striving to save money over new parts and as automotive recyclers, we can help them do that! There are many positives even in a bear market.

When the economy is trending downward, customers are wary, technicians are scarce, and businesses are cautious about adding new hires. The automotive market isn't growing as rapidly as it did during the recent boom, and that change has impacted everyone's mindset. "The last three years were marked by rapid growth and high prices, which made it easier to meet sales goals," Counts noted. But now, with the economy

slowing, many sales teams feel frustrated, complacent, or uncertain. With prices gradually deflating, there's a sense of disappointment as many salespeople realize they may make less than last year despite working harder.

Yet historically, economic downturns are advantageous for automotive recyclers. When money is tight, consumers often turn to the affordable, available alternative—used auto parts. "Now is the time to remind sales teams of this," Counts said, adding that "the right mindset is crucial." The past few years saw a lot of "order-taking," but in today's market, genuine salesmanship is essential. To thrive in a bear market, sales teams must adapt to a problem-solving approach. Instead of viewing their role solely as selling parts, they should aim to address customers' specific challenges. In a market where dealerships are quoting tens of thousands of dollars for engine rebuilds, used parts from a recycler offer practical, affordable alternatives—and that's a key advantage recyclers can lean into.

Qualifying customers is more important than ever. "Understanding whether they're seeking insurancecovered repairs or paying out of pocket is essential," said Counts. Collision shops are increasingly dealing with out-of-pocket repairs, which opens opportunities for recyclers to market affordable parts to customers focused on minimizing expenses. Each customer, whether wholesale or retail, has unique needs. Many wholesale clients are struggling with reduced labor hours and limited staffing, making it difficult to meet demand. They are seeking cost savings, relying more on electronic ordering, and prioritizing operational efficiency. You can increase sales to wholesale customer by saving them labor with paint-match parts. Retail customers want to save money but are also looking for value and long-term reliability. Counts emphasized offering them warranties, noting that many can't afford the risk of needing a second repair. In these cases, a warranty can provide peace of mind and a valuable sales tool.

Warranties are an invaluable asset when customers are risk-averse. "If customers can't afford a second repair, they also can't afford not to buy a warranty," Counts emphasized. A flat-rate warranty can be an

especially effective selling point in a bear market, where percentage-based warranties might price out customers. By presenting the warranty as a set rate, you simplify the decision and make it easier for customers to say "yes."

As prices continue to fluctuate, flexibility in pricing is essential. In recent years, high prices meant less need for discounts, but today, recyclers must adapt to frequent shifts in part value. Counts encouraged recyclers to empower their salespeople to adjust prices in real-time to match market conditions, making sure they can justify those prices and make well-informed decisions. Transparency in pricing and descriptions can also eliminate barriers. Listings should be geared toward attracting customers, not deterring them.

With part prices fluctuating, automotive recyclers can still increase sales by expanding orders and pushing into additional needs. "Ask what else is involved in the repair, what other vehicles are in the shop, and what else the customer might need," Counts advised. Recyclers can increase revenue per invoice by asking these qualifying questions and positioning themselves as the ultimate problem-solvers. Another strategy is

offering customers two options instead of one—a lower-mileage part at a higher price and a higher-mileage part at a lower price—which can dramatically increase closing rates. Giving customers choices fosters a sense of control and allows them to feel confident in their purchase without the urge to comparison-shop with competitors.

Another of Counts' strategies for positioning used parts as a valuable alternative to new was to guide customers through a price comparison. Many customers view used parts as expensive because they don't have context for the cost of new or aftermarket alternatives. By informing them of the price of new parts, the affordability of recycled parts becomes more apparent.

Ultimately, Counts advice for recyclers in a bear market is about staying agile and customer-focused. Rather than dwelling on year-over-year comparisons, recyclers should focus on understanding customer needs, offering tailored solutions, and capitalizing on each and every opportunity at hand. In a challenging market, helping customers solve their problems will go a long way in building trust, loyalty, and long-term success.



# **Balancing Opportunities and Threats:**Insights from Diverse Industries

#### By Amber Kendrick

n our rapidly changing world of automotive recycling, understanding both opportunities and threats is essential for sustained growth. Keith Webster, a strategic growth manager at JD Power with a rich background in financial management and a passion for automobiles, explored these themes in his recent keynote address at the 81st Annual ARA Convention & Exposition in Reno, Nevada. He emphasized the importance of learning from other industries to navigate challenges and seize opportunities in the auto recycling sector.

Webster drew inspiration from historical figures like Henry Ford and Rudolf Diesel to illustrate the roots of innovation and sustainability in the automotive industry. Ford, famed for revolutionizing manufacturing, also recycled charcoal to minimize waste, and founded Kingsman Charcoal! From the very beginning of vehicle manufacturing, recycling has been built in! Diesel envisioned engines powered by peanut oil—he imagined a world powered by renewable resources! These early pioneers laid the groundwork for an industry that is increasingly focused on sustainability.

"At JD Power, our mission extends beyond the automotive industry to encompass a wide range of sectors including auto finance, insurance, and retailing," said Webster, who took this intelligence and applied it to the automotive recycling industry, as well as drawing from diverse industries and the past. He noted "the parts that you produce are essential inputs into the broader automotive ecosystem, demonstrating the interconnectedness of all players involved!" Automotive recycling truly touches more people and more industries than we realize in our day-to-day lives.

The automotive recycling sector faces several challenges that require innovative solutions. Using a five-force analysis, Webster examined the current state of the industry:

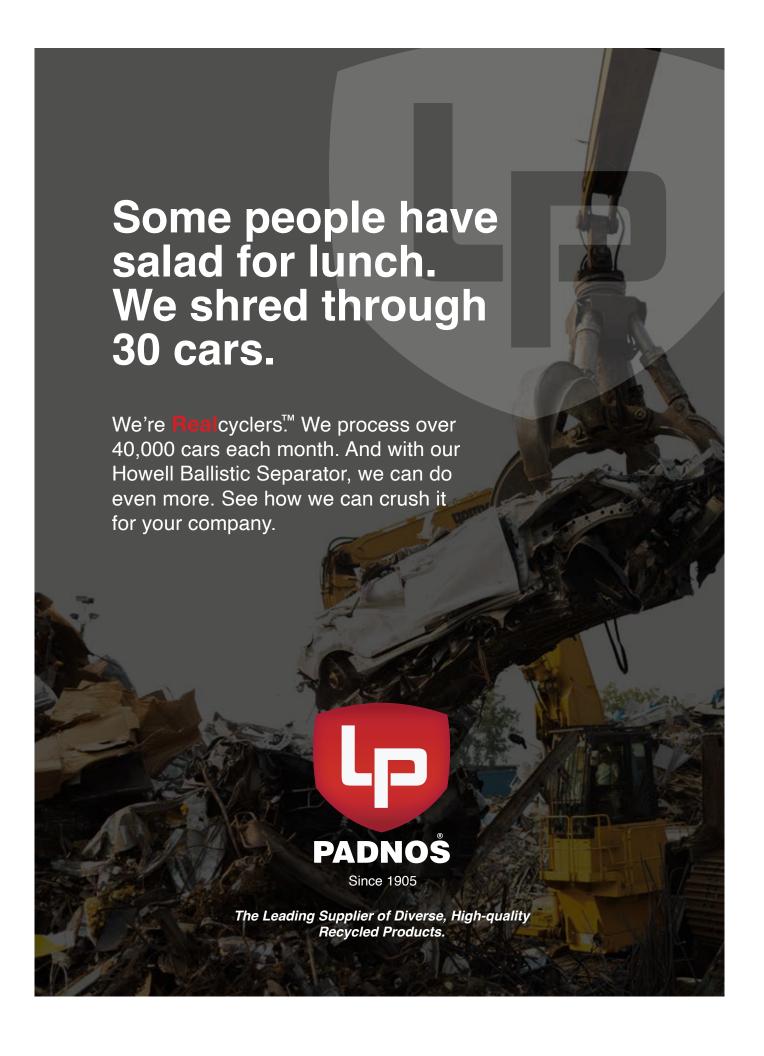
**1. Threat of New Entrants:** The barriers to entry in the auto recycling market are high due to requirements related to land, inventory, and licensing, resulting in a low threat level.

- **2. Bargaining Power of Suppliers:** The need for competitive pricing and vehicle acquisition strategies presents a high threat, as recyclers must continually manage relationships with auction houses and suppliers.
- **3. Bargaining Power of Buyers:** The fragmented nature of the buyer market—comprised of body shops, DIY enthusiasts, garages, and dealerships—means a low threat from buyer power.



- **4. Substitute Products and Services:** The emergence of lower-priced OEM parts, new offshore aftermarket parts, and even 3D printing poses a potential threat, particularly as technology advances.
- **5. Threat of Industry Rivalry:** The consolidation of players in the market increases competition, which Webster identified as a significant challenge.

Webster drew parallels between the auto recycling sector and the hotel industry, both of which experienced significant growth post-World War II. Family-run businesses dominated the landscape, leading to the rise of major brands like Marriott and Hilton. Key takeaways included the importance of branding and maintaining high standards to retain brand integrity. Auto recyclers, much like hotels, can *Continued on page 17* 



## **Increasing Extended Warranty Sales**

### with Jer Banta

#### By Amber Kendrick

s the automotive recycling industry faces continued pressure from compressed margins and rising expenses, it's ever more important to tap into new revenue streams that increase profitability and improve customer relationships. At the recent 81st Annual Automotive Recyclers Association Conference & Exposition in Reno, Nevada, Jer Banta of Profit Team Consulting shared his insights into one of the most promising opportunities in the industry today: extended warranty sales. Banta's approach, honed over a 31-year career in automotive recycling with a focus on sales, provides practical strategies for maximizing warranty sales and their inherent value to both the customer and the recycler.



The warranty landscape has evolved, with the "block warranty" emerging as the preferred model for its flexibility and customization. In a block warranty, parts and labor are covered as customizable blocks based on a percentage of the sale amount—often around 20-25%. This flexibility eliminates common issues with traditional hourly payout models, where mismatches between shop rates and payout rates has so often led to frustration. By empowering customers to choose the coverage level that best fits their needs, recyclers can improve customer satisfaction while making warranty programs more manageable on their end. Moving beyond the hourly model allows for more flexibility for both recyclers and customers!

Banta emphasized that extended warranties offer critical insurance for both customers and companies. Warranties safeguard the customer's investment, help cover defects, and ease the process when a claim is needed. For recyclers, warranties are more than just a revenue stream; they are a way to improve cash flow, bolster profitability, and create opportunities for reinvestment—whether that's new equipment, bonuses, or facility improvements. Banta noted that extended warranties could account for up to 6.5% of total sales, a significant contribution to the bottom line that requires focused effort but is well worth the investment. That doesn't happen overnight! "Start small, with an attainable goal," Banta encouraged, "10 years ago when I was the sales manager at Bessler Auto Parts, our goal was to get to 4% of all sales. When we did that, we increased the goal to 4.5%, then 5%." Banta opened up the floor for discussion of the profitability of warranty programs, and it was clear that everyone in attendance who had a warranty program was extremely profitable in it, encouraging others to embrace the idea.

The secret to successful warranty sales, according to Banta, lies in offering warranties every single time on applicable parts. "Consistency is key," says Banta. Salespeople need to believe in the value of the warranty and present it confidently. Banta also advised against treating warranties as an "add-on." Instead, he suggested starting the conversation with the warranty's full value, allowing for flexibility to step down if price becomes a barrier. "Have the guts to start at the top and ask for the sale," he said. By leading with the highest level of coverage, salespeople set a high bar, giving them room to negotiate while still providing quality coverage.

A great tactic Banta suggested is framing the warranty as insurance for one of the most important assets in a customer's life—their vehicle. "A \$300 warranty for a year translates to just \$25 a month, less than a dollar per day" he explained. By breaking down the cost into manageable increments, customers often see the value in investing for peace of mind.

Salespeople often encounter customers who resist warranties, especially if they're focused on the lowest possible price. Banta's approach to handling objections is all about acknowledging the customer's concerns while reinforcing the value of the warranty. Even when a customer declines the warranty initially, Banta recommends reiterating its benefits, such as reduced repair costs and ease of claim processing.

One area often overlooked in warranty programs is the importance of claim processing. Banta emphasized that warranty sales are only as good as the support provided when claims are filed. Prompt, hassle-free claims processing ensures customer satisfaction and helps maintain the credibility of the warranty program. Handling claims quickly and fairly fosters customer loyalty, while minimizing misunderstandings and disputes. This is where that block coverage really shines, as there is no arguing over book hours or supply costs; a recycler with block coverage simply sends a check for the coverage that was paid for by the customer at the time of the sale.

Success in warranty sales requires a dedicated effort to educate customers on the benefits and to maintain consistency in offering warranties. Banta's advice to sales teams is simple: Understand, practice, offer, ask, and track. Develop a go-to value statement, one that you deliver confidently every time, that is absolutely essential. Practice your pitch and use the same phrases over and over again, one Banta provided was, "we love to sell our drivetrain with our 3-year, unlimited miles,

coast-to-coast warranty, so you are fully protected." Honing your pitch can make a world of difference in the customer's perception of value according to Banta.

By following Banta's guidance, Michigan's automotive recyclers can increase revenue through extended warranties, enhance customer satisfaction, and strengthen their businesses for the future. It takes commitment and effort, but as Banta emphasized, "The effort will be well worth it if you put in the work." He encouraged all to understand the value, believe in the warranty's benefits, and make it an integral part of our sales approach to increase both profitability and customer satisfaction.

Jer Banta, former sales rep at Grand Central Auto Recyclers, sales manager at Greenleaf Auto Parts, Keiffer Auto Recyclers, OmniSource and Bessler Auto Parts, is now a consultant with Profit Team Consulting. He specializes in sales and sales management consulting although he also does general business consulting as well. You can reach out to him for more information at 330-324-1966 or jer@profitteamconsulting.com ♠

#### **Balancing Opportunities and Threats**

Continued from page 14

benefit from cultivating a strong brand characterized by quality, consistency, and customer service.

Webster advised that to thrive in niche markets, auto recyclers should consider specialization and the development of loyalty programs. By focusing on specific areas of expertise, businesses can streamline operations, reduce waste, and improve margins. "Loyalty matters," Webster says, "and creating an emotional connection with the brand" will foster long-term relationships and can lead to enhanced customer experiences.

You can find inspiration many places. Steve Jobs went to the Ritz Carlton where he experienced an exceptional concierge service, and was inspired to create the genius bar at the Apple Store. Webster suggested automotive recyclers look in diverse places, across industries, and try practical loyalty initiatives such as discounts, early access to inventory, or even partnerships with credit card companies to create ancillary revenue streams. These strategies can

enhance customer retention and provide new avenues for profit.

In wrapping up his presentation, Webster outlined some key strategies for auto recyclers to implement, such as extracting more value from each vehicle (more parts per vehicle), experimenting with niche markets to discover new opportunities for growth, building Loyalty Programs to engage customers, and enhancing the customer experience through evaluating operations from the customer's perspective to identify areas for improvement.

Webster says the automotive recycling industry stands at a crossroads where innovation, sustainability, and customer experience intersect. By learning from other industries and implementing strategic initiatives, auto recyclers can not only navigate current challenges but also position themselves for long-term success in a competitive landscape. By taking a proverbial page out of another industries' book, you may identify an ancillary product, and it may just be your next profit maker! As Keith Webster emphasized, the future of the industry lies in collaboration, specialization, and a commitment to excellence.  $\Leftrightarrow$ 

# 81st Annual ARA Convention & Expo

#### By Amber Kendrick

he 81st Annual ARA Convention and Exposition held in Reno, Nevada October 23-26, 2024 was a huge success, bringing together over 850 attendees, automotive recyclers from all over the nation and the world. The 63 educational sessions proved informative and motivational; some highlights were the detailed, technical help (on everything from buying to eBay sales to parts prep for shipping), Ryan Mandell's market data analysis and forecasting, and the keynote from Keith Webster on drawing inspiration from other industries. There were many interesting panels, such as a popular practical panel on wheel stands and a forward-thinking panel on carbon Credits and how to leverage the negative carbon footprint of automotive recycling in your business. Michigan was well represented, with many ARM members attending and speaking. Sue Schauls, head of the MICAR program, spoke on Safety and Stormwater Compliance. Amber Kendrick (Pete's Auto Parts) gave the recycler's keynote on Overcoming Complacency, and Slater Shroyer (Shroyer Auto Parts) and Emil Nusbaum gave a speech on Why Advocacy Matters.



"Advocacy is the most important thing we do," said Shroyer, and explained how ARA's CAR program has been recognized by several state and federal agencies. "Instead of having to go re-write a manual, they can use our best practices and our training established and they can include it into their policies and best standards" Shroyer elaborated. The advocacy efforts have led to partnerships and policy initiatives alike. "The DOE was looking at where end of life vehicles

went and they came out to recycling facilities, they had no idea there was a vibrant community of recyclers working to recycle more auto parts and keep them in use, this has shifted the national conversation" said Nusbaum.



ARA is changing the language around high voltage batteries in legislation. What this work has done is to attempt to put into all the laws the "joint hierarchy of best use" which is: The best thing economically and for the environment is re-use, the second best is remanufacturing and re-use for vehicular use, the third best thing is repurposing for other energy use, and finally the last best thing is recycling the materials. ARA has been busy fighting for all automotive recyclers, with the government affairs team tracking over 214 pieces of legislation and regulations across 41 jurisdictions in 2024. Nusbaum and Shroyer gave some solid examples of the difference ARA is making, such as fighting the Washington Repair Procedure Bill (that could have prevented used and aftermarket from use in repairs due to OEM-identified procedures becoming law) and an Oregon Bill banning the sale of any vehicle with a deployed airbag. ARA is frequently fighting bad public policy, reaching out and meeting with bill sponsors to explain why these bills are bad for the environment and for consumers who are trying to fix their vehicles affordably. Any ARA member can get involved with the advocacy actions if interested, by contacting Emil Nusbaum at emil@a-r-a.org.

Bow Auto Parts in Bow, New Hampshire won the 2024 Randy Reitman Certified Automotive Recycler award, presented each year to a facility that exemplifies

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# Wrap Up



















## **ARA Convention & Expo Wrap Up**



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the standards of the ARA CAR program. Nick Daurio, outgoing ARA president, gave his presidential award to Buddy Automotive owner and ARA/ARM supporter Mike Lambert. Marty Hollingshead from North Lake Automotive Recyclers earned the Member of the Year award. Lifetime achievement awards were presented to Steve Fletcher, long-time executive director of the Automotive Recyclers of Canada, and Fran Reitman, owner of Reitman's Auto Parts.

Along with ushering in the new president, Eric Wilbert of Wilbert's Automotive, ARA welcomed two new board members, Dustin Vitare from Dom's Auto Parts in Courtice, Ontario and Amber Kendrick from Pete's Auto Parts in Hudsonville, Michigan. ARA also celebrated the excellent work of Sandy Blalock, executive director from 2018 through 2024, who stepped down from her successful post to focus on state association

management and legislative action. Vince Edivan is rising to the role, he joined the ARA staff in 2019 and has been hard at work for the association, transitioning to take on the executive director title.

A highlight of the conference was the "cowboy casino royale" themed awards night where many were decked out in blinged up boots and hats. The next ARA conference will be held in Birmingham, Alabama, October 15-18 2025, and with a slogan of "Winning Together" we anticipate a fun "tailgate" type awards banquet with members sporting their favorite team jerseys. The ARA convention and exposition always proves to be enriching and educational while fun! Follow ARA on social media to stay up on the latest news from our national association. ARA represents all automotive recyclers, members and non-members alike, and provides many resources for all at <a href="https://www.a-r-a.org">www.a-r-a.org</a>.  $\Leftrightarrow$ 



Save the Date!

The Automotive
Recyclers Association
invites you to save
October 15-18, 2025
in your calendar for the
82nd Annual Convention &
Expo in Birmingham, Alabama!

Birmingham is a city rich with history, food and culture and is a hub for SEC sports!

More to come on www.a-r-a.org!



October 15-18, 2025

Birmingham, AL

82nd Annual ARA Convention & Expo



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As the voice of the professional automotive recycling industry, the ARA is deeply committed to elevating the professional automotive recycling industry.

Learn more about ARA! Contact Kelly Badillo, Senior Director of Member Services, at (571) 208-0428 Ext. 2 or kelly@a-r-a.org.



Department of Justice to Assess Whether NMVTIS Reporting Entities are Meeting Requirements to Report Junk/Salvage Vehicles into NMVTIS

ast week the U.S. Department of Justice, Office of Justice Programs' Bureau of Justice Assistance issued an alert to NMVTIS reporting entities stating that the BJA is currently assessing entities that have registered to report to NMVTIS but have not reported any junk and salvage automobiles.

As a reminder, all required reporting entities are encouraged to comply with the reporting requirements that are outlined on the NMVTIS Program page at <a href="https://vehiclehistory.bja.ojp.gov/nmvtis">https://vehiclehistory.bja.ojp.gov/nmvtis</a> auto. For entities that fail to come into compliance, BJA will, as appropriate, initiate civil actions that may lead to penalties.

Failure to report to NMVTIS as required is punishable by a civil penalty of up to \$1850 per violation (per vehicle not reported).

ARA will share more information as it becomes available but advises all members to continue to comply with the NMVTIS Program as required by law. 

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

ARM will file the complaint for you!

Contact the ARM office at arm@mi.automotiverecycling.org or 810-695-6760, or follow the link below and complete the Reporting and Unlicensed Dealer Form:

http://www.michigan.gov/documents/curbstoner\_ form\_65906\_7.pdf



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## **Maximizing Branding & Expanding Online Presence**

#### By Amber Kendrick with the help of ChatGTP

n the automotive recycling industry, navigating the digital landscape is crucial for businesses seeking to expand their reach and drive revenue. Two seminars, each led by industry experts, shed light on the pivotal role of websites, branding, social media and marketing in achieving these objectives.

Kristen Alexander and Amanda Morrison, Directors of Member & Vendor Relations and Sales at the United Recyclers Group, respectively, emphasized the significance of websites in shaping customer perceptions and driving revenue. "A website is more than just a digital storefront; it's an essential tool for establishing trust, sharing knowledge, and selling products and services," remarked Amanda. She drew attention to the pivotal role websites play in shaping customers' perceptions, emphasizing the need for visually appealing and user-friendly designs. Kristen concurred, adding, "Your website is the face of your business in the virtual realm. It should reflect your brand identity and ethos."

Alexander and Morrison both stressed the importance of meeting customers where they are, with Alexander highlighting the statistic that the average user spends 40% of their life online. Furthermore, 81% of retail shoppers research online before making a purchase, highlighting the pivotal role websites play in the buying process.

The United Recyclers Group now offers a suite of services aimed at enhancing website functionality and design, and at the URG PRP Conference rolled out their new service managing social media and marketing. From website refreshes to templates to custom designs, search engine optimization (SEO) and online reputation management.

During another seminar titled "How Branding and Your Online Presence Will Determine the Future of Your Business," experts Georgia Carver, Kristen Alexander, and Maegan Adams offered actionable strategies for maximizing engagement on social media platforms and emphasized the transformative power of branding in shaping consumer perceptions and fostering loyalty.

Carver (a social media and digital marketing specialist for Auto PARTnered Solutions), emphasized the critical role of branding in influencing consumer perceptions and fostering loyalty. She urged businesses to define their identity by articulating core values, forming emotional connections with customers, and communicating a compelling mission. Carver highlighted the success stories such as Chick-Fil-A, and gave ideas on how to establish a distinct niche and message that immediately resonates with consumers. At Auto PARTnered Solutions, they offer comprehensive marketing strategy and implementation; Carver expounded on the value in taking the time to strategize and spend your advertising and marketing budget in such a way that it gets you the highest conversions, the most sales. Carver shared a spreadsheet she utilizes with her clients, where they narrow in on objectives and core channels, they identify the audience and customer pain points, and more. Carver says expanding your business digitally "allows you to build and reach a larger audience, breaking down geographical barriers and expanding your market potential." However, that same engine that can help you grow, your competitors are surely using. "It's no longer optional—it's necessary to have an online presence." For potential employees and potential customers, your online brand is key.

As director of sales and marketing for the United Recyclers Group, Alexander has helped dozens and dozens of recyclers improve their online brands through their websites. Alexander stressed the importance of differentiation in a competitive market. She encouraged businesses to identify their unique selling propositions and tailor their branding efforts accordingly. Companies should focus on being the best in a specific niche or offering the broadest inventory, but not both. Alexander underscored the significance of consistency in reinforcing brand identity across all platforms and building trust with consumers.

Adams delved into the transformative power of online presence, emphasizing its necessity in today's digital landscape. She outlined the benefits of maintaining a robust online presence, including increased visibility, accessibility, and valuable insights into consumer behavior. Adams is the Vice President of Marketing for Fenix Parts, and provided specific examples of successful campaigns, such as utilizing social media platforms like Instagram and Facebook to engage with customers and build brand awareness. The post showed some of her dismantlers dancing in a video and shared their playlist for the day—customers really responded to Adam's fun, behind-the-scenes content and it was great to see the real world examples.

With URG's announcement of managed social media services at the conference, businesses now have access to a comprehensive suite of solutions for expanding their digital reach. By integrating website strategies with branding initiatives, auto recyclers can position themselves for sustained growth and success in the future. The intersection of website strategies and branding initiatives represents a powerful opportunity for auto recyclers to differentiate themselves in the marketplace and connect with customers on a deeper level. With the right approach, businesses can leverage their online presence to drive revenue, build brand loyalty, and ultimately thrive in today's competitive landscape.

All of these speakers offered practical advice for maximizing engagement on social media platforms. They highlighted the importance of creating memorable customer experiences through interactive content and leveraging emerging trends like TikTok. The integration of social media into branding efforts offers a unique opportunity for businesses to engage with customers in real-time and build meaningful relationships. By creating compelling content and leveraging emerging trends, businesses can increase their visibility and attract new

customers while strengthening existing relationships.

There is a very real return on the investment into your brand online, but there is not always a direct connection to tie every dollar spent to what you will cultivate with your digital campaigns. There are intangible benefits, such as attracting new employees by your public image. There are some ways to track marketing expenses, but it's also important to look at the big picture. Whether businesses utilize an outside organization such as AutoPARTnered Solutions or the United Recyclers Group to help them, or like Fenix Parts they take on their own marketing strategy and implementation in-house, or a hybrid model, by crafting compelling brand narratives and engaging customers effectively online, businesses can position themselves for sustained growth and success in the future. 

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The deadline for the next issue of the Automotive Recyclers of Michigan's *YardTalk* newsletter is **February 13, 2025**. If you would like to place an advertisement or submit an article, please call the ARM office at 810-695-6760.





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