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Dennis Montalbano ASCCA President 2011



President's Message

As I reflect on my travel week, I am certain that our association has a bright future. But it is not without threats from several fronts. But as I travel through the state and meet the soldiers in the field, I am encouraged that we have some great minds working for the common good of our industry and our association. Each Chapter has a kingpin and someone that carries our water. I was in San Leandro, San Diego and Fullerton within the last two weeks. Participants have come to me and thanked me for my dedication and putting the time in and visiting their respective chapters. As we get frustrated with government and the different agencies, we must unite our voices and sing louder and louder until we are heard and respected. I was also encouraged by the number of new members that want to help and join forces to unite our common goals and keep our industry in the minds of the government and the motoring public. My presidency has been a whirlwind of opportunity and I am looking forward to the last quarter and getting ready for the next year. Be proud of what you do and how we keep the motoring public mobile. Without us the state would come to a screeching halt. Remember ASCCA is not a club, but we sure do swing a mighty one.

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Recycling Engine Oil

Courtesy Automotive Aftermarket Industry Association

95% OF COMPANIES (PRIMARILY REPAIR SHOPS AND PARTS STORES) SURVEYED INDICATED THEY RECYCLE USED ENGINE OIL.

40% OF OIL POLLUTION OF OUR NATION'S HARBORS AND WATERWAYS IS A RESULT OF IMPROPER COLLECTION, DISPOSAL OR RECYCLING OF MOTOR OIL.

An estimated 1.3 gallons, or 5.2 billion quarts of motor vehicle engine oil is generated each year from oil changes performed primarily at repair shops or by do-it-yourselfers. This amount is equivalent to six times more oil than was reportedly leaked from the Deepwater Horizon well in the Gulf.

Fortunately, most engine oil drained from automobiles is recycled. The majority of used oil is collected and sold as combustible fuel, mainly used for energy for power plants and heating.

About 16 percent of used engine oil is re-refined into new oil. One gallon of used motor oil can produce 2.5 quarts of re-refined oil. It takes about 85 percent less energy to produce re-refined motor oil than it does to produce motor oil from crude oil. Re-refining used oil conserves natural non-renewable resources and keeps millions of gallons of oil from being disposed of improperly. Petroleum molecules never wear out, so used motor oil can be re-refined over and over again.

The Environmental Impact

Oil that is dumped on the ground or into the sewer system rather than properly collected and recycled can contaminate one million gallons of drinking water.

If the entire 1.3 billion gallons of used oil in the U.S. were recycled, it could generate enough electricity to meet the needs of 1.8 million households for an entire year – equal to all of the households in Colorado.





Jackie Miller ASCCA Executive Director

Tim Gerrity, our friend and colleague in CAWA, gave an excellent presentation during the ASCCA Summer Conference. His message is, "This industry is green!" But his further message, and mine, is, "Why Isn't the General Public Aware of This?"

I'm taking this opportunity to tout the industry's 'green story' – you, and all Association member shops, should tout this, too – loud and clear!

I would like to acknowledge AAIA, and its green initiative, "Driving Toward a Cleaner Environment," in compiling the information which I've used for this article.

Recycling Batteries

Nearly all (98 percent) of automotive aftermarket companies surveyed by AAIA have battery recycling methods in place. More than 95 percent of an automotive battery can be recycled. The lead, plastic, acid and sulfuric acid found in batteries are reclaimed and reused in the manufacturing of new batteries. The lead is cleaned and melted and used in the production of new lead plates and other parts for new batteries. The plastic is cleaned and melted into pellets used to manufacture new battery cases. Old

Executive Director's Report

battery acid can either be neutralized into safe water and released into the sewer system or converted into sodium sulfate used in laundry detergent, glass and textiles.

The environmental impact? An estimated 63.3 million automotive batteries were recycled in 2009, equal to 1.4 billion pounds of lead (AAIA Aftermarket Factbook).

Recycling Tires

Eighty-eight percent of the companies surveyed by AAIA (primarily automotive repair shops) indicated they recycle tires. Approximately 89 percent of the scrap tires generated in the U.S. are put to new productive use as tire derived fuel, asphalt rubber, groundcover for playgrounds and on track and athletic surfaces, and road and landfill construction (Rubber Manufacturers Association).

The environmental impact? More than 300 million tires are scrapped annually, or about one tire per person. When not recycled, tires pose health and environmental risks. Scrap tires in landfills can cause problems due to their uneven settlement and tendency to rise to the surface, which can harm landfill covers. Tire stockpiles can create tire fires that cause air pollution, as well as toxic oil runoff that can contaminate soil, surface water and groundwater.

Remanufacturing Parts

Nearly 58 percent of companies surveyed by AAIA manufacture, distribute, use or sell remanufactured products. In remanufacturing, worn-out, missing or non-functioning components are replaced with new or rebuilt components, and the part is reassembled. A rebuilt part normally costs 50-75 percent of the cost of a comparable new one, and customarily carries the same warrant.

The environmental impact? About 50 percent of the original starter is recovered in the remanufacturing process. This can result in annual savings of 8.2 million gallons of crude oil from steel manufacturing, 51,500 tons of iron ore, and 6,000 tons of copper and other metals. Rebuilt engines require 50 percent of the energy and 67 percent of the labor that is required to produce new engines. The yearly energy savings by remanufacturing worldwide equals the electricity generated by five nuclear power plants or 10,774,000 barrels of crude oil (The Fraunhofer Institute).



Recycling Oil Filters

The rate of used oil filter recycling has climbed more than 50 percent nationally from near zero just ten years ago. After being removed from the vehicle, a used oil filter may still contain approximately 45 percent used motor oil in weight.

The environmental impact? Estimates suggest that 100 percent recycling of used oil filters would allow recovering 160,000 tons of steel and nearly 18 million gallons of oil (Filter Manufacturers Council). Recycling used oil filters conserves nonrenewable resources and landfill space, and prevents oil from contaminating soil and water. Recycling metal saves up to 74 percent energy and 40 percent water consumption, compared with using virgin materials (Earth911).

Parts Cleaning Solvents

Auto repair shops use solvents to clean engine parts. Of the companies surveyed by AAIA, 91 percent of companies (primarily repair shops) indicated they recycle parts cleaning solvents. In addition to recycling solvents, many repair shops also follow green practices regarding solvents, including reducing the amount of hazardous solvent used, reusing solvent, using a less hazardous or non-hazardous solvent, and disposing of spent materials in accordance with federal, state and local requirements.

The environmental impact? If solvents are not handled properly, health problems can occur due to eye contact, skin contact, and inhalation and swallowing. When solvents evaporate, they cause hazardous air pollution and smog. If not disposed of properly, solvents can cause environmental problems such as contaminating water supplies. There are additional risks of fire, explosion and pollution from careless disposal.

A/C Refrigerant

For more than 20 years, the automotive service industry has been instrumental in recovering and recycling mobile air conditioning refrigerant to prevent ozone layer destruction and minimize greenhouse gases. During the transition from R-12 to R-134a, \$1.5 billion was spent by the U.S. auto service industry to purchase refrigerant recovery machines and tools, plus ensure certification of all service technicians. Today's technicians are trained and certified and use approved refrigerant recovery equipment. Service facilities also adhere to safe disposal, equipment certification and recordkeeping requirements.

The environmental impact? Emissions of chlorofluorocarbons (CFCs), as well as other certain synthetic chemicals, destroy the ozone layer that shields the Earth from the sun's harmful ultraviolet radiation. Hydrofluorocarbons (HFC) refrigerant (R-134a) does not deplete the ozone layer; however, it is a potential greenhouse gas that has a high global warming potential that is approximately 1,400 times greater than CO2. The industry is in the process of identifying alternatives for the refrigerant R-134a in continuing efforts to reduce omissions from mobile air conditioning refrigerant.

Scrap Metal

Ninety-six percent of companies (primarily repair shops) surveyed by AAIA indicated they recycle scrap metal from several automotive components, including alternators, brakes, engines and transmissions. Among the most common recycled metals by volume are iron and steel, aluminum and copper. Recycled iron and steel scrap are a vital raw material used to produce new cast iron and steel products. Recycled aluminum is often reused for the same application for which it was originally manufactured, while recovered copper is used in a wide range of applications, including electrical, piping, roofing and insulation, and household items. The volume of material recycled in the U.S. in 2009 includes 71 million tons of iron and steel, 4.6 million tons of aluminum and 1.7 million tons of copper (Institute of Scrap Recycling Industries).

The environmental impact? Scrap metal recycling conserves natural resources, reduces greenhouse gas emissions and air pollution, saves energy and minimizes the amount of waste sent to landfills. Through the use of ferrous scrap metal (iron and steel), CO2 emissions are reduced 58 percent. The energy saved using recycled materials versus virgin ore is up to 56 percent for steel, 92 percent for aluminum and 90 percent for copper. The energy saved from recycling one ton of aluminum is equal to the amount of electricity the average home uses over ten years (Keep America Beautiful).

There are a myriad of other products which the industry recycles: wood pallets, cardboard and paper, plastic, and dunnage, to name several.

The independent auto repair industry should be proud of its sustainable practices – the industry is green, and we should make every effort to ensure that our customers, government, and everyone else knows it!

Our thanks to the Automotive Aftermarket Industry Association for its research and preparation of this eco story.



Legislative Update

The ASCCA Government Affairs Committee has been very busy. Below are some of the issues the Committee has been working on this year.

Legislation

SB 750 (Hernandez) - Oppose. This bill would eliminate the sunset and make permanent a special key replacement exemption for only BMW, while other car manufactures must comply. The bill stalled in the Assembly Transportation Committee and is a 2-year bill.

AB 135 (Hagman) - Support. This bill would require that at least one of the 11 members of the Air Resources Board be a small business owner. The Governor vetoed the bill indicating the Governor should have discretion how many small business owners should be on the Board.

AB 400 (Ma) - Oppose. This bill would require all employers to provide payment of sick leave to all employees. The bill stalled in the Assembly Appropriations Committee and is a 2-year bill.

AB 1330 (Furutani) - Support. This bill would give students the option to take a career technical eduction (CTE) course for purposes of fulfilling high school graduation requirements. On the Governor's desk pending final action.

SB 869 (Yee). This bill would increase the penalties for automotive repair dealers that a charge for a replacement of a deployed airbag but fail to repair and restore airbag as provided for in the estimate On the Governor's desk pending final action.

SB 211 (Emmerson). This bill would require that a tire pressure gauge used to meet the requirements of the CARB check and inflate tire regulations be accurate within a range of plus or minus 2 psi. The Governor vetoed the bill indicating it was not necessary because regulations are in place that address the issue already.

State Budget

With State revenue projections down, the concern still remains that the Governor and Legislature may make a push to raise revenue including tax reform proposals that would require small business to withhold 3% of payments to independent contractors and/or extend the sales tax to automotive services (labor) or something else that could negatively impact small business. We continue to be diligent and monitor the state budget closely.

Regulations

Over the last year there have been many regulations proposed and ASCCA has been working diligently with the regulatory agencies to provide comments, suggestions and amendments to address industry concerns. The Unlicensed Cite and Fine regulation should take effect later this year. STAR regulations (new Gold Shield program), Smog Check licensing restructuring (repair only license), AB 2289 Cite and Fine penalties are pending with the Office of Administrative Law and most likely will take effect next year. The Brake Repair Inspection and Repair regulations is waiting for final approval from the Department of Consumer Affairs before public hearings are scheduled. The CAP Repair Assistance Restructure is still pending. The Bureau of Automotive Repair (in conjunction with the Cal-VIS Bid process-See Below) is working on new OBD II equipment requirements and workshops to get input from industry and are scheduled to begin sometime in February 2012.

Cal-VIS

BAR along with other state agencies are working on the new Cal-VIS (OBD-II Smog Check equipment) procurement process to select a vendor to supply the new OBD II equipment/device. The bid (IFB) is scheduled to be released soon, probably in the next month or so. The Bid will specify the OBD II equipment performance specifications and vendors will submit design specification proposals. The new device (equipment) will be be separate from the BAR 97 (so if your BAR 97 is down you still can perform smog checks with the OBD II Device, or vice versa), it is intended to be simple and an easy to use hand held device. Of course, the final design and details (i.e. cost) of the new device will not known until vendors submit design ideas and the BAR makes a decision. Per ASCCA's request, the information to be released with the bid will include data re: the projected number of vehicles in the fleet that will need tailpipe vs. OBD II testing in coming years. This will help members make an informed decision whether or not to remain in the Smog Check Program or get out. ASCCA will continue to monitor this closely.

California Air Resources Board (CARB)

ASCCA has met with the CARB enforcement officials re: unscrupulous repair shops that are installing illegal catalytic converters. Even though budget cuts have impacted CARB's enforcement division and resources are focused on manufacturers of illegal converters, CARB officials indicated that they would look into larger scale operations of installation of illegal converts. ASCCA will continue to work with CARB on this issue.

Bureau of Automotive Repair (BAR)

ASCCA continues to work closely with BAR on all automotive issues impacting the industry and protecting the interest of both consumers and repair shops.

Inspection and Maintenance Review Committee (IMRC)

The IMRC will continue to meet this year but Sunset legislation passed several years ago will be take effect the end of this year (1/1/2012) which will eliminate that body.

If there are any questions please free to call me at 916-447-0313.

Jack Molodanof ASCCA Legislative Advocate



The Plan to Tell the Aftermarket "Green" Story

Courtesy The Automotive Aftermarket Industry Association (AAIA)

PROJECT:

"Driving Toward a Cleaner Environment: The Automotive Aftermarket Green Strory"

BACKGROUND:

The automotive aftermarket industry does not get credit for its extensive contributions to a cleaner environment. Most of the industry's stakeholders are unaware of its commitment to sustainability and its widespread environmental thinking and practices in the areas of recycling, disposal, packaging, transportation and facilities management.

The very purpose of the aftermarket is to provide the parts, products and services to keep America's vehicles operating properly, efficiently, safely and cleanly. The aftermarket contributes to better gas mileage, less energy consumption and cleaner air.

The aftermarket industry has for decades practiced sustainability and has been "green" long before being "green" was mainstream.

Whether it's performing routine maintenance like replacing dirty air filters and changing spark plugs, a tune-up, wheel alignment, oil change or rebuilding/remanufacturing parts, recycling used oil, batteries, tires, chemicals and fluids or practicing new energy savings in packaging, transportation or facilities design and management – the aftermarket is a leader in sustainability – meeting the needs of the present without compromising the future.

Because the aftermarket industry has not told its compelling eco-story, it has been painted with the broad brush of the overall vehicle industry that contributes to pollution. Telling the aftermarket's "green" story will proactively address the contention that the industry is relatively unknown, misunderstood and underappreciated.

STATEGIC REVIEW

The aftermarket "green" story will present numerous benefits including:

- Help enhance the image of the independent automotive aftermarket.
- Increase awareness of the aftermarket among key audiences including state and federal legislators and government agencies, Wall Street and Main Street.
- Make aftermarket careers more attractive to sociallyconscious job-seekers.
- Dovetail with "Be Car Care Aware" environmental messages.
- Encourage aftermarket businesses to be greener.

COMMUNICATIONS OBJECTIVE:

Tell the automotive aftermarket industry "green" story by educating stakeholders about its practices, processes, and products that are energy efficient, recyclable, reusable and non-hazardous. Demonstate the environmental responsibility/stewardship of the aftermarket through its commitment to having a minimal impact on the health of the ecosystem and a positive impact on society and the planet.



Looking for Leadership

"I have a vision... that one day my industry will get the respect it deserves..." - Maylan Newton, December 2010 Team Weekend

ASCCA needs individuals who are interested in making a difference in our industry. Take your membership to the next level as you further develop your leadership skills. The more active you are in your trade organization, the better equipped you will be to handle your own business. It's easy to complain and criticize the events that make our industry so difficult to work in, why not take control and become part of the top team striving to make a difference? Yes, you can make a difference!

ASCCA's leadership:

Have the same amount of time... just like you Have the same number of commitments... just like you Have a thousand reasons why they can't commit... just like you Are passionate about the industry... just like you

> The following is an interview with Jack Crawley of Fiske Automotive who has been involved with ASCCA Leadership for many years.

An Interview with Jack Crawley, A Leader in the Automotive Aftermaket Industry

By Mary Kemnitz, Membership Committee Chair, ASCCA Secretary, of D&H Enterprises, Concord, CA

Tell me about how you became a shop owner?

I had worked for several ASCCA shops over 25 years as a technician and then moved into service writing chair. The now former owner of a shop I had worked for asked if I might be interested in purchasing his shop, Fisk Automotive. It had been in business since 1973. The timing was excellent since I was single and ready to strike out on my own. I sold my home at the time and downsized to a condo here in town. With the existing client base and my following, the rest they say was history. That was over 11 years ago.

What makes your shop unique either in California or within your city?



Jack Crawley ASCCA Treasurer Owner, Fisk Automotive, Fullerton, CA

There are several things. We are the only ASE Blue Seal Shop in Fullerton. I believe this is our 10th year with this program. I personally hold ASE certification in 12 areas. I have put together a staff that believes in our common goals. Our focus for the last 2 years had been to build a new shop and own our property. That dream came true in May 2011 with a state of the art shop that includes not only what we need, but exceeds the client's needs too. Now located on a main thoroughfare, we have much more exposure than before. My goal was to raise the bar to a new height. The clients are 100% on board with what we have done.

Do you have a recipe for success? Or, name 3 things that are essential to the success of your shop.

- 1. I never would have made it as far as I have without fellow ASCCA members and working with business management company Educational Seminars Institute (ESI).
- 2. Having goal(s) and staying focused on them no matter what obstacles come up. Partnering with my wife Cyndy has made our goals easier to reach.
- 3. Expanding my opportunities through more training and networking. This includes the ASCCA family and my BNI business networking group. Now that our project is nearly complete, we have refocused our marketing efforts to expand our business.

What are the rewards you experience as a business owner by being an ASCCA member?

At the local chapter level, our more active members share problems and work together to help each other. Training classes at dinner meetings let us take back information to improve our businesses the very next day. Networking with fellow members is a great benefit. With a quick phone call, I can count on advice from a fellow chapter member about a business issue, help solve technical problem, find a shop outside my area to help someone stranded or share a marketing idea. It works both ways of course and that's priceless. Also knowing that the association "has my back" can't be measured in dollars, but makes the dues I pay well worth it.

How has your business knowledge expanded by interacting with other ASCCA members?

As mentioned before, the fine people at ESI have provided the training opportunity to help my business. They were involved early on when we started setting on our sights on owning and as it turned out, building our own shop. ESI's Maylan Newton personally took time from his busy schedule to visit

INTERVIEW continued on page 15



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Subletting Transmission Repairs

Computer-controlled transmissions are an integral part of a vehicle's emissions system. As such, certain Smog Check emissions failures may require specialized expertise and equipment for proper diagnosis and repair. In many cases, stations lack the expertise to perform these repairs.

To address this situation, the Bureau of Automotive Repair has adopted regulations allowing the subletting of transmission diagnosis and repairs when emissions-related failures are identified during a Smog Check inspection.

Subletting transmission repairs is an exception to existing regulations, which generally prohibit a licensed Smog Check station from subletting repairs required as part of a Smog Check inspection. Section 3340.15 (i) (4) of the California Code of Regulations states that repairs to a vehicle's transmission can be sublet as long as the Smog Check station has obtained a customer's authorization allowing a shop with the required expertise to perform the repairs.

To learn more about these regulations, visit www.smogcheck.ca.gov and click on the Laws & Regulations link.

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Placentia	714.961.7940
Riverside	951.782.4250
Sacramento	916.255.4200
San Diego	858.716.1025
San Jose	408.277.1860
South El Monte	626.575.6934
South San Francisco	650.827.2074
Valencia	661.702.6600

OTHER HELPFUL NUMBERS:

BAR Licensing	916.255.3145
BAR Service Desk	866.860.8509
Consumer Assistance Program	866.272.9642
DCA Consumer Information Center	800.952.5210
Parts Locator Service	800.622.7733
Referee Scheduling Center	800.622.7733
SGS/Testcom	866.966.7664

Calendar of Events



December 10-11

ASCCA Team Weekend 4th Quarter Board of Directors/ Committee Meetings Board and Chapter Reps Orientation/Adopt 2012 Budget

Embassy Suites Riverfront, Sacramento

February 16-18, 2012

Team Weekend & ASCCA/CAWA Joint Leadership Summit

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The STAR Program and BMW Repair Issues

By Craig Johnson, Chair, ASCCA Government Affairs Committee

What do the new "STAR" Emission Program and BMW Repair issues have in common?

In 2009, BAR announced the "STAR MATRIX" Program which grades Smog Technicians and all Smog Check Stations based on inspection criteria. Smog inspection behavior has been monitored for at least the past 2 years. BAR is using a new grading system to establish whether Smog Technicians are using the Smog Inspection Procedures Manual to test vehicles and then "directing" vehicles to the highest performing Stations. Soon, Stations and Technicians will be able to see their grades on-line. One important measurement: the SVPR (Single Vehicle Pass Rate), measures how a vehicle tests originally before any repairs. Many Stations and Technicians currently hurt their scores because vehicles that may come into a Station with a common failure are now being pre-tested, repaired and then receiving its initial test and passes. BAR flags this because that same vehicle may fail all across the state initially and pass at your shop. Another important grade is called the FPR (Follow up Pass Rate). This grade measures how the vehicle tests in its next test cycle. This measurement evaluates whether the vehicle may have been tested or repaired improperly at its last test. This test, per BAR, will help catch people performing illegal activities such as clean piping or clean screening.

SB 750 or the "BMW Key Bill" surfaced because BMW received an extension to an original law passed in 2006 that mandated all vehicle manufacturers (some exclusions) provide key code data so locksmiths can "cut" a key and program an immobilizer in the field. Currently, a BMW is towed to the dealer or it's a 2-day wait at a shop if a key is lost. BMW claims it cannot comply with the law because

of its current key technology. ASCCA is not concerned about the specific key issue itself. In fact, a poll of our members indicates that this isn't a problem and they don't program keys anyway so, "so what?" The issue is, this current legislation doesn't have the wording "BMW" in it, and can be used by all manufacturers to limit access to parts. This is an issue that Technicians are being faced with due to the Mercedes TRP (Theft Related Parts) policy, which limits access to transmission, shifter, and other parts that Mercedes claims may be purchased to repair stolen vehicles, enabling them to function.

ASCCA believes these issues are important to the repair industry. The STAR Program was changed because our Government Affairs Committee saw problems with the language proposed and worked with BAR to make changes that are more beneficial to our industry, just as we did when AB 2289 was introduced. AAA and the Locksmiths of America contacted ASCCA seeking help to stop BMW (and eventually all car manufacturers) from pushing a bill through that would hurt our repair industry. Once ASCCA members were informed, they got involved, calling their legislators, halting the progress of the bill, which will be heard at a later date.

These are just two of the many issues (bills, proposed regulations, or actions) currently on ASCCA's Government Affairs Committee's radar screen that will affect our auto repair businesses. If you know of any negative issues that will affect your business, contact your state office for proper direction.

IMPORTANT PHONE NUMBERS:

Government Affairs Issues: Smog Licensing or Repair Issues: Legal Issues: Website Issues (your website or Internet marketing): Educational Foundation, Grants, Scholarships: Membership Issues: Chapter Meetings Help: Insurance Related Questions: Chapter Representatives: Team Talk Help: Craig Johnson 626-810-2281 Tracy Renee 707-642-1900 Dave Gregory 951-781-9091 Bryan Fikes 707-360-1472 Frank Joel 818-326-0602 Mary Kemnitz 925-356-7639 Mary Kemnitz 925-356-7639 Brad Davis 916-286-0920 Dave Baerg 949-855-9981 Gloria Peterson 916-924-9054

OR

Call your ASCCA staff at 916-924-9054

Shifting Health Costs to Employees? Three Things to Consider First

It's no secret many employers plan to shift more costs on to employees as healthcare premiums climb. If you're in that group, here are three things you'll want to consider before the shifts potentially disrupt morale.

1. Employees may stop going to the doctor

One thing some employers may not realize when they decide to shift some healthcare cost increases toward employees: It may lead employees to put off going to the doctor for routine checkups — or when they're sick.

When the cost of going to the doctor goes up (whether it's through increases in co-pays or deductibles) more people will put off routine/preventive care.

That means the short-term cost savings your company would see by shifting costs onto employees may quickly be swept away if the overall health of your workforce declines due to diminished care — resulting in more major medical claims or being placed in a higher risk pool by your insurer.

2. Wellness works — in the long run

If you're in the group that believes increasing out-of-pocket costs would diminish employees' health, there is another

option that can reduce healthcare costs — but it won't help overnight: Ramp up your wellness initiatives.

Whether you increase incentives to motivate employees to participate in your wellness programs or add activities like blood pressure screenings, cholesterol tests, or flu shots — improving the health of your employees can save you big bucks in major medical costs in the long run.

3. There are other benefits employees want

If cost-shifting is the only option, there are ways to soften the blow to your workforce.

Examples:

- Offering more voluntary benefits. Even when they're asked to cover most of the costs, many employees look at voluntary benefits (disability, dental coverage) as being financially beneficial.
- Offering flexible spending accounts (FSAs). These can help employees put away pre-tax dollars to cover increasing healthcare costs.

25,427 new customer calls.

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several outstanding shops that had been through the process buying or building a shop themselves. These members shops we visited, personally took the time to show me how and why they did certain things to create what they have today. A common theme for these successful shop owners is that they are always on a quest to build a better shop. They openly discuss ideas and processes to help myself and others. This shows the support and selflessness of our members that's not listed on any member benefit promotional piece.

When did you start realizing you wanted to move into a leadership role within ASCCA?

Well.... it started off innocently enough, but after one year, they had me on the local board and eventually a chapter representative. Several past state leaders must have seen something in me that they felt might help the association and the industry. After a little bit of arm twisting (laugh) a few years ago, here I am today sitting on the state board of directors and executive committee.

How essential was it to join ASCCA?

This has been an excellent way of giving something back to the industry that has helped provide my family a very rewarding life. It's almost impossible for one member to make a difference, but when we all work together, look out.

What is the one benefit that has continuously proven itself to you that you only could have received by joining ASCCA?

I'm not sure if there has been just one thing. Education, member benefits and government affairs come to mind. If I had to choose only one thing, it would be working with all of the great people in the association. I don't think you can find a better, more dedicated group who work to promote our industry. The creed says it all: To elevate and unite automotive professionals and give them voice.

How would you respond to a shop owner who says they don't have time to participate in ASCCA and / or moving towards a leadership position?

This question makes me think of those who leave the association because they get nothing out of it. Those who don't participate or show up at a meeting are missing so much. Where else can you get this type of support and representation for our industry? A few hours a month to provide input and direction for our association is really a small sacrifice. Meetings and agendas are planned well in advance so schedules don't clash.

Stepping into leadership and getting involved to help make a difference does take some time. The association is now at a point where we need help from fellow shop owners to ensure continued success.

Get to Know Your ASCCA Benefit Providers

ASCCA continues to strive to provide its members with benefits that collectively, provide comprehensive support to their businesses. It's with great pleasure that we feature two of our corporate sponsors, that strive to provide outstanding service to our members at discounted rates.

AutoNetTV is a media company providing automotive service reports for vehicle owners on how to preserve the life, performance and safety of their vehicles. This award-winning television network is primarily viewed by customers in the waiting areas of automotive service centers – providing entertainment and educational programming to those waiting for their service to be complete.

AutoNetTV is committed to providing cost effective service and repair videos online. In addition to specific automotive issues, training videos are available covering many topics that business owners can use for themselves, managers and team members. AutoNetTV can be reached at (877) 642-3555. Please visit their website at www.autonettv.com.

Mudlick Mail is an automotive specific direct mail solution company. They fulfill a need in the automotive industry for quality direct mail programs – from marketing analysis, creative design to direct mail campaigns. Whether looking to drive new customers into a shop or advertise to increase customer retention, Mudlick Mail will provide a complete turnkey service, including artwork, carrier route selection, printing, labeling, postage and delivery.

Mudlick Mail will give our members the opportunity to try direct mail for their shops without set up fees or monthly contracts, offering programs for every budget. Mudlick Mail can be reached at (866) 794-0167. Please visit their website at www.mudlickmail.com.

For more information on ASCCA's many benefit providers, please contact us at (800) 810-4272 or email Heather Vigil at hvigil@amgroup.com.

Anniversary Milestones

ASCCA would like to recognize members who celebrate a milestone anniversary between the months of September and December of this year. Congratulations and thank you for your support! Our association has grown strong and is effective because of members like you!

15 Years

40 Years

James Automotive

35 Years

Ed Little Auto Service Ed Martin Garage, Inc. G. T. International Motors Import Automotive Jasper's Auto Service, Inc. Page One Publishing

25 Years

Family Smog & Auto Schanley, Paul Torrance Autohaus Western Radiator

20 Years

Alternative Source Auto Tech Auto Repair Ed's Automotive Karco Specialties Leon's Transmission Service, Inc. Napo Major Auto Repair Playa West Automotive Village Auto Clinic Apperson Automotive Brad's Motor Werke's Corona Fleet Service, Inc. Custom Alignment Dutton Radiator Service Elbert Distributing (BG Products) Napa Auto Parts Pacific Auto Repair Pioneer Auto Service Quality Automotive Rancho Autocare Raya's Foreign & Domestic The New Datsonville Tony's Body Shop Valley Truck & Auto

10 Years

Autohaus Exec B & G Auto Tech Bimmer & Benz Specialists Bimmer & Benz Specialists (48) Craig Johnson Automotive Downtown Automotive Helmings Auto Repair Inland Smog and Repair John Howell's Service Center Mac Vitie Auto Repair Rosedale Automotive Saddleback Cars



Refer a Member: Help ASCCA Grow Strong!

ASCCA is a strong organization today because of members like you! Remember - use The *ASCCA Advantage* to highlight member benefits and savings when speaking to potential members.

- Larger member numbers contribute to the legislative strength of the association as a whole
- Help ASCCA reach its goal to double its membership
- Earn a \$75.00 referral fee to be paid directly to you or applied to your membership renewal dues

So bring those non-member shop owners to your next meeting and show them what they are missing by not being an ASCCA Member!



Study Quantifies Benefits of Automotive Recycling, Says 3 Million Tons of Coal Saved

Written by Katrice R. Jalbuena, EcoSeed.org

A study quantifying the benefits of automotive reuse and recycling has been released by the US-based United Recyclers Group (URG).

The study, which was prepared by the University of Colorado, looked at the reuse of some common car parts such as fenders and aluminum wheels, along with the reprocessing of motor oil extracted from "end-of-life" (EOL) vehicles.

The University of Colorado study estimates that nearly 11 million vehicles are taken off the road in America annually upon reaching their EOL.

For a typical EOL vehicle, about 75% of the parts are salvaged for reuse. Twenty percent of the vehicle is recycled while the remaining 5% is thrown away.

One of the highlights of the study was the finding that the recycling of steel fenders each year in the United States saves the mining of over 5 million tons of iron ore, nearly 3 million tons of coal and over 250,000 tons of limestone.

Over 1.71 billion kilowatt hours of energy are also saved annually when the aluminum needed to make wheel sets is not mined, smelted or manufactured, the report said. This energy saving is equivalent to about 212 million gallons of gasoline.

Over 24 million gallons of oil are extracted from EOL vehicles each year in the US. Reprocessing motor oil saves over 3.1 million tons of CO2 emissions.

"EOL vehicle is one of the greenest products on the planet," said John Fischl, a URG Manager and president of Riteway Auto Parts. "Through the reuse of 'green parts,' vehicles may partly live on for years and years."

America has around 6,000 auto recyclers working on recycling and reusing EOL vehicles. Two non-profit trade organizations, URG and the Automotive Recyclers Association, represent over 2,000 of these auto recyclers.



U.S. Economy Remains Dependent Upon the Auto Market

Excerpted from The Los Angeles Times

Taxpayers bailed out much of the U.S. auto industry. Now the carmakers might be what saves the nation's economy from falling back into recession.

After a massive restructuring and several high-profile bankruptcies, a leaner, more aggressive auto industry is making a comeback, hiring workers and ramping up manufacturing plants. From a trough two years ago, Ford Motor Co., General Motors Co., Chrysler Group and other auto companies have added almost 90,000 manufacturing jobs, a 14% increase, according to federal employment data.

And it's not just the Big Three American manufacturers that are thriving. Nissan, VW and other foreign-based firms are expanding in the United States, putting billions of dollars into building and refurbishing plants. Start-ups Tesla Motors in Palo Alto, Fisker Automotive in Anaheim and Coda Automotive in L.A. are hiring and spending hundreds of millions of dollars designing and launching electric and hybrid vehicles.

Dealers are having a banner year, making more money per sale than they have in years and hiring back some workers shed during the recession. The Commerce Department said that orders for autos and auto parts jumped 11.5% in July, the most in eight years. That followed an earlier government report on industrial production that showed the auto industry was the strongest segment of the manufacturing economy last month.

This kind of expansion is important to the economy. Including factories, suppliers and dealers, the U.S. auto industry employs about 1.7 million workers and supports an additional 6.3 million private-sector jobs, according to the Center for Automotive Research in Ann Arbor, Mich. The center said those positions represent more than \$500 billion in annual compensation and more than \$70 billion in personal tax revenue.

Auto sales peaked at about 17 million in 2000 and held near that level until 2007 before crashing to just 10.4 million two years later. They were heading back into the 13-million range — helped by a wave of new models, low interest rates and improving consumer confidence — only to be upended by the Japanese earthquake in March. Shutdowns at Japanese-owned factories in Japan and the United States created inventory shortages that led to sharply higher car prices, lower demand and hundreds of thousands of lost sales for dealers. But with those disruptions now in the rearview mirror, the industry is looking for sales to improve over the rest of the year.

The health of the U.S. economy is so dependent on autos that economists such as UCLA's David Shulman are watching car sales to assess whether the nation's recovery will accelerate or stall. "If you see a 13-million-unit sales rate in the fourth quarter, that would help a lot," said Shulman, senior economist at the UCLA Anderson Forecast. "It would be very hard to see how the U.S. would go into recession with cars selling at that rate."

With their U.S. plants almost back to full production, Toyota Motor Corp. and Honda Motor Co. will be rebuilding their dealer inventories nationwide. They're also launching incentives and in some cases lowering prices of new models to recapture lost sales. Toyota said this week that it was slashing the price of the Camry, America's topselling sedan, by hundreds or even thousands of dollars for some versions.

To compete, other manufacturers are expected to boost their incentives and discounts, which should help draw buyers back into showrooms.

Other factors are assisting as well.

The average age of passenger cars and light trucks in America has grown to almost 11 years as people delayed purchases during the downturn. Low-mileage used cars are in short supply.

And with the Federal Reserve signaling that it plans to keep interest rates low for several years, automakers are offering low-cost financing deals, making it easier for consumers to make a new-car payment.

Although most analysts are predicting growth, some said the auto industry and the overall economy still face significant hurdles. Gyrations in the stock market and a weak U.S. labor market also makes shoppers wary of big-ticket items.

ASCCA Chapter Network

The Automotive Service Councils of California is made up of local chapters for members to join and become actively involved in. Check them out!

Bakersfield (58) Meetings held fourth Thursday, 6:30 p.m. Call Bob Klingenberg: (661) 631-5765

East Bay (16) Meetings held second Tuesday, 6:30 p.m. Call Stephen Small: (510) 427-4345

Foothill (5) Meetings held first Tuesday, 6:30 p.m. Call Joseph Appler: (626) 296-6961

Fresno (25) Meetings held second Thursday, 7 p.m. Call Dick Pierce: (559) 977-8321

Hemet (32) Meetings held second Tuesday, 6:30 p.m. Call Phil Fournier: (909) 927-2101

Inland Empire (14) Meetings held third Tuesday, 7 p.m. Call Glenn Davis: (909) 946-2282

Long Beach (18) Meetings held third Tuesday, 7 p.m. Call Scott Parsons: (562) 434-4446

Mount Diablo (20) Meetings held third Thursday, 7 p.m. Call Celine Haugen: (707) 251-9838

Napa/Solano (9) Meetings held second Tuesday, 7 p.m. Call Angela Larson: (707) 644-5566

North Orange County (48) Meetings held third Wednesday Call Jack Crawley: (714) 526-3303

Orange Coast (50) Meetings held third Thursday, 7 p.m. Call David Baerg: (949) 855-9981

West Los Angeles (12) Meeting times vary Call Jo Ann Fischer: (714) 773-0949

Ventura County (2) Meetings held second Tuesday, 6:30 p.m. Call Kathy Riggs: (805) 983-8100

Peninsula (23) Meetings held last Tuesday of every other month, 7 p.m. Call Angie Roberts: (408) 266-9658

Redding (99) Meetings held last Wednesday, 7 p.m. Call Roger Viens: (714) 773-0949

Sacramento (34) Call for meeting dates and times Call Roy Joerger: (916) 383-2076 San Diego (24) Meetings held third Tuesday, 7:30 p.m. Call Stuart Terry: (619) 287-4215

San Fernando Valley (11) Meetings held third Tuesday, 6:30 p.m. Call David Moloney: (310) 734-8531

San Francisco (21) Meetings held last Wednesday, 6:30 p.m. Call Paul Grech: (415) 474-7323

San Joaquin Valley (6) Meetings held second Thursday, 6:30 p.m. Call Andy Pollino: (209) 472-9866

San Jose (42) Meetings held second Wednesday, 7 p.m. Call Angie Roberts: (408) 266-9658

San Luis Obispo (17) Meetings held third Wednesday, 7 p.m. Call John Neiswenger: (805) 772-8448

Santa Clarita (3) Meeting times vary Call Kevin Browning: (661) 251-6736

Santa Rosa (28) Meeting times vary Call Robert Toepp: (707) 546-2851

South Bay (1940) Meetings held quarterly, 6:30 p.m. Call Peter Alper: (310) 328-1981

South Los Angeles (10) Meetings held second Tuesday, 7 p.m. Call Les Morris: (323) 750-0511

Tulare/Visalia (26) Meetings held every other month, 6:30 p.m. Contact Andy Daniels for information: (559) 688-7384

BAR, (Chief) Sherry Mehl (916) 255-4565

BAR, Industry Ombudsman Rick Fong (916) 255-2893

California Chamber of Commerce Headquarters (916) 444-6670

CARB (General Number) (800) 242-4450



Now Available ASCCA Consumer Brochure

ASCCA has created a consumer brochure for members to use in their shops! It's a handy new tool which describes the value of choosing ASCCA member shops over others.

Download the free electronic template from the member's only section of the ASCCA website, www.ascca.com.

Note that you must login with your member ID to access the template.

Find us on



Automotive Service Councils of California One Capitol Mall, Ste. 320 Sacramento, CA 95814



Industry and Endorsed Vendors Contact List

INSURANCE SERVICES

Armstrong and Associates Brad Davis (866) 923-7767

MERCHANT SERVICES

Elavon Mark Dunn-Manager Mark.Dunn@elavon.com (800) 725-1243

Heartland Payment Systems Bob Payne

(408) 293-7001

EDUCATION PROVIDERS

Educational Seminars Institute (ESI) Maylan Newton (805) 526-3039

FINANCIAL SERVICES GE Capital Retail (866) 209-4457

Redwood Credit Union Cathy Lavaroni Hall (415) 898-1778 x 238

PAYROLL SERVICE Summit Payroll Service Kirk Oetken (714) 738-3530

SOFTWARE PROVIDERS ALLDATA

(800) 684-1250

Mitchell 1 (888) 724-6742

Identifix

Bill Sauer (651) 628-5702

UNIFORM SERVICES

G&K Services Rob Faulkenberry (303) 591-4102

MAINTENANCE SERVICES &

EQUIPMENT BG Products Erin Waln (949) 337-2484 www.bgproducts.com

MARKETING PROGRAMS

Repair Pal David Sturtz (800) 969-9204

AutoNetTV, LLC Robert Cannon (801) 642-3565 Direct http://autonettv.com

Autoshop Solutions Danny Sanchez (888) 847-7036

Zenergy Works Bryan Fikes (888) 278-5718 Hertz Rental Customer Relations (888) 777-6095

AAIA Kathleen Schmatz (301) 654-6664 kathleen.schmatz@aftermarket.com

Office Depot Rod Campbell (707) 536-0095 x 2104

ConocoPhillips Bill Curry (310) 376-0179 bill.curry@conocophillips.com

CUSTOMER SUPPORT & MARKETING

Demandforce Todd Westerlund (415) 904-8080

Customer Link Joe Gibson (888) 942-5448

Customer Loyalty Systems Ryan Tunison (888) 622-7552

Mudlick Mail Ryan Monson (866) 794-0167 x 2