



The Industry Update

A membership service of the Northwest Automotive Trades Association
For the weeks of November 10 - November 17, 2008

Aftermarket Opportunities in a Down Economy - An AAIA aftermarket discussion in Las Vegas last week turned a spotlight on challenges and some very real aftermarket opportunities. "We're on the verge of the greatest aftermarket boom we've ever had," Kathleen Schmatz, CEO, AAIA, remarked.

The industry VIP panel brought to center stage a range of topics including record gas prices and the resulting effect on consumer driving and buying habits, the need for consumer education about the benefits of vehicle maintenance, how the aftermarket can benefit from new car dealership closings, and the opportunities that lie ahead for independent repair and service operators who view future vehicle technology as service opportunities.

Citing the example of Starbucks' penetration into a mature coffee market, one panelist told attendees the opportunity for growing market share is out there; you can grow your business by reinventing your products, bringing unique offerings to consumers and reinventing the purchasing experience. He stressed the importance of continually advertising your message, differentiating your products and delivering a true value proposition. Engage with customers, and educate them about why preventive maintenance is money well spent in extending the performance and life of their vehicles.

Advancements such as adaptive cruise control, pre-crash sensing, lane departure warning, CNG, HEVs, gasoline direct injection, hybrids, electric power steering, safety and security enhancements and vehicle entertainment systems all represent great revenue streams for repair shops that ramp up to "seize" the service opportunities.

"The technology evolution that we're all witnessing is just the beginning," said one industry expert. "Today's hybrid is the Model T of its era. There will be continued enhancements to hybrids including size, power and packaging improvements in the next two years."

There are a lot of positive signs and room for growth for shops that employ good business practices and educate customers on the value of preventive maintenance. **Shop owners and techs also need to be better educated by their suppliers that they, too, should be maintenance-minded rather than focusing only on break-down repairs. And remember:**

Car dealership closings represent opportunities for suppliers and distributors to ramp up their on-line parts sales potential to the aftermarket.

The aftermarket has proven time and time again that it can acquire the necessary training on new vehicle technology, but that role should be shared by manufacturers who need to offer training as part of their value equation to the aftermarket.

Dealer consolidations will provide opportunities for the aftermarket to obtain technicians who are already trained.

Consumer education about the benefits of proper vehicle maintenance is critical to restoring their confidence and moving the vehicle service needle.

The aftermarket is more than capable of fixing the cars of tomorrow.

From Owner Denise Schott - E.H. Burrell Co., Inc. has been acquired by FleetPride, Inc. The transaction is expected to close on November 10, 2008. Curtis and Gary will become the lead management team for the existing FleetPride location in Portland, Oregon as well as all of the Burrell locations.

All members of the staff are expected to remain in their current positions. It is both an exciting and scary move for us. I will be transitioning the company out of business over the next few months then deciding what my future job will be. It is hard to think that this day has come, but with the growth that we have experienced over the last few years, it feels like the time is right to make this move. Curtis calls it "the perfect storm" effect. However we are still a little sad to let go of a name that has been a part of our "family" for all of our married & working lives.

New! Check out the [Educational Swap Page](#) on NATA's website, www.aboutnata.org where automotive businesses, high school and community colleges request and donate equipment, intern opportunities and more!

NOW IN THE MAIL - Fall/winter Auto Outlook from Northwest Automotive Trades Association, including the most recent Mechanical Shops Survey, information about hybrid vehicle repair, and "What Will Make Cars Go in the Future?" Watch for it in the mail, and read all about it!

Scam Alert! - Owen Zimmerman of Advanced Automotive of Oregon contacted the NATA office asking us to notify all members of a scam his shop encountered this week. The purpose of the scam is to get email addresses from business owners by a "deaf" individual, and have the business charge money to his credit card, including giving \$1,500 in cash to the person bringing in the car. The individual provided a first and last name as well as a non-existent Lake Oswego address. Be careful... until the request for an additional \$1500 was e-mailed, this seemed like a legitimate transaction.

JUST A REMINDER: We need your input! Collision Repair and Auto body members were mailed a "Collision Employee Compensation Survey this month." Please take a moment to complete the survey and mail or fax it back to NATA by November 30. Questions? Call Margaret at the NATA office, 503 253-9898, or toll free 1 800 730-7282. Thank you!

2009 Absentee Calendars Ready - Please call the NATA office for your FREE copy mailed directly to you!



HAPPY VETERANS DAY - To our members, employees, and their families who served or are serving in the U.S. Armed Forces: Thank you for the sacrifices you have made for our country, and for protecting the awesome freedoms we enjoy today!

ASE Fall Test Dates are November 13, 18 and 20th

If you registered for Fall ASE testing, but have not received your Admission Ticket, please call 319-337-1433 or send an email to asehelp@act.org.

Please Note: There will be no LUNCH AND LEARN session scheduled for December 2008.

Have questions? Want more information? We are here for you!

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