



September
2021

Industry Update

*News and Information for
Northwest Automotive Trade Association
Members*

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A great day for a farewell and a welcome

Thanks for joining us August 8 to wish Cathi Webb farewell as she begins her retired life in Yuma, Arizona, and to welcome NATA's new insurance agent Diana Hildenbrand.

It was a day of perfect weather, good food and beverages at the Corner 14 Foodcarts in Oregon City, great conversations, and live music provided by Ten O'Clock Hill, with band member Bill Erickson of Erickson's Automotive.



We look forward to the return of more regular in-person association gatherings.

AAPEX requiring proof of vax, negative test

The organizers of AAPEX 2021 have announced that attendees will be required to show proof that they received a COVID-19 vaccination prior to entry. Attendees can also present a negative COVID PCR test, a press release says.



An AAPEX representative said as recently as Aug. 18 that the event didn't plan to require proof of vaccination, but organizers have shifted course amid a growing number of cases due to the Delta variant of the virus.

Event co-owners are also considering on-site testing, per the press release.

"AAPEX co-owners also are evaluating the potential for onsite testing for those unable to be vaccinated or to obtain a negative PCR test prior to the show. These measures will be administered through a third-party verification platform and on-site screening," the release said.

Organizers of the SEMA show have not committed to similar plans. In the same press

release as the AAPEX announcement, representatives said that they are working with local authorities. While separate events, AAPEX and the SEMA Show are closely linked and take place on the same dates.

"SEMA organizers are taking into account that the COVID-19 landscape is changing week to week," the release says. "SEMA is working with state and local health authorities to announce more in the coming weeks concerning safety measures that will be required in November."

Las Vegas currently has a masking requirement for all indoor event gatherings.

Legislative year in review

We've received a report from our lobbyist, Darrell Fuller, on the 2021 legislative session.

A few bills have cleared the Legislature, including a couple of promising modifications to trade and vocational program funding. There may be some modification to bills passed this year, due to process modifications for an all-virtual session.

There will likely be a Special Session of the Legislature to redraw district lines based on the 2020 Census, because of the delays in receiving complete data. Rural Oregon has seen a decline in population, while the larger cities have seen an increase. The exception: Deschutes County, thanks to Bend's population growing 25 percent in the last 10 years (your humble staff member needs to stop thinking of Bend as a small town, apparently).



And, finally, here is Darrell's closing paragraph in its entirety:

"It is my honor to be 'your guy at the Capitol' in Salem. Stay safe and please get prepared. The wildfire season could impact anyone reading this – even if you live in an urban area. Have a 'go bag' packed and in your trunk or near the front door. I hope a deputy never knocks on your door at 3 a.m. and says, 'You need to leave now!' But it is already happening all across the state. So, give it some thought. You can find more information at the Red Cross website by clicking [here](#)."

Report looks at shops' parts purchasing

Research firm IMR Inc., has released its latest insights on [independent repair shops' ecommerce purchasing behavior](#).

IMRInc.

In July of 2021, IMR Inc. interviewed 500 independent repair shops to understand their use of public ecommerce websites like Amazon, eBay, RockAuto, JC Whitney and others, for the purchasing of automotive parts.

In 2019, about 36% of shops indicated that they purchase parts from these public ecommerce websites, while in 2020, 74.7% indicated public ecommerce websites as

a method of parts purchasing. As of July 2021, 50.2% of shops are using public ecommerce websites to purchase parts and 45% of shops reported that they are purchasing “a little less” or “a lot less” from public ecommerce websites, compared to last year.

By shop size, those with one to three bays report 13.8% of parts are purchased through public ecommerce websites, shops with four to seven bays reported 6.2% and shops with more than eight bays reported 4% of parts purchased this way.

Of shops with one to three bays, 42.1% reported “always” or “often” comparing prices from their regular suppliers to public ecommerce websites, while 10% of shops with four to seven bays “often” compare prices and 39.5% of shops with eight or more bays “sometimes” compare prices.

Overall, survey data showed that independent repair shops’ use of public ecommerce websites to purchase parts has declined from 2020, with the most cited reason for this decline being the resolution of major parts delays caused by COVID-19 (50.6% of responses). Shops also reported that public ecommerce website delivery takes too long (42.9%) and 43.2% said that their regular parts suppliers were less expensive than public ecommerce websites.

As of July 2021, independent repair shops reported purchasing a total of 6.9% of their parts through public ecommerce websites, while 93.1% of parts are purchased through traditional integrated/captive business-to-business applications/shop management systems, by phone, or supplied by the customer.

Minimizing the cost of COVID-19

The past 18 months have presented one of the biggest challenges employers have ever faced. It's not just hard on you, but on your employees and often times your customers. You want to get back to business, and everyone wants to get back to regular life.



With the governor's announcement that masks are required in indoor spaces statewide as of August 13 (as well as an outdoor mask mandate as of earlier this month), you and your workers may be feeling extra fatigue and frustration about the pandemic and how long it has continued.

There is a silver lining: COVID-19 safety measures, including face masks and vaccinations, can help keep workers safe and save you money in the long run.

Many of us are aware of the human toll the virus has taken on the health of people and communities. According to the Oregon Health Authority, there have been 234,393 total cases and more than 2,920 deaths in Oregon as of August 10.

But what about your business? To get a basic idea of what COVID-19 costs, here are some numbers:

- 3,020: the number of COVID-19 claims SAIF received through July 30, 2021
- \$1,727: the average cost of a COVID claim

While many claims were for quarantining or testing, we saw many that were much

more serious and costly, including some that cost more than a million dollars.

The pandemic also continues to impact supply chains, causing major disruptions to business.

With the Delta variant on the move and the CDC's most recent recommendation for even vaccinated people to wear masks indoors, it's easy for businesses to feel like safety measures won't make a difference. But they do.

What can employers do to prevent infections?

- Encourage employees to get vaccinated. This includes providing paid time off to go get the shot, offering paid sick time to recover from potential side effects of the vaccine, or even hosting a vaccination event.
- Implement physical distancing protocols in the workplace.
- Provide periodic COVID testing for employees who can't get vaccinated.
- Implement engineering controls, like portable HEPA filters, that can help prevent the spread of the virus.
- Provide N95 masks to employees who work in high-risk environments, like correctional facilities, long-term care facilities, and other health care workplaces.
- Keep workplaces clean and make sure employees are provided with the time and supplies to practice good hand hygiene.

And don't forget to follow [Oregon OSHA's rule on COVID-19](#).

You can find more information and resources on keeping workplaces safe at saif.com/coronavirussafety.

Training on hazardous waste management

The Oregon Department of Environmental Quality invites businesses that handle hazardous waste to sign up for a class covering basic management of hazardous waste. DEQ is hosting three virtual hazardous waste basics trainings between September and November 2021. These trainings are first-come, first-serve and there are 60 total spaces available for all three trainings. Registration is on a first-come, first-served basis and is free of charge.



State of Oregon
**Department of
Environmental
Quality**

Hazardous waste technical experts from DEQ will lead each class. [Click here](#) to view the complete course outline/schedule and registration instructions and register for one of the three trainings. If you are unable to access this link, please email miller.denise@deq.state.or.us for assistance.

DEQ will determine the need and feasibility of additional trainings. You can also contact the DEQ hazardous waste technical assistance specialist for your area to determine training options available for your company.

DEQ continues to shift to "[Your DEQ Online](#)," with the initial step for hazardous waste reporters and generators being to set up an account. Instructions are available in a Public User Account Registration Guide on the [Your DEQ Online Help page](#) under the Hazardous Waste section.

In addition, DEQ is offering a series of webinars to guide new users through the process. The next step will be to file reports through the new system, which will start in October.

The upcoming webinar:

Thursday, September 23, 10 - 11 a.m.

Register in advance for this

webinar: <https://us02web.zoom.us/join/9tJfTgVqWp>

Your DEQ Online officially went public in early May

Welcome new NATA members

NATA is pleased to welcome a couple of new members this month.

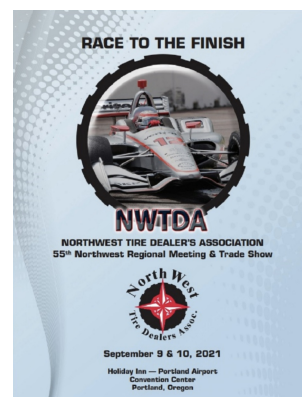
Precision Body & Paint of North Hillsboro, formerly RBP Auto Collision Center, is Precision's newest location.



Applus Technologies, one of DEQ's approved vehicle emissions testing device providers, is NATA's newest Associate Members. For more information, contact Gerry Preston, gerry.preston@applus.com.

'Tire Expo' in Portland cancelled

The Northwest Tire Dealers Association has cancelled its "Tire Expo," scheduled to take place this coming weekend in Portland, due to the recent rise in COVID-19 cases.



CAT tax refresher

Our friends at Irvine & Co., recently sent us the following:

Because it went into effect shortly before the pandemic hit (and also because, well, it's a new tax), many businesses haven't settled in with Oregon's new Corporate Activity Tax (CAT). We still get a lot of questions about it, and so we thought a 2021 refresher would be helpful for **NATA members**.



Overview

The CAT went into effect on January 1, 2020. It is applied at a rate of \$250 plus 0.57% of gross revenue over \$1 million, less a 35% subtraction for either COGS or labor, whichever is more beneficial.

CAT Deadlines

Anyone owing CAT should have filed their CAT return by April 30, 2021 or at least extended it to October 15, 2021. If your business will owe more than \$5,000 for the year, you need to make estimated quarterly payments.

Additionally, if you expect to have revenues of at least \$750,000 for the year, you need to register with the Department of Revenue, even if you don't eventually surpass the \$1 million threshold to owe.

To register, go to the Dept. of Revenue online site at

<https://revenueonline.dor.oregon.gov/tap/#2> and under "register," click on the Corporate Activity Tax tab.

Can I pass CAT onto customers?

Ultimately, the seller is responsible for paying the tax, not the customer. You can indeed add a line to your invoices to estimate the CAT tax you will pay on the transaction, and charge the customer for it – but by doing so, you are increasing the amount of revenue you are taking in that will be subject to the tax. Having it listed separately does not keep it out of revenues. This defeats the purpose and makes it more difficult to estimate (it's hard enough to just calculate it correctly in the first place!). So most businesses have just increased their pricing slightly to recover the added expense.

Audits

We aren't aware of any CAT audits yet, but we do know the Oregon Department of Revenue is seeking to hire eight auditors to examine these forms. The collections are well below the projections so far, which probably makes them curious.

Where do I go with questions?

Visit <https://www.oregon.gov/DOR/>. Click on the "Business" link, then the "Corporate Activity Tax" in the "Information" column on the next page. Also, you can email your questions to Cat.help.dor@oregon.gov.

Feel free to reach out to us at Irvine & Co as well.

Auto parts company has job opening

Portland Transmission Warehouse, an 80-year-old company with a great working environment, is seeking an inside sales order desk professional to join their team.

Responsibilities include answering phones, presenting and selling company products to new and existing customers; resolving customer inquiries and complaints; identifying parts requirements via electronic and paper catalogs; entering orders into point of sale software; helping





fundraiser September 11-12 in Hood River. The fly-In attracts hundreds of people each year and is a great way to see old aircraft fly and meet the awesome people who fly them. Special event admission of \$20 gets you into the museum and all the fly-in fun. [Click here](#) for a line-up for the weekend.

Oregon agencies offer business training

Three Oregon agencies offer regular training for companies within the state.

The Oregon Bureau of Labor and Industry (BOLI) offers training seminars on such topics as wage and hour laws, discipline and discharge, and the latest developments in employment law. Details are available by [clicking here](#).



The Oregon Department of Environmental Quality invites businesses that handle hazardous waste to sign up for a class covering basic management of such waste. Registration is free but on a first-come, first-served basis. [Click here](#) for more details.

The Oregon Occupational Safety and Health Administration (OSHA) offers classroom workshops and online training on such topics as hazard communications, safety meetings, lockout/tagout, personal protective equipment, etc. [Click here](#) for current class description and schedule, call (888) 292-5247 (option 2) or send an email to ed.web@oregon.gov.

EDUCATION

BENEFITS

CONSUMER INFO

SHOP HELP

INSURANCE

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