

ShopTalk



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Upcoming Classes:

Shop Owner

Align Your Shop for Profit Course 1

February 1, 2 & 3
March 1, 2 & 3

Leadership Mastery Course Part 2

February 15, 16 & 17
March 8, 9 & 10

A.B.M. Always Be Marketing Course Part 3

February 22, 23 & 24
March 13, 14 & 15

Staffing and Hiring Course Part 4

March 6 & 7

Succession Planning Course Part 5

February 8, 9 & 10

Service Advisor

The Role of the Service Advisor

March 6 & 7
February 9 & 10

ATI's 7 Step Sales Process

West Coast Course

January 30 & 31
February 23 & 24
February 27 & 28
March 30 & 31

Service Manager

February 20 & 21

Advanced Service Advisor

January 23 & 24

Collision

Keys to a Successful Collision Business Course 1

February 1, 2 & 3

Leadership Mastery Course Part 2

February 15, 16 & 17
March 8, 9 & 10

A.B.M. Always Be Marketing Course Part 3

February 22, 23 & 24
March 13, 14 & 15

Staffing and Hiring Course Part 4

March 6 & 7

Succession Planning Course Part 5

February 8, 9 & 10

Estimating & Sales Course Part 1

January 30 & 31

Estimating & Sales Course Part 2

February 27 & 28

Collision Repair Production

March 13 & 14

Please be sure to check out the exciting new feature of your ATISync App! With a tap on your phone screen you can now view the most current class schedule, check for class availability and register for classes! Class registration has never been easier!

Customer Service - Is it a Thing of the Past?

Rick Johnson, ATI Coach

While off for a week for my knee replacement, I had the chance to be a customer, needing to get a tire fixed. Needless to say, it wasn't the best experience. I am constantly amazed at the lack of customer service when I need to get something done on my vehicles or even buy a pair of pants for that matter. It seems to me that good ole customer service just does not exist anymore.

I find myself constantly having to fight for what I want as a customer. I had a problem with a Tire Pressure Monitoring System sensor on my truck, so I took it to the repair shop and told the service manager that I needed him to look at my tire. "Let me get John, he will be the one working on it" is what I was told.

How many times have I told members not to let your technicians talk to customers? How many times have I said that it is flat-out dangerous to do that? So here is how this conversation went as John came out to look at my tire:

"You need a new TPMS sensor," said John.

"Do you replace them?" I asked.

"Yes," replied John.

"Can you do it today?" I asked.

"No, we do not carry them and it would have to be ordered," replied John.

Now here comes the best part: remember, I have told you how dangerous it is to let techs talk to customers — ready for it?

"Rick, if I were you, I would go across the street to Car Quest and get the part yourself," said John. "It would save you money because if you let my boss get the part, he would mark it up and it would cost you a lot more!" he continued.

WOW, the first thought I had was I bet good ole John will have his hand out on payday wanting a paycheck. I REPEAT: Do not let techs talk to customers!

But it gets better. I then said to John I wanted him to check all four tires for nails when they worked on the truck and he said he would take care of it.

Tuesday morning, he comes and gets my truck. I am talking to John and as he starts walking away, I say, "Hey John, remember to..." and he says, "I

know, check the tires, you told me yesterday." And he keeps walking.

The warm fuzzy I am feeling right now for this shop and this tech is overwhelming! He got in my truck and drove away. I was going to ask him to rotate and balance the tires and to do a synthetic oil change for me. But I didn't get a chance to before he walked off and drove away. He replaced the sensor and brought my truck back. The total invoice was \$15 for the work. John probably talked to his boss about how slow it is and no one is buying anything — because you know, it is back to school and election year, etc. The truth is that their customer service is awful. I would gladly have bought a rotate and balance and oil change and anything else they might have found in an inspection.

"The consumer's ability to consume far exceeds your ability to deliver." That sure applied in this case! How much better would it have been if the manager had come out to the truck and then asked if there was anything else I needed done. Just take a couple of minutes and do things right, and it could have been a very nice repair order for them.

And here is how I feel as a customer: no reason to go back to this place the next time I need service. I mean they did nothing to WOW me or provide great customer service. Sure, they fixed my tire and the low tire light is off. The tech could argue that he did nothing wrong since he did fix the truck. In my eyes he may have done nothing wrong, but he dang sure did not do anything right or even come close to customer service.

Lesson for the Day

Slow down when talking to a customer, take time and ask if there is anything else that is needed, look up some recommended service and offer a Courtesy Check. You just never know when you may run across a customer who is ready and willing to spend money on their vehicle if it needs it. But for sure you will never know unless you try. A lot of lessons to be learned here.

The Coach's Corner

Stop Taking The Easy Way Out Do You Have a Backbone or a Wishbone?

Geoff Berman, ATI Coach and Instructor

I want you to envision yourself climbing a mountain, an incredibly big mountain. You're just getting started. You're dressed, all geared up and ready to go. You're excited about this climb in front of you. You look up. You can't see the summit. All you can see is the earth fading into the clouds. For a brief moment, you stand there, frozen in time, as if you were a statue. Can I do this, you think? Of course you can, you tell yourself. As you begin your climb, you start to realize it really isn't that bad. Onward and upward you go. Soon the hike gets a bit steeper, the temperature a bit colder, the wind a bit harsher. Now you start to realize that maybe this is not so easy after all.

You don't let this stop you; you push on. You look back at the distance you traveled and see nothing but the clouds that were once in front of you. This scares and excites you all at the same time. Scared because you realize this may be the point of no return. If you decide not to turn back now, you will soon be too far along to turn back at all. Excited because you have come so far, and the feeling of accomplishment is not a feeling you can ignore. What do you do?

These are the kinds of decisions you are faced with every day. Do you press on and risk failing, or do you play it safe and turn back while you still can? It is easy to see the difficulty and the challenge in this metaphor. Is it always this easy?



What if your lead technician (the one you can't live without) can't get his production over 50 percent, and each time you try to discuss it with him he fights back? Are you going to push through or turn back?



What if your closest competitor is charging \$50 an hour and you know you must charge \$90 an hour to survive? Do you work to figure out a way, or do you keep your price low just to compete and continue to lose money?



What if your service advisor won't schedule the customer's next appointment and tells you no one likes it? Do you accept that, or do you work through the challenge until it is getting done?

My point is that climbing that mountain will never be easy, but climb it you must! If you don't, someone else will and you will be left standing at the bottom looking up and wondering how this could have ever happened to you. How did Blockbuster Video miss the signs? Borders Booksellers, Kodak, RCA, Saab, Pan American, American Motors, Woolworths, Tower Records, Fotomat, Amoco, Bethlehem Steel, Circuit City, Compaq Computers and Levitz Furniture all missed the signs! All of these were companies that made it to the top of the mountain, and eventually fell. Will you be next?

To know if you're seeing the signs or not you must take a hard look at yourself.

- Do you find yourself scared of what might happen if...?
- Do you often use the words I can't...?
- Do things just seem too hard?
- We've always done it this way!
- Are you afraid to fail?

If this sounds like you, then you are missing the signs. If you don't like the path you're on, staying there will never get you where you want to go. Even if you do, you must continue to reevaluate whether you're still on the right path. Like it or not, change is always coming your way. Blockbuster held on to the idea that people will always go to a store to buy or rent a movie. They did not see the bus run them over, and by the time they did, the doctors couldn't stop the bleeding.

The sad truth is that all of this worry about what might happen and playing it safe is what will ultimately be your demise, because true failure is not trying. When you try something that doesn't work, congratulations — you're growing. You are now one step closer to what does work. Press on, you may continue to make mistakes, but they will be stronger and smarter mistakes from what you've just learned. I promise you, you will eventually figure out something that does work. You may find yourself in a completely different place than you had predicted you would be when you started, but this will be a place you will like. Will it be hard? You bet it will! Will your staff fight back? Count on it! It is supposed to be hard, it's the hard that makes it worth it!

I hope you enjoyed this first article of 2017. As the new year begins, so does a new chapter in our lives. In that same spirit, a new series emerges in the ATI Newsletter. This year's theme will be about why you struggle the way you do, what the roadblocks are, and how you can overcome them. If reading this article has upset you or made you feel uncomfortable in any way, then this new series is for you. Fight the urge to blow it off. Recognize the signs. I hope you will tune in each month for another inspiring story to help you with the biggest challenge of all, You!



Brian Stasch, ATI Vice President

After announcing ATI Top 150 Shops last month, we have been working diligently to identify the TOP Shops. The Competition gets tougher every year as shop continue to improve their performance. Keep an eye out to see who makes the next cut. Then, at SuperConference 2017, will announce our Top 12 winners representing the very best ATI Shops in North America.

Round 2 Top Shops

AAA Complete Automotive Repair	Ottavio Dattolo	IL
Accurate Automotive	Lee & Kelli Weatherby	AZ
American Import Auto, Inc.	Jeff & Donna Hazeltine	FL
Auto Stop 1	Tom Lapham	VA
Ayers Automotive Repair	Robert & Nikki Ayers	CA
Babcock Auto Care	Jeremy & Jeana Babcock	MN
Ben Nielsen's Skyline Automotive	Ben & Erin Nielsen	VA
BG Automotive, Inc.	Bryan & Cendi Gossel	CO
BMW Excluservice	Stephane Grabina	MD
Bradham Automotive	John & Claudia Crowder	VA
Bransfield Motor Company	John Eichler Jr	MD
C & M Auto Service	Craig & Monica Courtney	CA
Cardinal Plaza Shell	Scott & MaryBeth Brown	VA
Carmine's Import Service	Carmine Cupani	NC
Caton Auto Clinic	Ken & Diane Steinbach	MD
Check's Muffler Center	Greg & Cheryl Karr	WI
Conant Automotive	Joe & Erin Conant	WI
Crabtree Automotive, Inc.	Tim & Paula and Devon & Lisa Connaghan	OR
Dave's Valley Auto Clinic, Inc.	Dave & Cheryl Heer	WA
D'Avico Auto Repair, Inc.	John & Rose D'Avico	PA
Elite Auto Experts	Moe Rabieh	TX
Escondido German Auto	Dustin & Mindy Michael	CA
European Auto Solutions	Tim Allen, Ed Owen & Scott Penney	MA
Fifth Gear Automotive	Bill & Rhena Bernick, Rick & Nicole Jordan, Rick Jordan, Jr.	TX
Frank's Servicenter, Inc.	Frank Dischinger III	PA
German Auto Specialists	John Roberts & John Brownell	PA
German Auto Works	Steve Sanders	MN
German Motor Specialist	Saied Sadrzadeh	CA
Haglin Automotive, Inc.	Dana & Judi Haglin	CO
Hillmuth Certified Automotive - Clarksville	Doug & Eileen Hillmuth	MD
Hillmuth Certified Automotive - Columbia	Billy & Patty Hillmuth	MD
Hillside Auto Repair	David & Zoie Carney	CA
Hoffmann Automotive	Jeff & Sue Hoffmann	CA
Hogan & Sons Tire and Auto - Fairfax	John Philip & Susan Hogan	VA
Hogan & Sons Tire and Auto - Leesburg	John Philip & Susan Hogan	VA
Jeff's Automotive Service	Jeffrey Strausser	PA
Jim's Auto Clinic, LLC	Mark Greve	OH
Joe's Garage, LLC	Darin & Lori David	OR
Ken's Automotive & Transmissions	Mark & Donna Mead	MD
Krietz Auto Repair, Inc.	Charlie & Kim Krietz	MD
Lake Arbor Automotive & Truck	Dana Tepoel	CO
Ledom's Performance Equipment and Diesel Repair	Greg & Patti Budwine and Larry Ledom	CO
Len's Automotive	Ken Mattson	WA
Long Beach Autohaus	Scott & Pamela Parson	CA
Masters European and Japanese Auto	Keith & Kate Terstegge	CA
Milstead Service Center	Mark & Stephanie Milstead	TX
MINHS Automotive	Tam Truong	NY
Mitch Smith Auto Service & Sales, LLC	Mitch & Mary Smith	IN
Morrison's Auto-Rite, Inc.	Fred Morrison, Rob Morrison & Michael Gallagher	MA
Murphy's Autocare, Inc.	Dave & Jan Murphy	OH
Paul Campanella's Auto & Tire Center - Pike Creek	Anthony Campanella	DE
Paul Campanella's Auto & Tire Center - Wilmington	Paul & Karen Campanella	DE
Plymouth Auto & Tire Center	Al & Danielle Torcini	PA
Precision Auto	Bud & Jackie Wildman	MD
Ray & Dana's Inman Auto Care	Dana & Yannet Perone	NJ
Revolution Mercedes-Benz and Smart Specialists	Matt Purselle	GA
Rieger Motors	Kirk Edelman	IL
Rob'e Mans Auto Service	Eddie & Trish Cleveland	AL
Rocha's Automotive, Inc.	Ken & Angie Rocha	CA
Sacramento Specialty Automotive	Joe & Carrie Brazil	CA
Service First Automotive Centers - Champions	Nathan Pruski, Terral Hill, Chris Pazderny	TX
Service First Automotive Centers - Spring	Nathan Pruski, Terral Hill, Chris Pazderny	TX

Round 2 Top Shops continued

Silver Lake Auto & Tire Centers	Dan & Darren Garlock	WI
Sloan's Automotive	Terry Sloan	FL
Stan's Auto Service	Sheldon & Pamela Barthlama	CO
Taylor Company BMW	Bruce Taylor	CA
Taylormade Automotive	Ramiro & Samantha Olazabal	CA
Toole's Garage	David & Audra Toole	CA
Town & Country Auto Repair	Mark & Patty Carroll	MD
V & F Auto, Inc.	Frank & Sheila Palange	MA
Van Dam Auto & Truck Repair	Jim & Carolyn Van Dam	IL
Walt Eger's Service Center	Bruce & Donna Spencer	MD
West Town Monona Tire/Auto Service Center	Ted Manning	WI
Westlake Independent	Bruce Nation	CA
WOW Auto Care	David & Liv Pike	CA

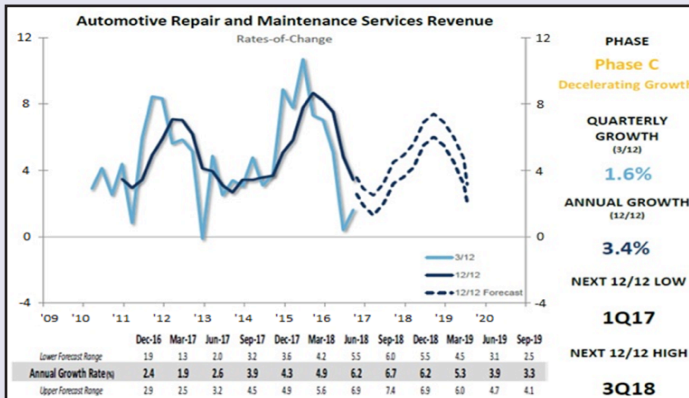
Round 3 Top Shops

AAA Complete Automotive Repair	Ottavio Dattolo	IL
Accurate Automotive	Lee & Kelli Weatherby	AZ
Auto Stop 1	Tom Lapham	VA
Ayers Automotive Repair	Robert & Nikki Ayers	CA
Babcock Auto Care	Jeremy & Jeana Babcock	MN
Ben Nielsen's Skyline Automotive	Ben & Erin Nielsen VA	
BG Automotive, Inc.	Bryan & Cendi Gossel	CO
BMW Excluservice	Stephane Grabina	MD
Bradham Automotive	John & Claudia Crowder	VA
C & M Auto Service	Craig & Monica Courtney	CA
Cardinal Plaza Shell	Scott & MaryBeth Brown	VA
Caton Auto Clinic	Ken & Diane Steinbach	MD
Conant Automotive	Joe & Erin Conant	WI
Crabtree Automotive, Inc.	Tim & Paula and Devon & Lisa Connaghan	OR
D'Avico Auto Repair, Inc.	John & Rose D'Avico	PA
Fifth Gear Automotive	Bill & Rhena Bernick, Rick & Nicole Jordan, Rick Jordan, Jr.	TX
Frank's Servicenter, Inc.	Frank Dischinger III	PA
Haglin Automotive, Inc.	Dana & Judi Haglin	CO
Hillmuth Certified Automotive - Clarksville	Doug & Eileen Hillmuth	MD
Hillmuth Certified Automotive - Columbia	Billy & Patty Hillmuth	MD
Hillside Auto Repair	David & Zoie Carney	CA
Jim's Auto Clinic, LLC	Mark Greve	OH
Joe's Garage, LLC	Darin & Lori David	OR
Ken's Automotive & Transmissions	Mark & Donna Mead	MD
Krietz Auto Repair, Inc.	Charlie & Kim Krietz	MD
Ledom's Performance Equipment and Diesel Repair	Greg & Patti Budwine and Larry Ledom	CO
Masters European and Japanese Auto	Keith & Kate Terstegge	CA
Morrison's Auto-Rite, Inc.	Fred Morrison, Rob Morrison & Michael Gallagher	MA
Murphy's Autocare, Inc.	Dave & Jan Murphy	OH
Paul Campanella's Auto & Tire Center - Pike Creek	Anthony Campanella	DE
Paul Campanella's Auto & Tire Center - Wilmington	Paul & Karen Campanella	DE
Plymouth Auto & Tire Center	Al & Danielle Torcini	PA
Precision Auto	Bud & Jackie Wildman	MD
Ray & Dana's Inman Auto Care	Dana & Yannet Perone	NJ
Revolution Mercedes-Benz and Smart Specialists	Matt Purselle	GA
Rob'e Mans Auto Service	Eddie & Trish Cleveland	AL
Rocha's Automotive, Inc.	Ken & Angie Rocha	CA
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West Town Monona Tire/Auto Service Center	Ted Manning	WI
Westlake Independent	Bruce Nation	CA

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Sam's Corner

Chubby's Automotive Repair and Maintenance Forecast - to Third Quarter 2019



All of us at ATI take our jobs very seriously and our mission is to help you drive your dreams and goals home to you and your families. I have been following ITR's economic forecasts for many years and their accuracy has been excellent. I asked them to create a special forecast for our industry in North America, and I would like to share it with you so you can better plan your ATI Five-Year Strategic Roadmap with your coach.

Three years ago I did this same forecast in this newsletter, and at that time predicted the industry would steadily climb but the pace would slow from mid-2015 into early 2016, and then quicken into 2017. So, it would appear the folks at ITR Economics have been right on, which has been my experience for the past decade. So, what is going to happen next? Remember that your particular area might be affected by local events like a huge employer moving out of the area even though the national economy could be growing extremely well.

The industry's annual revenue (12MMT) totaled \$108.7 billion in September 2016, 3.4 percent above the year-ago level and within the forecast range. Revenue will avoid recession in this business cycle as consumers hold on longer to vehicles. US Real Gross Domestic Product 3/12, a four-month leading indicator, is expected to rise into late 2017. This generally supports our expectations for service revenue to accelerate by mid-2017 into the first half of 2018. Ensure quality controls keep pace with rising demand as the industry expands over the next three years. The forecast has been extended to include 2019. If you look at the chart you will see we are predicting a small recession in 2019 with

the industry slowing down in 2019.

Even though the economy will end up in a small recession in 2019, we have all seen our industry typically do OK in most recessions. You will notice we are predicting about half the growth in the second half of year 2019. This is what economists call a soft landing for the automotive industry compared to other businesses. We will all be in a decelerating growth phase going into 2019, leading into the recession phase. That will be followed by a recovery phase, an accelerating growth phase, a decelerating growth phase and a recession phase. The business cycle simply repeats itself, as many of us were taught in school.

A few words of advice during decelerating growth! Cash is king! Beware of budgets and insure you are not in denial. Stay on top of aging receivables. Eliminate customers and businesses that are not profitable. Evaluate your vendors for financial strength and if needed look for additional vendors as a safety net.

Since I am a baby boomer looking at retirement in the future I like long term forecasting, which is like looking in a crystal ball. The folks at ITR Economics are predicting a Great Depression in 2030, fueled by our national debt, which everyone talks about but little is done to reduce it. This is when they predict the crap hits the fan! I will be 81. And you might think how old you will be, and if it comes true, are you prepared for what my parents went through in the 30s.

Last but not least, some advice for your shop in 2017 while the economy accelerates growth. Talk with your coach about raising prices about 4 percent, most especially if you have not adjusted your pricing in 2016. Inflation is going to rise and if you want to be able to hold on to your technicians they are going to need a raise. It goes without saying your competition is always trying to steal your good people, and if your technicians' spending power decreases they are going to be looking for more money. Also, if you need a tech you are going to need above average wages to attract the talent. This money has to come from somewhere and not lengthen your retirement horizon.

Always remember, even though we have chosen an industry that experiences soft landings when the economy slows, we still have to be prepared for these different business cycles so they don't affect our families.

