

ShopTalk

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May 2014

The Sato Project Fundraising Success

Amy Fox, Executive Administrative Assistant

We couldn't have asked for a more fantastic setting for SuperConference 2014 than the beautiful El Conquistador Resort located in Fajardo, Puerto Rico.

Each year ATI selects a charity in the host city to support. After months of research, The Sato Project was selected by our very own Amy Fox. The Sato Project rescues abused and abandoned dogs from "Dead Dog Beach," as it is known by the locals, to rehabilitate them at a local clinic. Sato Project then flies them to their sanctuary in Boston, where they are adopted into their loving "fur-ever" homes.

Over the course of just three days, everyone watched as clients and vendors fed more than \$4,500 in cash into the "money ball" and turned in pledge sheets.

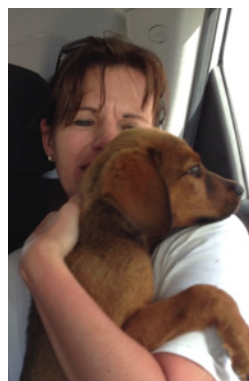
Things really heated up at the Awards Banquet on Saturday evening, when 20 Group members and individual shop owners took to the microphone to pledge their additional support. ATI's Peak Performers Group pledged \$10,500, but actually contributed \$13,600; the MasterMind Group pledged \$11,000 and numerous 20 Groups and individuals, like "The Canadians" led by Sid Spencer, pledged an additional \$2,250, to support a flight for the dogs.



After the pledges had been counted, The Sato Project team was presented with a check for \$37,100. Just when the fundraising seemed to be wrapped up, one of ATI's greatest humanitarians placed the winning silent auction bid of \$5,000 on Vanity Fair Tribeca Film Festival Party tickets and will be rubbing elbows with Hollywood A-listers in New York City.

Since we have returned to Baltimore, the pledges have kept coming in, bringing the grand total to a staggering \$49,548.67. But if you thought that is where it ends, you would be mistaken.

The Sato Project's team of dedicated volunteers brought several puppies to the Trade Show on Thursday evening and stole the show. As a result, there are currently four shop owners that are in the process of adopting their very own Sato.



Shelle Bennett, Owner of Mike's KARS and Esperanza

One of the puppies, Esperanza (which means Hope in Spanish), that is currently awaiting adoption by Shelle and Mike Bennett, has an even more heart-warming story. Shelle, along with Bill Hillmuth III and Shaune Peters, spent two days of their time in paradise volunteering with The Sato Project before the SuperConference began. The first task was to tour Dead Dog Beach to search for abandoned dogs. As the car pulled up, the group noticed a scared puppy peeking up over some weeds. And that's where this love story begins. The puppy was rescued and handed to Shelle. "I just held her," said Shelle. "We had to adopt her — she stole my heart!"

"I thank you for your unbelievable support during SuperConference 2014," Chrissy Beckles, Founder and CEO of The Sato Project, said. "Your generosity allows us to continue our daily work, and your enthusiasm and work ethic will continue to inspire me."

Chris Frederick, CEO of ATI, said, "My hope is that everyone involved knows what an incredible impact we have had, and will continue to have on the lives of others. This is just a sample of the good that we each do in our own communities every single day. At the end of the day, the dollars we have contributed and the hours we spend to make the world a better place are invaluable. The truth is that you can't measure the value of a loving hand to those who have never known one. You've given hope where none existed. Remember that the next time you're having a bad day."

You can become a part of The Sato Project team, and help fight for the dogs of Puerto Rico by making a donation, volunteering, fostering or adopting a dog. Check out their website at <http://thesatoproject.org>.

Sam's Corner

Safe Succession Planning: Part 1

If you didn't have the opportunity to attend this year's SuperConference in Puerto Rico, I'd like to tell you about my presentation on ATI's plan to add training and coaching in 2014 on developing a written succession plan with you. I am sure many of you want to retire or are at least dreaming of the day when you can afford to. We have been receiving lots of requests on this subject from your ATI surveys, so I hope you have been participating in your survey requests.

Last year Mitch Schneider did a breakout session on the horrific mess that happened to him when his parents passed and the family began to fight over their business, even though Mitch was the only one working in it. In addition, last year we lost a few clients that did not have anything written down on their wishes or vision to carry on with the business. This creates a terrible situation for those left behind unless your coach knows exactly what you want to happen when you pass. Even if the coach knows, if the new leader hasn't been prepared for the event the odds of success are really diminished. Forget about you for a minute, it's not fair to your family!

Succession Planning Is a Process Rather Than Simply a Plan

When I founded ATI, my original mission was to drive profits and dreams home to you and your family. Now with over 400 of you in our Alumni program, many of you are looking to develop your

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ATI Client's: Then and Now

In May of 2011, we ran a "60-Second Success Story" about Cunningham's Automotive Repair in Ottsville, Pa.

Owner Mark Cunningham had told us that his shop was roughly two years old when ATI stopped by and brought along a DVD about ATI and invited Cunningham to attend a workshop.

After implementing some of the suggestions presented at the workshop, Cunningham saw an immediate increase in revenue. Realizing he could benefit from ATI's business management knowledge, he signed up for the Re-Engineering program.

We caught up with Mark in January of 2014 and asked him to update us on what was happening at his shop.

Cunningham's Automotive Repair

Things are going well. We moved the business the day after Christmas, into a much bigger facility — from 1,350 square feet to 8,000 square feet. Big building!



I was a dealership tech for a long time. And I know that the first impression is a lasting impression, so we laid this shop out like a dealership shop, where you drive in one door and peel off into the bays. We have big windows looking out into the shop from the waiting area — not going to hide anything from our customers. I want them to be able to see what's going on.

Now each tech has a lift and a flat bay, which works out really well for them, and enables them

to keep a car on the lift all the time. We have a couple of extra flat bays, so we're looking to hire another tech and add another lift in the near future.



The move was huge for us. For the last year and a half, new customers were coming into the shop and saying, "I didn't even know you guys were here," because the building we were in previously was set back from the highway. There was a tire guy in the front of the building and a senior center at the other end. We were at the end and around the back, so a lot of people didn't even know we were there.

But in the first month after our move, we've had twenty new customers, which is pretty huge for us. It's a big boost in new business, so just doing the move alone was pretty helpful.

When we spoke to you last, you had gone from two techs to three.

Yes, we had three but I actually ended up letting one of them go. I had a really high-paid tech, and at that point I was paying all my guys hourly. My wife Tammy and I were struggling to move everyone to a flat-rate system.

I had a high-pay tech that just wasn't producing any hours. Great guy — loved him to death — but he just couldn't produce. I basically laid him off.

So I hired another tech. We still had the two techs who were strong producers and then I had a third guy come in; he was still going to tech school.



Then one of our strong producers ended up getting hurt on the job — long story — we don't think he got hurt here at our place, we think he got hurt somewhere else but ended up costing us a ton of money with workman's comp and unemployment. We got an attorney involved who said we had to let him go and that's what we did. It was a lot of aggravation for my wife with that whole worker's comp situation but we learned a lot from it.

But pretty much at the same time, the tech that was going to tech school graduated came on full-time and has been with us for a year. The business got a bit flat, so I didn't hire a third guy after the tech with the workers comp claim was gone. When they needed me, I'd go out in the shop — if it got a little backed up — and would be out there doing the diagnostic work and then handing it off to the other guys.

Right now we're getting to the point of being busy enough that I am thinking seriously about hiring another strong B tech again. That way I'm able to work on the business.

Sounds like that was a serious management crisis.

Yes it was. And, you know, I am really thankful for the 20 Group. We haven't missed a 20 Group meeting since we joined. It's a chance to talk to other shop owners who, like us, are struggling with the day-to-day things. I think it was during my very first 20 Group meeting that I was lamenting that my A-Tech was a great guy but just took forever on every job. If it was a Ford he could just slam-dunk it, but if it was anything else he just couldn't figure it out.

One of the guys in our 20 Group, Mack, said, "You have to let that guy go." And at our next 20 Group meeting, he said, "Did you let him go?" And I said, "Yeah." And he said, "Good. Glad to hear that. Did you go flat rate yet? No? What's wrong with you?"

So, as you can see, I can count on both my coach and the guys in the 20 Group to keep me moving in the right direction with everything.

Did your 20 Group colleagues have experience or suggestions that helped you get through that whole worker's comp issue?

Not so much with the worker's comp situation, but our coach Kevin Allen definitely did. He's

been a good shoulder to lean on so we could get things off our chest and we constantly bounce ideas off him.

We did get lots of general support from everyone else: "Hang in there. We've all been through something like this before and it will all settle down eventually."

Let's turn that around — do you think you would now have valuable advice for other 20 Group members after having been through all of that?

Oh, absolutely! You know, my wife Tammy handled it more than I did. She did most of the work. But we would definitely have advice for anyone in that situation. I think we have a pretty cohesive 20 Group. Folks really help each other.

For instance, one of our members has been having a really hard time with his shop. He's been with ATI for quite a few years and really has been struggling with his numbers and trying to get them up. Finally, some things clicked with him and he came into our last 20 Group meeting and he was totally different. He was pumped and his numbers had finally come around and he got the right staffing. He'd been one of the 20 Group members we were always telling, "You have to get rid of those people — they are just not good for your business."

He finally did. Now he is a different person. It was really awesome to see and we are all so happy for him. You know, when you start hearing things over and over from people who care about you, eventually you will make those changes.

Going to SuperConference?

We would love to but we're not going this year simply because of the big chunk of money we had to put into moving the business. Otherwise, we would for sure. We went to the last four and took home a lot of great information.

Is the portal a big help to you?

The portal is a huge help and going over the information it contains is one of my favorite parts of the 20 Group meetings. At a recent meeting we were going over each other's portal numbers and people were asking me, "Why are your shop supplies so low?" And so I said, "You know, they do look low." And we came back after the meeting and looked into it.

What we discovered was that our service writer was thinking that knocking shop supplies back would help us get the sales. So I talked to him and said he could leave those alone — that no one had ever complained about it, and that I would rather him adjust the labor end of things. So, that got fixed right away.

We wouldn't have found that problem without the portal and everyone looking at everyone else's numbers at the 20 Group meetings.

The portal is a great tool and I am in there every week. I input all the numbers and I now really understand which numbers affect other numbers.

Without ATI and the portal, we would have to simply put our heads down and go — and hope

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Don't Fly Like a Chicken

By Eric Twiggs, ATI Coach



A boy who found an eagle's egg put it into the nest of a prairie chicken. The eaglet hatched with the brood of chicks and grew up with them. All his life, the eagle, thinking he was a chicken, did what chickens did. He scratched in the dirt for seeds and insects to eat. And he flew no more than a few feet off the ground. After all, that's how chickens were supposed to fly.

One day, he saw a magnificent bird soaring in the sky, high above the mountains. Hanging on the powerful wind currents, it soared with scarcely a beat of its golden wings. "I wish I could fly like that!" said the eagle to his neighbor. "That's the mighty eagle — the king of all birds," the neighbor clucked back. "But don't give it a second thought. You could never be like him."

So the eagle never gave it another thought and it died thinking it was a chicken.

You were meant to soar as a shop owner. The fact that you had the guts to step out on faith and start your own business is an indication that you are valuable. Not everyone has the courage to fly as an entrepreneur. Accepting less than your true value is the equivalent of embracing a chicken mentality. Have you ever...

- Tolerated poor performers because "there isn't anybody better out there"?
- Installed customer-supplied parts?
- Discounted your parts and service out of the fear of losing customers?
- Failed to gradually increase your labor rate like your coach suggested?
- Put your customers on in-house "payment plans" where you don't collect payment?
- Been a no-show on your scheduled weekly coaching call because you failed to complete the homework assignment?

If you answered yes to one or more of my questions, you are flying like a chicken. The

good news is that I have the solution that will help you to fly like the eagle you were born to be. There is a power source that you can plug into that makes all the difference.

The Power of Association

It is impossible to become great in isolation. There is power in association. If you aspire to become world class at anything, it requires spending time around other like-minded people, and having a qualified instructor to point out your blind spots. Your associations are critical because people that are on the same path as you bring a different perspective and can provide you with a greater level of encouragement.

For example, if you told one of your golfing buddies that you had a goal to win a PGA golf tournament, he or she would probably laugh, and try to talk you out of it. If you shared this same goal with Tiger Woods, he wouldn't laugh because he has been where you're trying to go, and knows that it's possible.

Attending the ATI classes, participating in a 20 Group and coming to the annual SuperConference gives you a chance to associate with shop owners that have been where you are trying to go. You also get feedback from qualified instructors who will let you know when you are thinking like a chicken!

The story that I opened with would have ended differently if the eaglet had surrounded himself with other like-minded birds. Attending the classes, coming to the SuperConference and participating in our 20 Groups will give you the best chance to leverage the power of association and soar like an eagle!



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second in commands so they are ready sooner rather than later in the event something happens to you. You will need a written plan of succession strategies for every employee, with a back-up plan in the event someone does not work out. This plan will have to be woven into your ATI Five-Year Roadmap because it will take three to five years to help your people become competent enough to operate your business completely without you. It is much more than simply appointing a second in command and then sending them to school. You will need to create a team made up of your accountant, lawyer, estate planner, coach and significant other to help you complete this mission. You will initially have to write down a transition plan and a back-up plan in case you are not here to help. Your coach will help you:

1. Form your team
2. Establish objectives
3. Define competencies
4. Identify potential candidates
5. Specify implementation steps
6. Specify monitoring and evaluation strategy

Three Types of Plans

There are three types of plans to begin your journey to retirement. Plans that deal with the unexpected with assistance from a quick-response team. Plans that ensure smooth predictable transitions for retirement or extended vacation. Then finally, longer range, strategic plans for your long-term organizational needs.

Next month we will discuss selling your business versus letting your second in command run it and send you checks. These options depend on what your long-term needs and wishes are all about for your future. I suggest you discuss all this with your coach to determine if it's time to begin this journey.

C.L. Frederick

— Chubby



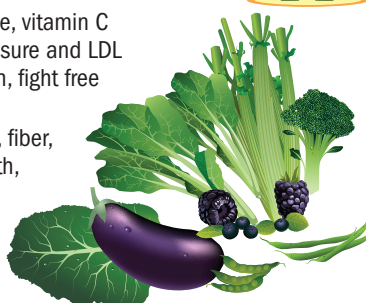
Fitness Matters A Series by Gary Siegel, Fitness Matters Gym

The Color of Healthy — Part 1

Eating fruits and veggies with as many skin colors as possible helps ensure the intake of essential micronutrients not found in processed foods. Here are some of the good things behind each color.

Green delivers chlorophyll, fiber, lutein, zeaxanthin, calcium, folate, vitamin C and beta-carotene, which reduce cancer risks, reduce blood pressure and LDL cholesterol levels, normalize digestion time, support retinal health, fight free radicals and boost the immune system.

Purple and blue provide lutein, zeaxanthin, resveratrol, vitamin C, fiber, flavonoids, ellagic acid and quercetin, which support retinal health, lower LDL cholesterol, boost immune activity, support healthy digestion, improve calcium and other mineral absorption, fight inflammation, reduce tumor growth, act as anticarcinogens in the digestive tract, and limit the activity of cancer cells.



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Your Available Training Programs for June and July 2014

June 2014

Monday Tuesday Wednesday Thursday Friday Saturday/Sunday

					1
2 Service Advisor 1 of 4	3 Service Advisor 2 of 4	4 Shop Owner 1 of 9	5 Shop Owner 2 of 9	6 Shop Owner 3 of 9	7/8
9	10	11	12 Service Manager 1 of 2	13 Service Manager 2 of 2	14/15 Father's Day
16	17	18 Shop Owner 4 of 9	19 Shop Owner 5 of 9	20 Shop Owner 6 of 9	21/22
23 Service Advisor 3 of 4	24 Service Advisor 3 of 4	25	26 Peak Performers 1 of 2	27 Peak Performers 2 of 2	28/29
30 Service Advisor 1 of 4					

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July 2014

Monday Tuesday Wednesday Thursday Friday Saturday/Sunday

	1 Service Advisor 2 of 4	2	3	4 Independence Day	5/6
7 Advanced Sales	8 Advanced Sales	9 Shop Owner 1 of 9	10 Shop Owner 2 of 9	11 Shop Owner 3 of 9	12/13
14 Service Advisor 3 of 4	15 Service Advisor 4 of 4	16	17	18	19/20
Shop Owner 7 of 9	Shop Owner 8 of 9	Shop Owner 9 of 9			
21 Staffing & Hiring 1 of 2	22 Staffing & Hiring 2 of 2	23 Shop Owner 4 of 9	24 Shop Owner 5 of 9	25 Shop Owner 6 of 9	26/27
			California Service Advisor 1 of 4	California Service Advisor 2 of 4	
28	29	30	31		

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we make money at the end of the year. The portal is just a great way to measure what's really going on in the business.

What about ATI's classes? Have they helped?

I really liked the first three — the shop owner's courses — because they are all about the meat and potatoes of the business. And the leadership section was great too. Makes you look at yourself a bit. That's one of the things I'm still struggling with. The marketing class was great but perhaps a little too techie for me, but that's because I'm just a keep-it-simple kind of guy.

How about short-, mid- and long-term goals? Have you met the ones you had when we last spoke to you?

Our sales have been pretty flat for the past couple of years as I mentioned — around three-quarter million. Our long-term goal is still to break a million dollars in sales, which would be pretty strong for us because of the area we're in. We're pretty rural and there are lots of other shops around us. We're determined to hit that goal before the end of the year.

You know, for a short-term goal, getting into this building and getting everything ready was a huge undertaking. But we made it happen! And the future looks brighter and brighter everyday.

One more thing that I have to mention. We wouldn't be able to make any of this happen if it wasn't for our team. Justin, our Service Manager and Eric and Jake our technicians. We thank them and appreciate them for their dedication and hard work everyday. **ATI**

AUTOMOTIVE TRAINING INSTITUTE