

ShopTalk



www.autotraining.net

8611 Larkin Road, Suite 200, Savage, MD 20763 • 1.888.471.5800

September 2010

Successful Succession Planning: Start Now

If you are like most auto shop owners, you either want to pass along your business to your kids or you want to sell it and make some good money from it some day. Unfortunately, most will never achieve either of these goals because they build their businesses all wrong.

I had one shop owner's son at a Shop Owner Class last year. I won't mention the shop's name because what I have to report isn't pretty. The shop owner sent the kid to "get him fixed." But the kid wasn't the problem.

There is only one way to run a business, and that's by watching your numbers and managing them.

The shop owner had started his own shop after quitting his job because he'd gotten into an argument with his old boss. So, this guy started out in business because he didn't get along well with others.

Over the years this shop owner built his business in the best way he knew how and with a ton of work. He made a lot of mistakes and overcame them with his sheer will to succeed. Whatever was necessary, there was no way he was ever going to work for someone else's shop again.

Now his son had come along and was frustrated because nothing made sense. His dad had just made things up as he went along, and the place was a mess. The shop owner thought his kid needed to toughen up and work harder. I told the kid that quitting and getting a job somewhere else was the best thing he could do for himself until his dad participated in coaching and created the shop in the right way.

Turned out it wasn't necessary because the dad agreed to make the changes on the phone and the son was the perfect help in getting the changes implemented. After 12 months the shop was making three times the profit it had ever made, and the dad was able to take off two days a week.

It doesn't matter if you plan to have your kids take over your business or if you sell it; the first critical thing you have to do is get a command of your numbers. There is only one way to run a business, and that's by watching your numbers and managing them. Listening to your customers is fine, but if you do everything they say, you'll be repairing cars in their driveways on Sunday afternoons for free. And if you listen to your employees, you'll be closed six days a week and only open from 10 a.m. until 2 p.m. with a two-hour lunch.

Your numbers don't lie, and your numbers won't get mad at you. Just like the speedometer when you press on the accelerator, your numbers simply reflect your actions.

For new people you are introducing to your way of doing business, whether they are your kids or new employees, plug them into the training you get as a Re-Engineering Client or an Alumni Member. As they learn more



skills, you can put pressure on them to see if they can handle it. There are always times when someone has to make decisions in a stressful situation, and it's fair to push them.

Look at the military: they don't put a soldier in command without training. And it isn't only training in the field by the commanding officer. It's training in a classroom with other cadets. They get real-world knowledge in a classroom before they are let loose to make decisions in the battlefield.

While it's great for you to have a lot of knowledge, you'll get your freedom to sell your business or pass it along to a family member only if there are others in your business who know how to run it and run it for profit. Get them into the classroom to give them the skills to take some of the stress off of your shoulders. It'll give you more time for fishing. **ATI**

NEW JERSEY AUTO SHOP OWNER “RE-ENGINEERS” HIS PROFITS WITH ATI’S HELP

Just a few years ago, Steve Ammazalorso’s Sunny Sunoco auto repair shop was doing so poorly, money-wise, that he was ready to call it quits. “I figured that if I couldn’t make much profit even though I worked hard, I might as well give up,” he says.

He almost did, except that his wife, Beth, wouldn’t let him. She insisted they attend a one-day seminar sponsored by Sunoco Inc. and presented by the Automotive Training Institute (ATI), one of over 200 such events ATI holds across the United States each year. The so-called “Boot Camp” gives even financially strapped auto shop owners like Steve and Beth an overview of concrete solutions to make their operations more efficient and profitable.

“I remained hesitant and skeptical because I thought I knew it all and there was nothing more to learn,” recalls Steve, who has been running his Atlantic City, NJ, repair shop and gas station for the past 25 years. “In the end, I saw that I could service 60 cars and still make no real money, so I figured I had nothing to lose by giving the seminar a shot.”

In fact, Steve found out that he had much to gain. At the Boot Camp, his interest was sparked by the promise of a more lucrative future, so he enrolled – less reluctantly at this point – in the next step: the ATI’s 30-month Re-Engineering Program, which provides the tools and strategies auto shop owners need to optimize their operations and start generating money. “That was one decision I never regretted, because it literally changed my life,” Steve notes.

Results-driven teachings

One of the things Steve realized while attending the program was that while he was a good mechanic, he had no idea how to run a business. “I realized that when you run a shop, you can’t just shoot from the hip, which was basically what I was doing,” he says. “For instance, I didn’t know basics such as how to analyze numbers, calculate the mark-ups, or increase my margins. No wonder I felt like throwing in the towel.”

The Re-Engineering program set Steve on the right course by providing him with the coaching, customized business systems, and ongoing monitoring he needed – but lacked – to transform his shop into a lucrative operation. “In the program, I learned how to measure everything, from gross sales and net profits, to the cost of car parts,” Steve relates. “Before, I had no clue how to do it or even that I should have been doing it.”

He also learned how to turn a year and a half of classroom teachings into practice by implementing all the new strategies he mastered in the program. For example, the same Steve who used to be clueless about costs, margins, or business systems and processes, now sets up a flexible operating plan, which he reviews with Beth and his nine employees once or twice a week and modifies it if needed. “We keep measuring and monitoring everything, and if problems arise, we fix them right away,” he says.

Fortunately for Steve, the strategies he learned in the program and implemented in the shop translate into tangible results: he reports that his once-failing business is now generating quite a bit of cash. “In two years, I went from a 2 percent profit to a 28 percent profit,” he says. “It’s the most money I have made since the 1980s and it’s all thanks to what I was able to take away from the course.”

Continued learning

Steve’s involvement with ATI didn’t stop when the program ended or, for that matter, when his business started to yield profits. After completing the Re-Engineering training, he “graduated” to the Alumni group, and then reached the select Mastermind club, which meets in groups of 20 three times a year at ATI’s offices in Savage, MD, or one of the Mastermind member’s shop. Over the course of two days, each member presents some of the challenges his business faces, and the other 19 people help him solve the problems from their own points of view.

“I found these Mastermind groups to be the most amazing experience,” Steve notes. “Every time I go, I learn something new and valuable.”

Looking back, Steve is glad that Beth gave him a forceful nudge toward ATI. “It was worth every penny because I had gotten back what I spent and so much more,” he says. “What they taught me has made such a huge difference in how I run my business now.” **ATI**



SUPERCONFERENCE 2011

How to ENSURE That You Rise Above Recession and Prepare to Profit as Never Before in the Fast-Developing New Economy

Top Three Reasons NOT to let the economy, unemployment and the problems in the auto industry stand in the way of joining us at this most IMPORTANT SuperConference ever...

Reason #3: You aren’t going to get a bail-out from anybody but yourself. And it’s probably too late to be born to rich parents. Or to marry rich.

Reason #2: All weather is local. What happens in your business, finances, and life STILL has much more to do with how YOU think and what information YOU acquire, and who YOU connect with and what YOU do, than with the goings-on in Washington or Wall Street.

Reason #1: You can’t just “wait this out” and hope everything will soon return to “normal.” An entire New Economy is developing, presenting new challenges and new opportunities, requiring new strategies – which is one of the reasons we are calling this **The Most Important SuperConference Ever.**

**SuperConference 2011 Hotel del Coronado
San Diego, CA March 16-19, 2011**

Check out the video and register for SuperConference today at
<http://www.autotraining.net/superconference11>

Live Longer, Lose Weight, Feel Better



Sherry Granader

Busy shop owners may not realize how much sugar they may be consuming during the course of a day. Too much sugar is not good for the body and can lead to diabetes, heart disease, stroke and weight gain. If you start your day with too

much sugar, it will set you up to crave more sugar throughout the day. There is a difference between sugar from fruit which is called glucose and fructose found in High Fructose Corn Syrup (HFCS).

HFCS is a combination of fructose and glucose that is used to make all sorts of foods and beverages like bread, pastries, processed foods and soft drinks. U.S. consumption of HFCS has gone up at an alarming rate in recent years. Fake sugar products actually cause you to eat more during the day. The body simply does not know what to do when the brain registers "sweet" and there are no sweet molecules present. This is what pushes the "hunger button" causing cravings for more sweets. Some of us are hardwired to indulge our sweet tooth. You are not eating sweets or dessert necessarily because of hunger; it is usually for pleasure.

Here are some tips to beat those sugar cravings and avoid HFCS products during a busy day at the shop:

1. Try this experiment if you are addicted to soft drinks. Get your soft drink and then get a tall glass of filtered ice water with some lemon. Drink a couple sips of soft drink, then a couple sips of water. Eventually your body will tell you, "The water feels better to me." This is a great way to gradually eliminate soft drinks during the day.
2. Make an effort to substitute a whole food for a processed food at every meal. Bring apples, nuts, peanut butter, almond butter, protein bars and shakes to work. You should notice a difference in how you feel and your energy level.
3. Read the labels of your favorite foods. If the first 3 words in the ingredient list are wheat, sugar, corn, HFCS or glucose, this is what the product is predominantly made from and should be avoided.

The Coaches Corner

Car Care Month

By Mike Haley, Coach and Team Leader



What if I told you there is an event you can do twice a year to bring in new customers, get reacquainted with old customers and provide a community service. Would you want it? If I told you this event has national recognition and sponsorship. This event already exists and it is the Car Care Month performed every year in October and April. The Car Care Council was developed to help educate consumers on the second largest investment they have, their vehicles. Car Care offers everything you need to help schedule, plan and promote your event.

For a fee of \$59.99 (tax deductible) you will receive your Car Care kit, which includes all the point of sale tools needed to have a successful event.

The event is truly yours to develop as small or as large as you would like it to be. The event could be just your shop or you could involve other businesses and vendors. You can also create a large event involving several businesses, sponsors and volunteers. Whichever event you decide you need, remember to take the time to schedule and plan. If you are having an in-house event, this will be a time to show off your facility and staff. Make sure you are showing the brand and professionalism you want to be remembered for. Determine the equipment and man power needed to have a successful event.

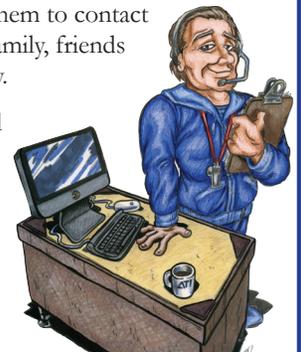
Car Care will provide you up to 200 free copies of the Car Care Council's inspection form to use during the event. The form is in triplicate: one copy for the customer, one for Car Care and one for you. This is a great tool to follow up on any items that require the attention of a qualified service center. The kit will also provide a banner, brochures, mirror tags and an event DVD to help you organize your Car Care event.

You also have an opportunity to involve some of your vendors to help support the event and assist with some of the cost by providing food and beverages. Some vendors can supply information such as worn parts versus new parts. Nonprofit organizations could provide a car wash. I once saw an event where Advance Auto brought their NHRA simulator.

This is also an opportunity to gain low cost or sometimes free advertising. We can ask the local newspaper to print a press release. You may want to ask the local radio station if they would like to promote the event, provide a public service announcement and hold an on-site remote.

The photo opportunities of the event are also great for your website, Facebook or YouTube. This is a great opportunity to showcase your business, because it lets the public see your shop performing a free service to help educate customers and make them aware of the current operating condition of their vehicle. After the event, you can send the customers a letter thanking them for attending the event, inviting them to contact you with any questions or concerns and asking them to send any family, friends or co-workers that may require the same inspection to your facility.

This is one of the best tools I have seen that provides national support and recognition. It displays community involvement and truly educates the customers – something the industry has failed to do to date. The program recycles twice a year and provides your service center an opportunity to participate in a great program. Please go to www.carcare.org or contact your coach for any questions you may have. **ATI**



4. Artificial sweeteners are to be avoided. Try a tablespoon of REAL maple syrup in your morning coffee instead of the yellow or blue packets. Grade A, dark amber maple syrup contains antioxidants, is all natural and your body will know what to do with it.

So reduce your sugar intake, live longer, lose weight, feel better and see you at SuperConference 2011.

Television host and sports nutritionist to the stars, Sherry Granader will reveal her recipe for greater energy, vitality and health for auto shop owners and their families at SuperConference 2011 March 16th -19th in San Diego.

Your Available Training Programs for September and October

September 2010

October 2010

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday/Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday/Sunday
		1	2	3	4/5					1	2/3
6 Labor Day	7	8 Shop Owner 1 of 6	9 Rosh Hashana Shop Owner 2 of 6	10 Shop Owner 3 of 6	11/12	4 Service Advisor 1 of 2	5 Service Advisor 2 of 2	6 Shop Owner 1 of 3	7 Shop Owner 2 of 3	8 Shop Owner 3 of 3	9/10
13	14	15 Shop Owner 4 of 6	16 Shop Owner 5 of 6	17 Shop Owner 6 of 6	18 Yom Kippur /19	11 Columbus Day 20 Group	12 20 Group	13	14	15	16/17
20 Service Advisor 1 of 4	21 Service Advisor 2 of 4	22	23 Master MInd	24 Master Mind	25/26	18 Service Advisor 3 of 4	19 Service Advisor 4 of 4	20 Shop Owner 4 of 6	21 Shop Owner 5 of 6	22 Shop Owner 6 of 6	23/24
27 Service Advisor 3 of 4	28 Service Advisor 4 of 4	29	30			25 Service Manager	26 Service Manager	27 Shop Owner 7 of 9	28 Shop Owner 8 of 9	29 Shop Owner 9 of 9	30/31 Halloween

Sam's Corner

The ATI Secret to Greater ROI Success

Watching all of you from 30,000 feet has been one of the most enjoyable and rewarding parts of my job at ATI. I get to see your weekly KPIs, your return on investment in our program and your participation in training. Currently, training at ATI is live. There are teleconferences, internet cameras, webinars and in the near future, ATI Online. I wish I could just send you a pill and you would instantly comprehend all the essential content to enable your coach to help you transform your business to a raging success, but I can't!

I will tell you based on fact, not my opinion, ATI clients that attend more live training days are much more successful in our program and reap much higher return on investment ratios! Why do you suppose that could be? Could it be many shop owners are auditory learners where receiving the information live without interruption is their cup of tea? Could it be the occasional involvement with their coach face to face really helps? Might it be the interaction with other shop owners validating what the instructor is teaching?

Or could it be other shop owners sharing different techniques to accomplish the same goal differently? Or it could be the positive motivation that transfers to your very soul? One thing is for sure:

**You've invested the money,
but if you want real ROI,
YOU HAVE TO**



**Automotive
Training Institute**

8611 Larkin Road, Suite 200
Savage, MD 20763