



AUTOMOTIVE AFTERMARKET NEWS

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Inserts

- Newsletter Advertising Rates
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APSA EXECUTIVE OFFICERS ELECTED

At the APSA Annual Meeting, the following officers were elected to serve for 2013-2014:

Chairman

Gary Carpenter, Kansas Auto Repair
Newton, Kansas

1st Vice Chairman

Bob Gant, NAPA Distribution Center
Dallas, Texas

2nd Vice Chairman

James Ferguson, TASCOS Auto Color
Austin, Texas

Secretary/Treasurer

Scott Vaughan, Burton Companies
Weslaco, Texas

Immediate Past Chairman

Allen Lyon, Automotive Parts & Equipment
Farmington, New Mexico

AAIA REBRANDING

Based on extensive research with industry leaders, consumers and other stakeholders, a strong case emerged for rebranding because outside of our industry, the term aftermarket is confusing, misunderstood, irrelevant and, in some cases, downright negative.

The rebranding initiative has two parts: First, changing the association's name from the Automotive Aftermarket Industry Association to the Auto Care Association, effective spring 2014.

Second, redefining the industry for the numerous audiences and stakeholders, including state and federal policymakers, the media, motorists, educators, young people and their parents, and Wall Street.



Www.automotivescholarships.com is "open" for 2014 GAAS scholarship applications. Applications are accepted on-line now through March 31, 2014.

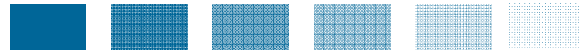
NEW YEARS RESOLUTIONS FOR THE SUCCESSFUL SALES PROFESSIONAL

1. I will always remember the customer is the Boss. The customer can fire me anytime just by doing business elsewhere.
2. I will not practice Sales Insanity: I will not do the same thing over and over again expecting different results.
3. I will be persistently AGGRESSIVE in:
 - building relationships with my present customers.
 - taking customers away from my competition.
 - selling VALUE.
4. I will gain new sales skills and techniques. There is no such thing as staying even in the selling business. You are either gaining or falling behind.

Our Sincere Wishes For Peace and Prosperity to You and Yours at Christmas and Throughout the New Year.

Jim *Melanie* *Jimmy* *Erica* *Doug*





WAYSIDE AUTO AND TRUCK PARTS CELEBRATES 30 YEARS

Wayside Auto and Truck Parts in Houston, Texas, celebrated its 30th anniversary in October with an open house. Wayside specializes in heavy-duty truck and equipment parts in the greater Houston area. The company's reach also extends into the global truck and equipment parts markets. Wayside's success has come from its focus on solving its customers' issues with premium brand products. The partnerships it has formed with vendors has enhanced its product and technical knowledge and strengthened its market presence over the past 30 years.

The company shares its success and appreciation with customers, vendors and employees.

OSUIT AND CARS 4 HEROES GIVE AWAY

Cars 4 Heroes, a nonprofit that provides free transportation to veterans and active military, partnered with an OSU Institute of Technology class to present refurbished vehicles to two veterans before the 195th Commencement ceremony Friday, August 23. The OSUIT Pro-Tech Automotive Technology class refurbished the cars that would go to the recipients, who were surprised with the vehicles at a dinner just before the students graduated.

"Two very deserving local veterans received these vehicles that our Pro-Tech Automotive Technology class refurbished," said Tim Dwyer, OSUIT instructor. "And these deserving military heroes couldn't be more appreciative."

Army National Guard Veteran Marquise Debose received a 2004 Volkswagen Beetle Turbo. After returning home from his deployment in Afghanistan, his own car was stolen. Without insurance or money to replace the car, it became difficult to get to and from work. Eventually, Debose lost his job and now is looking for work.



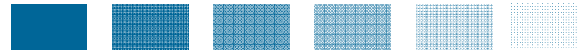
Oklahoma Army National Guard member Elena Brown received a 2001 Oldsmobile Alero.

"This project really underlines the commitment OSUIT has to veterans," Dwyer said. "Providing cars to these veterans will immediately and dramatically improve their lives. I want to thank all the students and donors involved in making this dream a reality for these two military families. They serve our country, and I'm pleased we have been able to help make their lives easier."

EPA REFRIGERANT RULING

As a result of a lawsuit brought by the Automotive Aftermarket Industry Association (AAIA) and the Automotive Refrigeration Products Institute (ARPI), the U.S. Environmental Protection Agency (EPA) on Nov. 1, issued a final rule under the Toxic Substances Control Act (TSCA) that will permit R-1234yf to be sold to consumers so that they can recharge their vehicle air conditioning systems. Developed by Honeywell and DuPont, HFO 1234yf will likely be used by many vehicle manufacturers to replace R-134a due to its lower global warming potential (GWP). HFO 1234yf has a GWP of 4, while 134a has a GWP of 1430. General Motors has already begun using the new refrigerant on some of its vehicle lines and others are expected to follow suit.

EPA had originally issued a significant new use rule (SNUR) that would have required



anyone to notify EPA at least 90 days prior to the manufacture or processing of HFO 1234yf for consumer use to recharge a motor vehicle air conditioning system based on toxicity concerns. However, AAIA and ARPI filed suit against the agency claiming that the studies used to make the toxicity determination grossly overstated human exposure levels. Following a review of the data submitted by AAIA and ARPI that indicated that there was no adverse impact on consumers from recharging their air conditioner using HFO 1234yf, EPA decided to reverse its decision. The new rule became effective on Dec. 2, 2013.

COMPANIES FIND A NEW WAY

TO FIGHT FRAUDULENT LAWSUITS

A federal judge in Wheeling, W.Va., stiffened the punishment for two prominent Pittsburgh personal injury lawyers and a discredited radiologist who, a jury found last December, had promulgated fraudulent asbestos lawsuits against CSX Transportation, the freight railroad company that employs nearly 1,000 Pennsylvanians and more than another 31,000 Americans.

The federal Racketeer Influenced and Corrupt Organizations Act under which CSX brought its table-turning landmark lawsuit against the fraudsters allowed U.S. District Judge Frederick Stamp to triple the jury's original award for damages to nearly \$1.3 million. Judge Stamp also may yet require former law partners Robert N. Peirce Jr. and Louis Raimond and creative X-ray reader Ray Harron to pay all or much of the \$10 million CSX says it has spent on legal fees and court costs.

Meanwhile, smaller businesses and larger companies frequently targeted by meritless or fraudulent lawsuits have begun to look to CSX's aggressive RICO lawsuit as a new model for punishing those who audaciously perpetrate this kind of costly fraud on our courts.

Costly because every dollar companies spend

defending themselves against bogus lawsuits is a dollar they will not spend creating jobs and investing in new technologies and growth opportunities. In addition to inflating prices for goods and services, as litigation costs are inevitably passed on to consumers, such lawsuits also clog court dockets, waste precious, taxpayer-provided court resources and delay court cases for those who have suffered real injuries.

In a more perfect world, self-policing bar associations, state attorneys general and the federal Department of Justice would show greater interest in investigating and prosecuting litigation fraud. After all, government prosecutors rarely hesitate to investigate and sue politically unpopular companies or whole industries over lesser allegations of fraud.

Similarly, congressional investigators almost never miss a chance to round up the usual corporate suspects for the "perp walks" they politely call televised committee hearings. But with few laudable exceptions, these authorities largely seem to ignore the obvious

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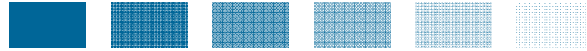
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corruption and fraud in our civil courts, then companies with the means to do so must begin making examples of at least a few of the many perpetrators. Only when fraudsters face significant risk and multimillion-dollar consequences for their actions will their costly abuse of our civil justice system diminish.

Logically then, many personal injury lawyers have come to believe there is minimal risk in promulgating fraudulent lawsuits. In fact, earlier this year, author and attorney Matthew L. Lifflander reported in a Wall Street Journal op-ed, "The Economic Truth About Lying," that his interviews over "several years" with "personal-injury trial lawyers about their actual experience with perjury or fraudulent documents in litigation" suggest that "[a]t least 25 percent of cases" may include elements of perjury or fraud. Some interviewees insisted the rate is closer to 50 percent.

"The immediate victims of the crime are other litigants, but the economic consequences of successful false testimony and other kinds of misrepresentation are [ultimately] passed on to the public directly," Mr. Lifflander added, before proposing some forward-looking reforms that include a statutory civil tort for litigants damaged by liars.

But all of his proposals would require action by politicians or judges. And since many of these policy makers depend on generous campaign contributions from personal injury lawyers, including those engaged in and benefiting from fraud, such proposals have limited prospects.

The RICO statute, however, is already on the books. Originally enacted in 1970 as a powerful tool for prosecutors to go after organized crime, it could become increasingly useful in the hands of courageous companies that are tired of being victimized by shakedown artists with law degrees.

In addition to CSX's successful case against Messrs. Peirce, Raimond and Herron, another long anticipated RICO trial got underway this week in New York, where a federal trial judge has thus far allowed Chevron to proceed with

its claim that renowned plaintiffs' attorney Steven Donziger orchestrated a massive fraud in an earlier \$19 billion environmental lawsuit against the energy giant in Ecuador.

Admittedly, two headline-grabbing RICO lawsuits by private-sector employers against personal injury lawyers, clients and witnesses accused of lying and cheating do not exactly constitute a robust new trend. And it's a sad commentary that fraud victims seeking justice have to turn to a statute designed to combat organized crime.

But if bar associations, government prosecutors and key policy makers who are beholden to plaintiffs' bar campaign contributions won't act to investigate and punish the obvious corruption and fraud in our civil courts, then companies with the means to do so must begin making examples of at least a few of the many perpetrators. Only when fraudsters face significant risk and multimillion-dollar consequences for their actions will their costly abuse of our civil justice system diminish.

RIGHT TO REPAIR LAW IN MASSACHUSETTS

Massachusetts Gov. Deval Patrick signed Right to Repair legislation into law on Nov. 26, ensuring that the commonwealth's citizens will have access to a competitive vehicle-repair market. The signing by the governor represents a major victory for Massachusetts car owners, who took the major step last year in voting for the nation's first Right to Repair law. AAIA and the Coalition for Auto Repair Equality (CARE), will now devote attention to completing work on a memorandum of understanding with the vehicle manufacturers that is intended to ensure that motorists across the nation can enjoy the same market benefits that Massachusetts car owners now enjoy. The recently signed bill is similar to the bill that passed the legislature in 2012, but includes provisions that require that information and tools be available for heavy-duty vehicles, those over 14,000 pounds. The ballot measure



included these vehicles, but they had been deleted from the bill that passed the legislature. Through efforts of a coalition of aftermarket heavy-duty service providers, the state Senate adopted an amendment that restored heavy-duty vehicles back into the bill.

ABPA FILES LAWSUIT SEEKING TO OVERTURN FORD DESIGN PATENTS

The Automotive Body Parts Association (ABPA) has filed a lawsuit in the US District Court for the Eastern District of Texas against Ford Global Technologies, LLC that seeks to have body repair part design patents ruled invalid. The suit alleges Ford uses patents to limit distribution and increase the cost of repair parts.

According to the complaint filed by ABPA, Ford Global Technologies "...has threatened to sue one or more ABPA members for alleged design patent infringement for selling automotive body repair parts allegedly covered by design patents owned by Ford Global Technologies."

The complaint also asserts that due to the threats of litigation against ABPA members, "Ford Global Technologies' actions have deprived ABPA Members of the economic opportunity to compete in the marketplace for automotive body repair parts for Ford Motor Company automobiles and have improperly distorted the marketplace by decreasing the supply and increasing the cost of automotive body repair parts for Ford Motor Company automobiles."

A letter from Ed Salamy, executive director of the ABPA, posted on the association's website, states, "The basis of our lawsuit is to challenge the validity and enforceability of Ford's design patents on common collision repair parts. The continued sale of these parts is of paramount concern not just for ABPA members and their livelihoods, but also to millions of American consumers who depend on quality alternative collision repair parts for cost

effective repairs."

Salamy also serves as executive director of the Quality Parts Coalition, a group representing parts suppliers and insurers, seeking permanent legislative change to U.S. design patent law.

In 2009, Ford reached an agreement with LKQ Corporation to settle litigation filed by Ford over collision parts. As part of that agreement LKQ agreed not to challenge the validity of Ford's design patents and, in exchange, LKQ would become the only distributor of non-OEM collision parts covered by Ford patents.

In 2008 the ABPA called for support for design patent exemptions for aftermarket parts. In 2006, Ford had filed a suit to stop the importation of aftermarket versions of certain F-150 truck parts. In 2007, a ruling by the International Trade Commission (ITC), which named several ABPA members, awarded the design patent protection that Ford sought for seven separate alternative parts for the 2004-2007 Ford F-150. The decision prohibited the sale of aftermarket replacements for these parts.

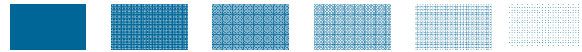
APSA MEMBER PROGRAMS

APSA has secured new member programs!

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Local Business Connection is your source for Internet Branding and Marketing, Printing and Mailing, Credit Card Merchant Services, Loyalty Programs, Website Design, Commercial Loans and more. And, as an APSA member, you are entitled to some of these benefits as part of your membership! Register to find out which services you qualify for <http://apsassociation.com/services/local-business-connection/> Use invitation code: LBCAPSA.

UPS provides shipping discounts to APSA! Call APSA to find out the details for your shipping needs (or if you currently have a UPS account, see which discount is more advantageous to use!). APSA 1(800) 375-2968.



**"It's a good thing we don't get
all the government we pay for."**

-- Will Rogers



OKLAHOMA PASSES TORT REFORM

The Asbestos and Silica Claims Priorities Act was passed to provide a procedural remedy allowing efficient judicial supervision and control of asbestos and silica litigation by giving priority to a claimant with demonstrable physical impairment. The claim must have a report from a physician concluding the following:

- the claimant has been diagnosed with mesothelioma or other asbestos-related malignancy;
- the exposure to asbestos was a proximate cause of the diagnosed disease(s);
- if the malignant asbestos-related condition was something other than mesothelioma, the claimant has had an underlying nonmalignant asbestos-related condition and at least 15 years have passed between the time of first exposure to the date of diagnosis.

For claimants with a nonmalignant asbestos-related condition, there are similar reporting requirements for the diagnosing physician.

The measure also sets the procedure by which the courts must manage trial settings for all asbestos and silica related claims. A claim cannot be placed on an active trial docket until 90 days after the required report has been served to each defendant. A defendant is also afforded the opportunity to challenge the adequacy of the prima facie evidence provided. If the claimant has been diagnosed with mesothelioma and meets the reporting requirements, the claimant may petition the court to request for an expedited trial date.

Lastly, the measure prohibits insurers from rejecting, denying, limiting, canceling, refusing to renew or increasing the premium for any existing health or life insurance coverage because the claimant met the procedural requirements of the act. The measure applies to all asbestos and silica claims filed after the effective date of the act and to any pending claims that have not gone to trial after the effective date of the act.

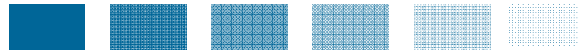
BILL TO REDUCE FRIVOLOUS LITIGATION PASSES

The U. S. House of Representatives passed the Lawsuit Abuse Reduction Act (LARA), a measure that seeks to reduce wasteful litigation by making sanctions against frivolous claims mandatory rather than discretionary. The law would also eliminate a 21-day "safe harbor" rule that allows a plaintiff's attorney to withdraw a lawsuit without penalty.

Sponsored by former Judiciary Chairman Lamar Smith, R-Texas, the bill (HR 2655) would revise rules governing civil procedure in federal court to require financial penalties for lawyers found to have filed frivolous claims. The House passed Smith's measure in a 228-195 vote.

Under the bill, fees imposed would be used to compensate the injured party for expenses incurred, such as attorneys' fees. Sanctions also could come in the form of non-monetary penalties, including dismissal of the suit.

Passing LARA will result in fewer phony law-



suits and less wasteful litigation. And every American would benefit from a less litigious society.

The bill is the second significant legal reform measure approved by the House. The chamber passed the FACT Act, which would bring greater oversight and transparency to the asbestos bankruptcy trust system.

TEXAS TORT REFORM WORKS FOR EVERYBODY- EXCEPT TRIAL LAWYERS

A decade ago, the landmark tort reform bill called House Bill 4 was enacted following months of debate, including the testimony of more than 400 Texans in the state Capitol.

After a bruising legislative battle against forces backed by personal injury trial lawyers, legislative leaders commented that “history would decide” whether this comprehensive civil justice reform effort would prove to be good for Texas.

Ten years later, the results are in. House Bill 4 has been a key driver of the Texas economy making the Lone Star State the No. 1 job creator in the nation.

House Bill 4 included a number of common-sense laws that changed the litigation landscape in Texas. For example, lawyers can no longer extort legal fee-driven — but otherwise meritless — settlements from defendants in class action cases.

Because of the reforms passed in 2003, Texas law has provided that if a lawyer settles a class action by accepting free coupons for the plaintiffs, as they frequently do, then the lawyer must be paid in coupons as well.

Under House Bill 4, a plaintiff can no longer sue a “deep-pocket” defendant while ignoring the truly responsible — but financially insolvent — party.

After the 2003 reforms, Texas law allows juries to allocate fault among all parties who contributed to the plaintiff’s injury, whether the plaintiff sued all of them or not.

Simply having deep pockets is no longer a good enough reason to be held entirely liable for a multimillion-dollar judgment in Texas when the defendant is found only partially at fault for the plaintiff’s injuries. After all, if a party is found 40 percent at fault for causing the plaintiff’s injury, why should that party pay more than 40 percent of the damages?

Thanks to tort reforms passed in 2003, a retailer in Texas cannot be held liable for defects in the design or manufacturing of a product if the retailer simply sold the product without altering the design or the product itself.

And a manufacturer cannot be held liable for a product that is manufactured in compliance with government standards governing the product’s design unless the manufacturer misled the government to obtain an insufficient standard.

Astoundingly, until the 2003 tort reforms, a plaintiff in Texas could recover money from a defendant to pay medical bills the plaintiff had not paid and did not owe.

After 2003, a plaintiff who was injured and received medical treatment cannot be awarded damages at trial for medical bills that have not been paid, are not owed and will never be paid by anyone.

House Bill 4 also provided enhanced liability protection to our state’s schoolteachers and volunteer firefighters from being sued for doing their jobs in good faith. The bill contained many other reforms, including medical liability reforms, which have leveled the litigation playing field, improving Texans’ access to high-quality health care and competitiveness in the world economy.

Tort reform has removed Texas from being the lawsuit capital of the world.

In 2003, Texans decided to take decisive steps to end lawsuit abuse. A decade later, the Texas tort reform model proves that businesses thrive, expand and innovate when they are freed from the threat of costly, merit-less, job-crushing, lawyer-driven litigation.



Association News

IN SYMPATHY



Respected industry veteran William Edward Frazier, co-founder of Hirsig-Frazier Co., passed away Nov. 17. He was 79 years old. He attended Baylor University and graduated with a BBA in 1956. He served two years in the Army and upon discharge in 1958 began work as a salesman at the company his father co-founded, Hirsig-Frazier Co. Inc. Selling was his passion and joy and he excelled at it. He and his two partners took ownership of the company in 1968 and he retired as vice president of sales in 1993.

APSA PROGRAMS GOING STRONG!

If you are not currently using APSA programs, you should be! Members have saved—and recovered—thousands of dollars in 2013! Call APSA (800)375-2968.

Submit your Uncollected Accounts Payable today! The account collector we have used for more than 3 years **recovered over \$28,000** for APSA members in the first 3 quarters of 2013 alone!

The APSA membership program of **FREE** Legal Advice has saved APSA members **well over \$49,000** in 2013! Need help with a legal issue? Family law, patent, property, insurance, employment, contracts, civil rights, business, elder law, criminal, estate planning, creditors rights, tax law, probate, whatever it may be, call APSA to get access to the answers you need—all as part of your APSA membership! Even if you have an attorney, this advice is free! APSA is proud to have offered this service to members for over 13 years!



WELCOME NEW MEMBERS!
Fuse 5, Inc.—North Liberty, IA
NAPA Auto Parts—Granbury, TX

Remy International, Inc.—Edmond, OK

MEMBERSHIP ANNIVERSARIES

5 YEARS

McGuire Auto Parts, LLC—Meeker, CO
Monty's Auto Parts, Inc.—Gunnison, CO
Parts House, Inc.—Broken Bow, OK
Salida Auto Parts—Salida, CO



10 YEARS

Cree & Cree, Inc.—Dallas, TX
Engine & Performance Warehouse—Denver, CO
Rebuilders Supply—Denver, CO
Wheel Resource—Houston, TX

15 YEARS

Best Auto Parts—Kerrville, TX
Steve's Wholesale Dist., Inc.—Oklahoma City, OK
Wion's Auto Repair Service—Des Moines, IA

20 YEARS

Wills Machine Shop, Inc.—Dumas, TX

25 YEARS

Diesel Parts Sales, Inc.—Houston, TX
East Tulsa Truck Parts & Equip., Inc.—Catoosa, OK
S & S Auto Repair—Jefferson City, MO
Win Brisbin Rebuilders—San Antonio, TX

30 YEARS

Channelview Auto Supply—Channelview, TX
J & B Auto Supply & Machine—Conroe, TX

35 YEARS

Atlantic Motor Supply—Atlantic, IA
Fort Dodge Machine & Supply Co.—Fort Dodge, IA
Lloyd's Machine Shop—Hereford, TX
Wix Filtration Products—Branson West, MO

40 YEARS

A & I Parts Center, Inc.—Stratford, TX

45 YEARS

Ed Miller Auto Supply, Inc.—Eldon, MO
Midway Auto Supply, Inc.—Dallas, TX