



AUTOMOTIVE AFTERMARKET NEWS

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Scott Vaughan—Burton Companies

James Ferguson—Tasco Auto Color

Bob Gant—NAPA

Gary Carpenter—Kansas Auto Repair

Scooter Gierisch—Roanoke Auto Supply

Griff Lasley—A&I Parts Center

Hollie Arnold—ARC Commercial Warehouse

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Linda Huggard—Broadway Machine

David Jordan—Straus-Frank Co.

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Kenny Payne—Parts Warehouse, Inc.

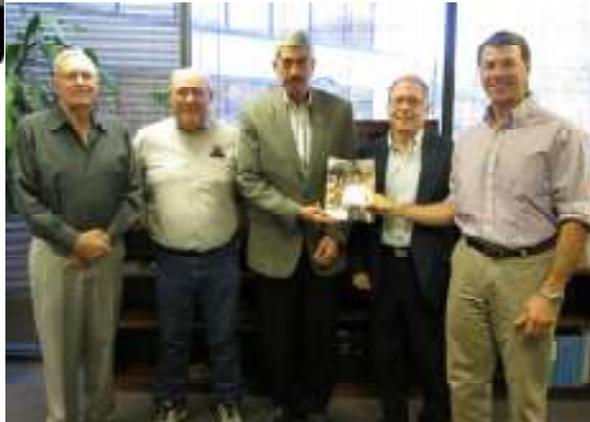
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Call to get your free:

- Vacation Calendar
- Absentee Calendar



(L to R: James Ferguson, Griff Lasley, Bob Gant, Mike Bailey, Scott Vaughan, Scooter Gierisch on magazine)

APSA 2014-2015 EXECUTIVE OFFICERS

The following officers of the Board of Directors were elected at the recent Annual Meeting:

Chairman

Scott Vaughan, Burton Companies
Weslaco, Texas

1st Vice Chairman

James Ferguson, TASCOS Auto Color
Austin, Texas

2nd Vice Chairman

Bob Gant, NAPA Distribution Center
Dallas, Texas

Secretary/Treasurer

Mike Bailey, Car Doctor
Oklahoma City, Oklahoma

Immediate Past Chairman

Gary Carpenter, Kansas Auto Repair
Newton, Kansas

Service Corporation President

Griff Lasley, A & I Parts Center

Stratford, Texas

Insurance Trust Chairman

Scooter Gierisch, Roanoke Auto Supply
Roanoke, Texas

UNIVERSITY OF THE AFTERMARKET FOUNDATION FUNDS GRANT FOR APSA SCHOLARSHIP PROGRAM

The University of the Aftermarket Foundation has approved a grant for the Automotive Parts & Services Association (APSA) annual scholarship program awarded through the G.C. Morris/Paul Rupp Memorial Educational Trust and the Gayle McCartney Memorial Educational Trust.

The mission of the APSA program is to encourage and assist the educational development of qualified students who have a desire to pursue a career in the automotive aftermarket industry. The fund provides financial assistance for tuition, fees and books beyond the secondary level at any accredited college, university or technical school.

To be eligible, an applicant must be a high school graduate or possess a GED certificate. In addition, a qualified candidate must be enrolled as a full-time undergraduate student in a curriculum leading to a degree or certificate from an accredited college, university or technical institute, maintaining satisfactory academic progress. Priority is given to those sponsored by an APSA member in good standing, so applicants may want to contact APSA in order to find a member in their area.

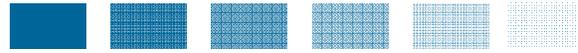
Legal residents of Arkansas or Oklahoma are eligible for the Gayle McCartney Memorial Educational Trust scholarship, while

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legal residents of Colorado, Iowa, Kansas, Missouri, Nebraska, New Mexico, Texas or Wyoming are eligible for the G.C. Morris/Paul Rupp Memorial Educational Trust scholarship.

“The University of the Aftermarket Foundation is pleased to partner with APSA to provide deserving students with scholarship opportunities,” said Rusty Bishop, chairman of the University of the Aftermarket Foundation. “Our grant helps APSA award more scholarships. In fact, in the past 10 years, APSA has awarded over 100 scholarships and at least half of those students received additional financial support from the University of the Aftermarket Foundation.”

To learn more about the APSA scholarship program and to apply visit <http://www.automotivescholarships.com/scholarship>



POINT OF VIEW: VEHICLE INSPECTION STUDY LONG OVERDUE

Back in 1990, we were all overwhelmed by the reunification of Germany, something we Baby Boomers hadn't seen in our lifetime. It was also an important year in the Internet's early history: The first web server was created, setting the foundation of the World Wide Web. Looking at the technology of today, it is apparent that much has happened in the past quarter century.

That level of change has also affected our industry as well. In 1990, we were just beginning to see the beginning of the burgeoning light truck market – including SUVs, pickups and minivans. As we entered the 1990s, front-wheel drive became the standard drive system, and disc brakes, fuel injection, electronic engine control units, and electronic ignition were becoming staples in our various

parts inventories.

At the same time, gasoline was around \$1.30 a gallon, while the average age of vehicles on our nation's roads and highways was 7.7 years. Gas prices currently average around \$3.35 per gallon — down from the \$4.00 level not that long ago.

The point of the matter is clear: The world has changed dramatically over the last quarter century. And that only is reason enough to support the Government Accountability Office's decision to initiate an update of its 1990 study, *“NHTSA Should Resume its Support of State Periodic Inspection Programs,”* at the request of Sen. Claire McCaskill (D-MO), thanks to the advocacy efforts of the Motor & Equipment Manufacturers Association (MEMA).

“The original GAO report issued in 1990 provided valuable information and recommendations. However, the characteristics of our nation's vehicles and drivers have changed over the past 25 years,” said Steve Handschuh, president and CEO of MEMA. “We are very pleased that the GAO has chosen to review this report and thank Senator McCaskill for her efforts.”

In her request for the study's update, Sen. McCaskill specifically called on the GAO to address three crucial areas:

- The costs and benefits of state vehicle inspection programs;
- The potential challenges posed by advanced technology in today's vehicles; and
- Any actions taken by the National Highway Traffic Safety Administration (NHTSA) and the states to improve inspection programs, and recommendations for future NHTSA actions.

Ann Wilson, MEMA senior vice president of government affairs, said the association is gratified that McCaskill included these points in her request, “which will be key to identify-



ing the efficacy of state inspection programs in increasing the safety of our nation's vehicles and the safety of everyone traveling the roads today."

Vehicle inspection programs are truly a win-win for all involved. First and foremost, vehicle inspections keep our roadways safe, and this is especially imperative with a vehicle fleet that is at a record age. Many of a vehicle's safety-related components are wear-related parts, and need to be repaired or replaced before failure not only jeopardizes the vehicle operator but all the other vehicles and pedestrians that could be involved in such a failure.

"If not properly maintained and regularly inspected, motorists may be unaware of potential safety risks, particularly as vehicles get older," said Bill Long, president and chief operating officer of the Automotive Aftermarket Suppliers Association (AASA), the light vehicle aftermarket division of MEMA, of the decision.

And, for our industry, these types of vehicle inspections get marginal vehicles into the shop when they need service, keeping vehicle owners responsible for the proper service and maintenance needed for today's vehicles. These inspections can actually save car owners money over the long run, making the repair simpler and less costly while keeping the resale value of the vehicle higher.

Kudos to Sen. McCaskill and MEMA for advocating this much-needed study update.

Reprinted courtesy Service Executive.

GM TO ROLL OUT V2V COMMUNICATIONS IN 2017

The Cadillac will be the first commercially available vehicle with the technology (so far), which has been piloted and tested by a number of other manufacturers. That announcement followed the National Highway Traffic Safety Administration's (NHTSA) release of

an advance notice of proposed rulemaking that marks the first step toward mandating V2V in light vehicles.

In addition, the semi-autonomous Super Cruise system will make its debut on an all-new 2014 Cadillac vehicle. Super Cruise combines radar, ultrasonic sensors, cameras and GPS enabling hands-off lane following, speed control and braking in certain driving scenarios. Typically it would be used on freeways, in traffic jams and on long road trips.

The V2V/V2I technology in the CTS, as well as the Super Cruise system, will be provided by Delphi using application software developed by Cohda Wireless and NXP Semiconductors' wireless chipset. V2V is based on a technology dedicated short-range communications (DSRC), which follows the IEEE 802.11p standard for wireless communications.

The V2V system uses radio signals to transmit traffic data from car to car to alert drivers of potential hazards. It can signal traffic situations that include hazards, roadwork, emergency vehicle warnings, slow-moving or stationary vehicles, traffic jams, accidents, signals and signage indicators. The technology is expected to complement existing Delphi vision and radar systems that warn drivers about potential accident risks.

This data is then sent to other cars in the vicinity to warn their drivers and provide detailed information about the situation, such as location and duration of a construction zone.

NATIONAL PRONTO ASSOCIATION AWARDS ASE MASTER TECHNICIAN OF THE YEAR

National Pronto Association recently awarded the "Pronto Smart Choice ASE Master Automobile Technician of the Year" award to Robert Sowards, who is employed by Belden's Automotive in San Antonio, Texas. The award ceremony was held Nov. 19 in Ft.



Lauderdale, Fla., at the Hyatt Regency Pier 66. Bill Maggs, president and CEO of National Pronto Association, attended the awards ceremony to present the Technician of the Year Award to Sowards. Ronnie Belden, manager of Belden's, also attended the awards ceremony as a guest of Sowards.



(L to R) Glenn Dahl, ASE board chairman; Bill Maggs; Robert "Bobby" Sowards; and Tim Zilke, ASE president and CEO.

Belden's is serviced by Pronto member Full Service Automotive in San Antonio, Texas. Sowards has spent 32 years as a professional service technician and has been employed by Belden's for the past 25 years. Sowards said his position as the Corporate Shop Foreman not only lets him help customers with repairs, but he also is able to train other technicians. He added that he believes that ASE training provides him and other technicians with a sense of credibility and pride in what they do every day.

When asked by ASE why he decided to become a technician, Sowards stated that he worked in a local service station during high school, noting that, "Times were different back then... customers had high regard for those who worked on and repaired their cars." When he realized he had the skills and knowledge to diagnose and repair vehicles and there were others who could not help, it was then he decided to become a technician, Sowards added.

The ASE Awards are presented each year by the National Institute for Automotive Service Excellence to select individuals who meet all criteria established by each sponsoring organi-

zation. National Pronto established the following set of criteria for the ASE Master Technician Award: the employing service center must be a current member of the Pronto Smart Choice program, candidate must be ASE Master Certified, candidate must have taken at least one exam in the last year and scored highest on cumulative test scores.

FUSE5 WINS BEST BUSINESS TOOL AND SERVICE AWARD

AAPEX attendees selected Fuse5 as the 2014 New Product Showcase Award winner in Las Vegas. This year's AAPEX show reached over 1,000 exhibitors. For the first time attendees used a scanner app to select their favorite new products in each of eight categories. Fuse5 came out on top with the best Business Tool and Service at the show.

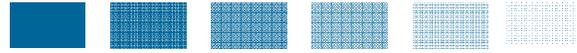
"This is a tremendous award to receive for Fuse5," said Fuse5 COO, John Bunting. "This award gives us validation that front line owners and managers in the automotive aftermarket need a complete software solution for their business."

Fuse5 is a comprehensive business management system developed specifically for the automotive aftermarket. Part of what makes Fuse5 the best business tool, according to AAPEX voters, is the fact that it covers the entire distribution channel from manufacturing to shops all on one platform allowing data sharing like never before possible.

YOUR APSA MEMBER-OWNED AP&S INSURANCE AGENCY

Websites are great. They give to your company added exposure and increased sales.

But a note of caution: Be careful to only list on your site the services and products you actually provide. Graphics and pictures can cause you grief with your property and casualty insurance company. Many times members list services or products that do not represent a major part of their business, but raises a red flag with an insurance company. Something as simple as a race car picture on your site, even though you are not involved in racing, can get your policy cancelled, if your carrier



does not insure race related businesses. More and more insurance companies are routinely looking at websites during the initial application or renewal process, to determine a business's insurability. Unfortunately, we have had members who have suffered the threat of cancellation or a premium rate increase just because of their website.

Should you have any questions or desire more information, please give us a call. We are here to help you.

AP&S Agency, Inc. is an APSA member owned insurance agency providing members with health, auto, property, casualty, workers compensation and surety bonds. Quotes are no obligation.

THANK YOU HOLLIE ARNOLD

APSA thanks new Board of Director, Hollie Arnold, with ARC Commercial Warehouse, for signing up 3 new APSA members! His belief in our in our mission, products and services has earned him \$50 off his membership dues for every member he gets to join!

METRO MOTOR CENTER, HOUSTON, TX



New APSA Member, Metro Motor Center in Houston, TX, annually performs fund drives to help those in need in their community. Cindy Bolen and her employees held a successful Christmas Toy Drive and made a cash dona-

tion to the fire fighters for distribution to the less fortunate. Great job, guys!

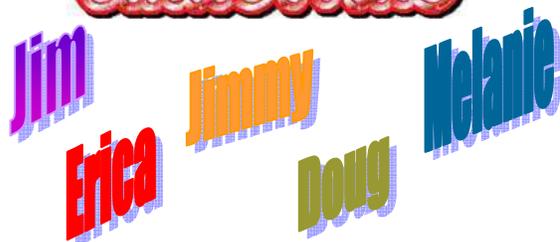
APSA PROGRAM: LEGALCARE

The free APSA membership program of **FREE Legal Advice** has saved APSA members **well over \$51,000** in 2014! 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 included in 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!

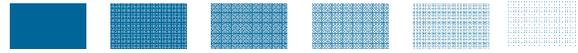
VACATION CALENDARS AND EMPLOYEE ABSENTEE CALENDARS ARE FREE

APSA's **free** Vacation Calendars and Employee Absentee Calendars are ready to be mailed to you! Just give us a call and we'll put one in the mail to you! (800) 375-2968 or email apsa@apsassociation.com.

We Wish You Peace and Prosperity at Christmastime and Throughout the New Year.



APSA HOLIDAY HOURS: closed December 24th through January 1st, reopening January 2nd. We will monitor our phone messages and emails, so please leave them for us and we'll get back to you as soon as possible!



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

-- Will Rogers



SENATOR URGES FTC TO TAKE ACTION AGAINST CARMAKERS' MISLEADING WARRANTY TACTICS

U.S. Senator Richard Blumenthal, D-Conn., has assailed the Federal Trade Commission (FTC) about its lack of urgency in clarifying its interpretation of the Magnuson-Moss Warranty Act.

In a letter to the FTC, Sen. Blumenthal said, "Many motorists may have been led to believe... that going to a local repair shop or using a different manufacturer's parts could void a car's warranty. Manufacturers should be expressly advised that the Magnuson-Moss Warranty Act prohibits any conduct that would lead a reasonable consumer to believe that his or her warranty coverage depends on the use of a particular brand of product or service."

Despite the law, the Auto Care Association along with other auto care industry groups have filed numerous complaints with the FTC protesting that many car companies have issued releases and technical bulletins misleading consumers into thinking their warranty could be voided by use of non-dealer parts or service.

"It is critical that the FTC take action to ensure that car companies stop misleading consumers as to their warranty rights," said Kathleen Schmatz, president and CEO, Auto Care Association. "We hope the actions by Sen. Blumenthal and other legislators will move the FTC to immediately respond to the complaints filed by our association to ensure that consumers are properly informed of their rights under the law such that they can maintain their vehicle using non-original equipment parts and service without the threat of voiding their new

car warranties."

See Senator Blumenthal's letter at: <http://www.blumenthal.senate.gov/download/auto-warranty-letter>

SENATORS SEEK TO PROTECT LIFO

A bipartisan group of 14 senators, led by Joe Donnelly, D-Ind., and Mike Enzi, R-Wyo., signed a letter to Treasury Secretary Jack Lew requesting that the last-in, first-out (LIFO) accounting method be preserved in any future comprehensive tax reform proposals.

The Oct. 21 letter states: "LIFO is a widely accepted inventory accounting method, and has been recognized in the U.S. tax code for more than 70 years. By allowing businesses to qualify their inventory under the LIFO standards, businesses report a fair tax liability that is both realistic and unoppressive to growth."

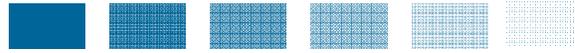
House Ways and Means Committee Chairman Dave Camp, R-Mich., released a draft of his tax overhaul proposal earlier this year and included LIFO repeal as a means for generating new revenue. President Obama's fiscal year 2015 budget also called for ending LIFO, which, according to the administration, would raise nearly \$83 billion over 10 years.

Find more information on efforts to preserve LIFO at <http://savelifo.org/>; press release and letter at: <http://www.donnely.senate.gov/newsroom/press/donnely-enzi-urge-treasury-department-to-preserve-last-in-first-out-accounting>.

AK, AR, NE, SD RAISE MINIMUM WAGE

Arkansas, Nebraska and South Dakota have voted to raise state-level minimum wages over

Legislative News



several years. Alaska's minimum wage will reach \$9.75 per hour by 2016, while Nebraska will raise its minimum wage to \$9 by the same year. Arkansas will reach \$8.50 per hour by 2017 and South Dakota will pay that much next year.

From CNN Money

2014 PAC DONORS

APSA would like to send a big "Thank You!" to all the Political Action Committee and Industry & Government Relations donors in 2014:

Automotive Parts & Equipment, Inc., KS

Broadway Machine, OK

Essential Action Design Group, KS

Iowa Automotive Machine & Supply, IA

Mission Auto Parts, TX

Orvil W. Carter Automotive Warehouse, KS

Tri State Parts Warehouse, TX

True Auto Parts, KS

Warehouse, Inc., KS

Your support enables us to support legislators in your state who support the automotive industry and YOUR business. These people are doing their part for good government, small business and the automotive industry. As always, we promise to make every dollar count!

CREDIT CARD FRAUD LIABILITY SHIFTS TO MERCHANTS

In coming months, most new credit and debit cards will come embedded with a microchip that helps prevent counterfeit fraud and some fraud liability will shift from issuers to merchants who haven't upgraded their terminals.

Why are EMV chip cards the best option for businesses today?

Businesses that upgrade their terminals are investing in security. Effective October 1, 2015, any business that is chip-enabled is protected from counterfeit fraud transactions affiliated with the major payment brands. Choosing not to invest in chip technology, the business will be financially responsible for counterfeit fraud conducted in their stores.

How do these cards change what occurs during a sales transaction?

Chip technology generates a unique code with

every transaction. This code makes it much more difficult for a criminal to use account information if stolen. All a business needs is a terminal that can communicate with the new chip cards.

Many countries have already transitioned to EMV cards. How has that impacted rates of credit card fraud in those places?

Countries that have transitioned to EMV chip cards, including those in Europe, Asia, Latin America and the Middle East, saw a dramatic decrease in counterfeit fraud.

Examples on each end of the spectrum that illustrate what businesses have to do to support chip processing.

U.S. merchants are not required to adopt chip technology, it is a smart choice to protect businesses from counterfeit fraud. Many businesses may already have a terminal with a slot for chip card acceptance, but it may not be activated. In that scenario, the merchant will need a minor software download from its processor. Other businesses may need new terminals. Chip enablement could range in cost from nothing for software activation to a few hundred dollars for a new terminal.

What will factor into the cost of transitioning for a small business?

The most important factors will be the hardware and/or software to enable chip acceptance, followed by the potential cost of counterfeit fraud if businesses don't upgrade. Business owners should contact their processor to learn more about chip technology.

A Javelin Strategy and Research study predicted small retailers will not exceed 25% readiness for EMV by the 2015 milestone. Why?

This was an early forecast, but in other countries small businesses lagged larger retailers during the migration process. Reasons vary depending on the country, but Visa is committed to ensuring small business owners understand that updating their payment technology is an investment in more secure transactions and business-building opportunities.

If money is an issue, do you have any advice for how long to hold off on making the switch?

An easy first step is to contact their payment card processor to understand the exact cost of upgrading and their estimated counterfeit fraud exposure. Merchants who are ready to upgrade to EMV but can't afford to buy a terminal outright should consider shopping around for the best deal or leasing the equipment.

-Courtesy of NFIB



Association News

∞ IN SYMPATHY ∞



James Dewitt Myers, 48, died June 16, 2014. After receiving associate degrees from North Texas State and South Plains College in Levelland, he returned to Colorado City to join the family business, later being the owner and operator of Myers Auto Parts. Myers Auto Parts has been an APSA member since 1953.



Randy Stroud, 62, passed away October 16, 2014. Owner of Stroud Auto Supply, Ft. Worth, he began working there at the age of 12 and worked full time while earning a bachelor's degree from Texas Wesleyan and a master's degree from TCU. Randy always went the extra mile for his customers and employees.

WELCOME NEW MEMBERS!

Metro Motor Center—Houston, TX
 American Engines—Houston, TX

MEMBERSHIP ANNIVERSARIES

60 YEARS

Hearne Carquest, LLC—Hearne, TX

45 YEARS

Abilene Color & Supply—Abilene, TX
 Sheinberg Tool Co., Inc.—Corpus Christi, TX

40 YEARS

Brockman Sales—Frona, TX

35 YEARS

Florissant Auto Paint—Florissant, MO
 Iowa Automotive Machine & Supply, Inc.—Sac City, IA
 Machine Supply, Inc.—Richmond, MO

30 YEARS

American Engine & Grinding Co.—Houston, TX

Forty-Seventh Street Auto Parts—Wichita, KS
 Houston Excelsweld—Houston, TX
 Leakey Auto Supply—Leakey, TX
 Surfside Japanese Auto Parts, Inc.—Tulsa, OK
 Star Hydraulics & Tool Service—Houston, TX

25 YEARS

Cannon Auto Supply—Cordell, OK
 Sidles Automotive, Inc.—Phillipsburg, KS
 Tim's Auto Supply—Bloomfield, IA
 Victor's Automotive—Sonora, TX

20 YEARS

Automotive Parts Associates, Inc.—Lenexa, KS
 Dura-Tune, Inc.—Austin, TX
 Meade Battery & Electrical Co.—Abilene, KS
 Tidmore Auto Parts—Tyler, TX

15 YEARS

Advantage Battery—Oklahoma City, OK
 Auto Parts Co.—Stephenville, TX
 Automotive Supply, Inc.—Wichita, KS
 Bridgeport Automotive Supply, Inc.—Bridgeport, TX
 Chico Auto Parts & Service—Chico, TX

Hub Auto Supply, Inc.—Pharr, TX
 NAPA Dallas-Ft. Worth Distribution Center—Coppell, TX
 R & R Auto Supply, Inc.—Orange, TX
 Roanoke Auto Supply, Ltd.—Roanoke, TX

10 YEARS

A & B Auto Electric—Houston, TX
 Essential Action Design Group—Leawood, KS
 Hillsboro Auto Parts—Hillsboro, MO
 Holdrege Auto Parts, Inc.—Holdrege, NE
 Johnston Distributing Co. dba Adair Auto Parts—Adair, IA
 L & S Auto Supply—Victoria, TX
 Madrid Automotive, Inc.—Madrid, IA
 Poor Man's Auto Parts—Lincoln, AR

5 YEARS

Iola Auto Parts, LLC—Iola, KS
 M & M Motor Supply, LLC—Nevada, MO
 NAPA Auto Parts of Rifle dba Double RR & D, Inc.—Rifle, CO

