



# TAILOR *made*

**As the industry demands it, program groups continue altering their strategies. Understanding their differences can help you find the right fit.**

**By Casey Clapper**  
Associate Editor

**E**ach of the 14 program groups recognizes the importance of strategy and planning in running their organization. As marketplace consolidation, declining margins and other major issues plague the automotive industry, program groups continue to develop tactics to help members cope with the changing business landscape.

And whether a program group chooses to focus on private label products vs. national, or organic growth vs. seeking out new members, these factors are all important to joining a group that fits comfortably with your business. In today's business climate, everyone from the largest distributor to the smallest independent could stand to have a strong group in their corner.

#### **An altered marketplace**

Keeping track of industry trends and staying current with data standards are just some of the issues that jobbers and distributors are seeking advice on from their program

groups. This year, the increase in Chapter 11 bankruptcy filings among manufacturers and consolidation throughout the industry are growing problems for members.

AIM CEO and President Thomas Clayton, with AIM/CMB Marketing, says in order to cope with manufacturers' financial troubles, "a lot of our members are duplicating product categories to make sure they have a backup in case a manufacturer can't keep up. Over the past 10 years, I've seen our members forced into duplicating a lot of product categories. And it's not only the fear of a manufacturer having order fill problems, but in many cases, there might be competitive and pricing issues they have to deal with."

Dan Freeman, president and CEO of Automotive Parts Associates, Inc., agrees that having fewer manufacturers to buy from is a problem — especially if whoever is left doesn't have the product his members need.

"We have to research other areas that aren't exactly mainstream resources, such as direct importing and buying from companies not in the U.S.," he says. "We're being forced to look in other areas because some of the manufacturers we're dealing

with don't have late-model coverage."

The other big issue, he adds, is the changing landscape of car manufacturers. Domestic automakers are reducing the number of factories here as Toyota, Kia and others keep building more plants in the U.S.

"It's almost like you're seeing the Mason Dixon line become the dividing line for where the new car market is and where it's going," he asserts. "It's important to us, and we will continue to monitor it because who's selling the cars (are) going to be the ones who are selling the parts five years down the road. Our members are on the firing line. They're asking us to negotiate deals with manufacturers so they can get the parts for the cars being repaired."

As for consolidation among aftermarket competitors, Freeman thinks it's a challenge for 2006. He notes that as other retailers grow and open new stores, they are buying APA members. "They're gaining a lot more strength with the manufacturer and we have to compete with that."

#### **Labeling products**

When it comes to deciding which products to purchase, program groups need to make

a number of decisions; some decide on their own while others involve their membership.

“As far as offshore products go, it’s no secret that the market is shrinking and the number of WDs and manufacturers in the market is shrinking,” says Kevin Davidson, marketing manager with TruStar. “We believe that partly is due to the competitive pricing that’s coming from overseas. Our members’ customers, in a lot of product categories, are basically dictating what the price needs to be. We’re going to be focusing on product from overseas.

What we’re doing as a group, because we have our own distribution center, is we’ve started importing our own products.”

Davidson explains that TruStar began importing branded product, beginning in the exhaust category, from overseas sources about a year ago. If the trend continues, more product will be shipped to the group’s DC for their members’ benefit.

Mike Lambert, co-president of the Automotive Distribution Network, says globalization and the sourcing of goods is at the forefront of everyone’s minds, but the Network continues to use a lot of name brands.

One of the benefits of the Network is they produce price sheets for their national accounts. “Many of our suppliers are discontinuing price sheets and doing it at a very rapid rate,” Lambert explains, adding the group views it as a positive. “I think the manufacturer-produced price sheets were always limited. They set a bar,” he says, adding that they can do a lot of things to afford their customers better profitability. “All the traditional warehouses are carrying the back end of the line and only get uniform profit, which has always been a problem.”

National Pronto Association is another group that promotes name brands and even has a compliance program on some of the name brand lines.

“We want members to support the same product lines,” says President Bill Maggs. “We know it’s not always possible, and we have a private label where needed, but our goal is not to be a Pronto-branded group. Our compliance lines represent about 70 percent or more of our total sales.”

Other groups are pushing their private labels in an effort to combat the industry-wide issue of shrinking margins. President Greg Dunlap of Engine Pro/Engine Parts Group, Inc. (EPGI) thinks that the aggressive pricing practices of automotive parts retailers and the down market selling of catalog and mail-order marketers and Internet direct marketers are driving the downward pressure on margins.

“We’re faced with increased price com-

petition on branded products,” offers Dunlap. “While we’ve been strong national brand supporters, there is a lot of heavy discounting on branded products, and it’s becoming more difficult to compete successfully on those lines, and that’s what is driving our move to private brand products.” He adds the group wants to have a differentiated product that can be sold at margins acceptable to them and their customers.

Engine Pro currently has five stock replacement private label lines, including valves, engine bearings, camshafts and timing components, in addition to a growing line of performance private label products.

TruStar recently launched a “box, book and building” concept for their private label program in which the group has its own private label, full graphic box where they put five manufacturers’ brake products in one “book,” which is a master brake catalog.

“Now our members can offer their independent installers a full brake line in one box that no one can compete on,” explains Davidson. “The ‘building’ part is that our members can order all these products in one location and only have to meet one freight

(charge) of \$1,500. It offers them a brand that only they have in their market, one brake book instead of five, and they have extremely lower freight costs because they can offer multiple product lines in one order.

“Brake hardware, bearings and seals, hydraulics, calipers, brake shoes and pads and drums and rotors — that’s a full brake program as far as a WD is concerned,” he continues. “All those products are in our master brake catalog and are located in one location. Our goal as a group is not to convince our members they don’t need a branded product. What we’re saying is nine out of 10 WDs don’t have just one line, so if they’re going to have a second line, there’s no reason it shouldn’t be TruStar. If program groups want to stay around they’re going to have to figure out something for their members to compete with the larger guys, or 10 years down the road there are going to be half as many groups.”

Richard Morgan, president of the Aftermarket Auto Parts Alliance, says their purchasing strategy is to select product lines their shareholders can purchase competitively. “Our membership decides

## Measuring the mergers

In 2005, the RPM Group merged with the National Pronto Association, taking the Pronto name, and program groups Parts Plus and Independent Auto Parts of America (IAPA) joined to form the Automotive Distribution Network. Both report that these matches have been a success as they spent last year adjusting to new group dynamics.

Growing their membership and gaining access to more marketplaces were the best aspects of Pronto’s merge with the RPM Group, says Pronto President Bill Maggs.

“Our first membership meeting was last May, and at that point everyone was Pronto,” he explains. “Other groups in the past have merged and tried to keep separate names. For us, we’re really one group.”

Maggs also reports that bringing Mike Mitchell, former executive director of the RPM Group, on as the director of supply chain management has helped the group’s technology. “We’re full blown in going paperless with our vendors, and that’s phenomenal. Before, we (worked on technology) in our spare time if we thought we had any. Now we’ve made it more of a focus after the merger.”

For Parts Plus and IAPA, who were already heading in the same direction as far as technology goes, the merger allowed for a faster adoption of technology, says Mike Lambert, co-president of the Network.

For example, the Network has upgraded to the newest version of their central billing system — an Oracle-based database that allows them to serve their national accounts instantly and guarantees contract pricing for all national accounts.

Mike Kamal, co-president of the Network, continues: “We launched a new system called Network Connect™ — a totally integrated distribution management and POS system providing Network jobbers and WDs access to the e-commerce, e-catalog, innovative price updating and other features needed to keep Network members on the forefront of aftermarket technology. Network Connect users gain an instant advantage when they deploy the Network’s e-commerce product WebShop™, powered by Wrenchhead.”

He adds that educating their national and regional accounts about e-commerce is very important. “What we’re

learning is independent shops and all the big national account shops want to buy product electronically and are only going to deal with companies that can make that available to them,” he says. Currently, about 85 percent of the Network’s members sell product electronically; the goal is to be at 100 percent very soon.

In addition, Parts Plus already had a retail store concept in place, so it was an easy transition for IAPA outlets to roll out this program as well, Kamal says.

Combining organizations can also be challenging, however, and the Network experienced some adjustment during the first year.

“Any time you have a merger of two entities, the culture is always the biggest challenge,” says Lambert. “It’s rare that cultures are ever identical. In the aftermarket, you’re dealing with a lot of companies and they frankly don’t have the familiarity of each other. The times we get together are infrequent, so it takes a little bit of time to do that.”

The group anticipated a 36-month transition after the merger, Kamal says. “We think we’re well ahead of schedule. It’s only been about 13 to 14 months that we’ve been at it. We’re ahead of our anticipated goals and are very pleased with that aspect.”

Lambert and Kamal attribute the successes of the group to both the tenacity of the Automotive Distribution Network’s co-chairmen, Mark Bond and Steve Sattinger, as well as the established relationship Lambert and Kamal have with each other.

For the National Pronto Association, the challenge was training. Keeping all the members on the same page and understanding the new processes was hard work, Maggs states.

“We have a year under our belt and we’re not done with the work,” he says. “Personally, I think everyone is very happy with what we’ve accomplished and where we’re at. We also know we have a lot more to do and we’re going to keep at it and get it done.”





between national and private brands. We use a blend of about 70 percent national and 30 percent private label.”

Clayton of AIM/CMB Marketing says his group listens to the membership as well. “We have an AIM logo’d private label of about 15 lines. One of the things we do differently is that when we private label some of our product, we identify the manufacturer on the box. We think that’s helpful with the counterperson, so he or she doesn’t have to spend a lot of time convincing the purchaser that what’s in the box is (from that manufacturer).”

Federated President Mike Schultz says their members and the market steer the group in the right direction in terms of national and private brands. “We’re constantly improving and adapting our programs and looking to bring the best overall value to our installer customers.”

### Custom marketing

Now more than ever, as the aftermarket competes with dealerships, marketing material is an important function of a program group. Many are choosing to make it a key focus for the year, and members are requesting materials be “made to order” in an effort to garner as much business as possible.

“Our members want, in many cases, to put their own programs together based on the marketing conditions and what their customers are demanding,” says Clayton. “We certainly counsel with them and find the best program for them, but we don’t have one particular program that we determine that our members should move forward with. I think that’s probably one of our strengths: We are hands-on and have a lot of one-on-one communication with members. We assist them in developing business plans that best fit their market and the proper selection of product lines and which lines should have priority over others.”

Maggs says one of Pronto’s main objectives this year is marketing — specifically for the installer.

“We’ve taken the direction that we want to help our distributors tie their customers together by helping their customer be successful,” he reveals. “There are independent garages, service facilities and franchisees that are all competing for the repair with the car dealer.” Even though independent shops compete with service franchises, both are customers of Pronto members, Maggs says, and the most important goal is to keep the dealer away from the repair.

Pronto’s five key programs offer mem-

## Most program groups aren’t looking to grow membership this year.

bers the tools to win the repair, Maggs adds. They include: a nationwide parts and labor warranty program for car owners; a towing certificate that reimburses up to \$60 for a tow or a jumpstart if a car breaks down after a repair at a Pronto-associated shop; reimbursement for ASE certification for the group’s first-call customers; and an unlimited technical hotline program so shops can call any time with questions. “It’s in our best interest that (shops) run 12 cars out of their bays instead of 10 to compete with car dealers,” Maggs notes.

Pronto also offers shops a turnkey direct mail marketing program for use with existing and potential customers in their area. A provider handles the layout, printing and advertising, and the items are mailed for 39 cents each, he says.

Aftermarket Auto Parts Alliance also plans to develop marketing programs that





grow market share with shareholders, as well as cater to the installer.

“One of the main focuses is on our Certified Service Center program,” says Morgan. “We want to enhance the benefits of belonging to the Alliance’s Certified Service Center Program because if you grow the installer’s business, that grows everyone.”

Marketing programs are the No. 1 focus in 2006 for Engine Pro, says Dunlap. EPGI is unique in that it’s a relatively small group servicing engine rebuilders, machine shops and automotive jobbers.

“EPGI has really increased expenditures on sales, advertising and promotional programs to capture a larger part of what is a shrinking engine hard parts marketplace,” he says. “We’re in a very mature market and it is flat to declining. If we’re going to grow (our businesses), it will be based on taking share away from other folks. The best way to do that is to out-market our competitors with aggressive advertising, marketing and promotional programs.”

Federated also plans to make marketing a priority, along with advertising, education and training. “Our distributors and jobbers

welcome as much valuable marketing information as they can receive, but the materials that really peak their interest are training information, technical bulletins, new product information and special programs,” explains Schultz.

Gaylord Spencer, vice president, marketing strategy with the National Automotive Parts Association (NAPA), says the group focuses on marketing material that builds trust between the repair facility or NAPA Auto Parts Store and the ultimate consumer. “If we can help the shop be successful, our serving stores will also be successful,” he says.

### Busting at the seams?

Most program groups appear content in their current membership, with few announcing plans to grow drastically. For many, such as the Alliance, it’s a matter of organic growth. They plan to grow sales dollars through their current membership, notes Morgan.

Others are looking for select opportunities in particular geographic areas, with a focus on quality over quantity.

Another issue that has been at the forefront of the aftermarket recently is insurance, and many program groups, including

the Alliance and Pronto, are encouraging the passage of association health plans (H.R. 525), which would allow small companies to join together — based on their membership in a particular trade association — to purchase health insurance exempt from state coverage requirements.

APA encourages members to look at Automotive Aftermarket Industry Association (AAIA) programs, and Pronto recognizes a strategic partnership with Universal Underwriters and suggests members review their programs.

Davidson reports that TruStar has partnered with a large national insurance company to offer property and casualty, liability, workers’ compensation, life insurance, disability, retirement, state planning, health, auto and homeowners insurance. “We just endorse the company, and this company serves as the approved vendor who can compete in pricing.”

NAPA, too, offers an insurance program for their members to consider, Spencer says.

It’s no doubt the role of program groups continues to intensify, so whether it’s an emphasis on sponsorships or a devotion to promotions, a little investigation on your part will help you select a group that fits like a glove. ■

## Program Distribution Report *Directory*

### The AAM Group

**PRESIDENT:** Tim Odom  
**YEAR ESTABLISHED:** 1988  
**WD MEMBERS:** 18  
**MEMBER-OWNED WAREHOUSES:** 23  
**MEMBER-OWNED JOBBER STORES:** 127  
**NON-MEMBER-OWNED JOBBER STORES:** 380  
**TOTAL JOBBER STORES IN THE PROGRAM GROUP:** 517  
**MEMBER-OWNED SERVICE CENTERS:** Not provided  
**NON-MEMBER-OWNED SERVICE CENTERS:** Not provided  
**TOTAL SERVICE CENTERS IN THE PROGRAM GROUP:** Not provided  
**STATES COVERED:** All 50, plus Canada  
**MAJOR MEMBERS:** All AAM members are equal voting members.  
**GROUP STRUCTURE:** Shareholders elect a board of directors to serve two-year terms.

**FEE REQUIREMENTS:** Not provided  
**JOBBER REQUIREMENTS:** Not provided  
**WD REQUIREMENTS:** Not provided  
**RETAIL:** 20%  
**WHOLESALE:** 80%  
**PRIVATE LABEL:** 5%  
**MAJOR BRANDS:** 95%  
**PROGRAMS:** The Parts Pro Performance Center program is targeted at businesses that serve the street performance, sport compact and race markets. Marketing support for the program includes an annual 300-plus page, four-color catalog, full color bi-monthly tabloids with accompanying four color in-store sale posters and shelf talkers, electronic newsletters and the www.parts-pro.com website. Through Trux Stuff, AAM offers a program that includes six vehicle-specific brochures, an annual four-color product catalog and the www.truxstuff.com website.

**AAM executives plan to assist their members in growing sales this year, challenging them to achieve 40 percent growth in 24 months. AAM has created a new sales focus program that equips WD phone sales people to make outbound sales calls toward increasing the amount of product merchandised in the group’s stores, says President Tim Odom.**

### The AAM Group

106 W. SPRINGBROOK DRIVE  
 JOHNSON CITY, TN 37604  
 (423) 282-0211  
 FAX: (423) 282-6354  
 www.parts-pro.com

### Aftermarket Auto Parts Alliance

**PRESIDENT:** Richard H. Morgan  
**YEAR ESTABLISHED:** 2000; original groups founded more than 30 years ago  
**WD MEMBERS:** 56  
**MEMBER-OWNED WAREHOUSES:** 145  
**MEMBER-OWNED JOBBER STORES:** 2,350  
**NON-MEMBER-OWNED JOBBER STORES:** 2,081  
**TOTAL JOBBER STORES IN THE PROGRAM GROUP:** 4,431  
**MEMBER-OWNED SERVICE CENTERS:** 11  
**NON-MEMBER-OWNED SERVICE CENTERS:** 2,201  
**TOTAL SERVICE CENTERS IN THE PROGRAM GROUP:** 2,212  
**STATES COVERED:** All 50  
**MAJOR MEMBERS:** Auto-Wares Inc., Hahn Automotive, LC Enterprises, O’Reilly Automotive, Parts Depot, Parts Warehouse Inc., Prime Automotive

**GROUP STRUCTURE:** A 10-person board of directors is elected by the membership with staggered two- and three-year terms.  
**FEE REQUIREMENTS:** Determined by member WD  
**JOBBER REQUIREMENTS:** Determined by member WD  
**WD REQUIREMENTS:** Based on market penetration, needs of group  
**RETAIL:** 30%  
**WHOLESALE:** 70%  
**PRIVATE LABEL:** 35%  
**MAJOR BRANDS:** 65%  
**PROGRAMS:** Full program for jobbers and certified service centers including marketing, advertising, training, merchandising, loyalty programs, recruitment, annual surveys, advisory councils and more

**President and CEO Richard H. Morgan says the Alliance’s main focus for 2006 is to provide programs that make the group’s shareholders more profitable, although this can also be deemed a challenge for the group. Additional goals include creating and executing programs geared at installers and the group’s certified service centers.**



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 SAN ANTONIO, TX 78258  
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## AIM/CMB Marketing

AIM CEO/PRESIDENT:  
Thomas Clayton  
CMB CEO/PRESIDENT:  
Frank Chiozza

YEAR ESTABLISHED: 1988

WD MEMBERS: 1,200  
MEMBER-OWNED  
WAREHOUSES: Not provided

MEMBER-OWNED JOBBER STORES: Not provided  
NON-MEMBER-OWNED JOBBER STORES: Not provided  
TOTAL JOBBER STORES IN THE PROGRAM GROUP: Not provided

MEMBER-OWNED SERVICE CENTERS: Not provided  
NON-MEMBER-OWNED SERVICE CENTERS: Not provided  
TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: Not provided

STATES COVERED: All 50

GROUP CONSISTS OF: AIM, CMB Marketing, Auto Extra, CYGNUS, DWC, SDI

GROUP STRUCTURE: A distributor advisory council board meets annually to provide direction to group management. New board members are elected by a majority vote of the existing board.

FEE REQUIREMENTS: Not for publication  
JOBBER REQUIREMENTS: Not for publication  
WD REQUIREMENTS: Not for publication

RETAIL: Not provided  
WHOLESALE: Not provided  
PRIVATE LABEL: 10%  
MAJOR BRANDS: 90%

PROGRAMS: Training program; pricing; computer services for software and hardware; signage; installer program; advertising in trade publications; training tape library; premium incentive company; insurance program

The group will focus on providing aggressive group programs for the membership and establishing a "partnership" alliance with supportive manufacturers in 2006. Increasing the AIM private label offering and expanding their website are other goals.



AIM  
645 HENDERSON DRIVE  
SUITE 10  
CARTERSVILLE, GA 30210  
(770) 386-4750  
FAX: (770) 386-4833

CMB MARKETING  
20 LAKE WIRE DRIVE  
SUITE 202  
LAKELAND, FL 33815  
(863) 682-0300  
FAX: (863) 683-3442  
www.aim-cmbmarketing.com

## Automotive Distribution Network

CO-CHAIRMEN: Stephen Sattinger, Mark Bond  
CO-PRESIDENTS: Mike Kamal, Mike Lambert

YEAR ESTABLISHED: 2005 (Parts Plus - 1977, IAPA - 1986)

WD MEMBERS: 46  
MEMBER-OWNED  
WAREHOUSES: 250

MEMBER-OWNED JOBBER STORES: 500  
NON-MEMBER-OWNED JOBBER STORES: 1,500  
TOTAL JOBBER STORES IN THE PROGRAM GROUP: 2,000

MEMBER-OWNED SERVICE CENTERS: 0  
NON-MEMBER-OWNED SERVICE CENTERS: 1,800  
TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: 1,800

STATES COVERED: All 50, plus Canada, Mexico, Puerto Rico

MAJOR MEMBERS: Automotive Supply Assoc., Herzogs, Merle's Auto, Pacific Supply, Parts Distributors, Quality Whse., Uni-Select

USA/Mawdi, United Automotive, WM Auto

GROUP STRUCTURE: Members elect a seven-person board of directors to serve one-year terms. Proportional voting on product/governance issues. Additional committees make recommendations on product, marketing, national account, IT and training.

FEE REQUIREMENTS: Varies by member  
JOBBER REQUIREMENTS: Varies by member  
WD REQUIREMENTS: Varies by member

RETAIL: 20%  
WHOLESALE: 80%  
PRIVATE LABEL: 20%  
MAJOR BRANDS: 80%

PROGRAMS: In-store design, merchandising; computer services, education with business management and technical training at service dealer and jobbers; service dealer, jobber councils; national parts warranty

In addition to focusing on technology and national accounts, the Network is looking forward to their first ever convention in 2007 in Las Vegas. The group is expecting more than 1,500 attendees. The conference will feature a vendor forum with top management so the Network's installer, jobber and warehouse customers can interact with vendors.



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MEMPHIS, TN 38157  
(901) 682-9090  
FAX: (901) 682-9098  
www.networkhq.com

## Auto Parts Associates, Inc.

PRESIDENT: Dan Freeman

YEAR ESTABLISHED: 1972

WD MEMBERS: 124  
MEMBER-OWNED  
WAREHOUSES: 170

MEMBER-OWNED JOBBER STORES: 726  
NON-MEMBER-OWNED JOBBER STORES: 1,587  
TOTAL JOBBER STORES IN THE PROGRAM GROUP: 2,313

MEMBER-OWNED SERVICE CENTERS: 56  
NON-MEMBER-OWNED SERVICE CENTERS: 1,156  
TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: 1,212

STATES COVERED: All except Ark., Del., Idaho, La., Maine, Miss., Mont., N.H., N.M., Okla., R.I., S.C., S.D., Vt., W.Va., Wyo.

MAJOR MEMBERS: All members are major

GROUP STRUCTURE: Board of directors are not compensated. Board is elected by members to serve two-year terms. One member, one vote. Three categories of product lines: Approved, Preferred and Professionals' Choice. APA is a compliance group.

FEE REQUIREMENTS: Varies  
JOBBER REQUIREMENTS: Varies  
WD REQUIREMENTS: Applications reviewed on an individual basis

RETAIL: 20%  
WHOLESALE: 80%  
PRIVATE LABEL: 35%  
MAJOR BRANDS: 65%

PROGRAMS: Training; promotions; service programs for jobbers and installers; national advertising in industry trade publications; APA website

At this year's international meeting, APA developed the theme "Harness the Horsepower." In the last several years, APA has grown membership considerably, so their new goal is taking that additional strength and doing more volume with fewer suppliers. "We feel that's one way our members can compete with the big boys," says President Dan Freeman.



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LANEXA, KS 66219  
(800) 552-4049  
FAX: (913) 310-9255  
www.professionalschoice.com

## Auto Parts Professionals

PRESIDENT: Robert E. Luna

YEAR ESTABLISHED: 1988

WD MEMBERS: 8  
MEMBER-OWNED  
WAREHOUSES: 8

MEMBER-OWNED JOBBER STORES: 10  
NON-MEMBER-OWNED JOBBER STORES: Not provided  
TOTAL JOBBER STORES IN THE PROGRAM GROUP: Not provided

MEMBER-OWNED SERVICE CENTERS: Not provided  
NON-MEMBER-OWNED SERVICE CENTERS: Not provided  
TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: Not provided

STATES COVERED: Calif., Kan., Mo., La., N.Y., Texas

MAJOR MEMBERS: Not provided

GROUP STRUCTURE: An equally owned sub-chapter "T" corporate coopera-

tive where each member has a single share of stock and equal voting power. A five-man board of directors is elected from the membership with a maximum of two consecutive three-year terms. A complete certified audit is conducted and submitted to all members every year.

FEE REQUIREMENTS: Varies by market  
JOBBER REQUIREMENTS: Varies by market  
WD REQUIREMENTS: Varies by market

RETAIL: 20%  
WHOLESALE: 80%  
PRIVATE LABEL: 25%  
MAJOR BRANDS: 75%

PROGRAMS: Special pricing for major branded and exclusive Mechanics Circle products; all Windows-based ProTrac computer system and ProLinc Internet purchasing module (available to all members at no cost for the software); installer warranty programs

Although Auto Parts Professionals didn't share their major members with us, the group plans to focus on refining vendor programs in 2006, as well as expanding membership to distributors that will implement the programs that truly allow them to compete, says President Robert Luna.



14742 S. MURRAY LANE  
OLATHE, KS 66062  
(816) 679-7000

## CARQUEST Corporation

PRESIDENT: Robert Blair  
YEAR ESTABLISHED: 1974  
WD MEMBERS: 5  
MEMBER-OWNED WAREHOUSES: 49  
MEMBER-OWNED JOBBER STORES: Not provided  
NON-MEMBER-OWNED JOBBER STORES: Not provided  
TOTAL JOBBER STORES IN THE PROGRAM GROUP: 3,400  
MEMBER-OWNED SERVICE CENTERS: Not provided  
NON-MEMBER-OWNED SERVICE CENTERS: Not provided  
TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: Not provided  
STATES COVERED: All 50  
MAJOR MEMBERS: Automotive Warehouse Inc., BWP Distributors, CAP Warehouse, General Parts Inc., Muffler Warehouse Inc.

GROUP STRUCTURE: Not provided  
FEE REQUIREMENTS: Varies by member  
JOBBER REQUIREMENTS: Varies by member  
WD REQUIREMENTS: Varies by member  
RETAIL: 15%  
WHOLESALE: 85%  
PRIVATE LABEL: 90%  
MAJOR BRANDS: 10%  
PROGRAMS: Advertising programs and marketing support; TECH-NET Professional for service dealers; full CARQUEST brand product support; store training programs; CARQUEST Technical Institute for service dealer training; financial assistance; CARQUEST insurance programs; CARQUEST Business Technologies

Covering all 50 states, CARQUEST is one of the oldest program groups in the industry. This year, the group has several main goals, two of which are leveraging technologies and aligning with marketing drivers to serve their members.



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RALEIGH, NC 27611-6929  
(919) 573-2500  
FAX: (919) 573-2501  
www.CARQUEST.com  
e-mail: cainform@CARQUEST.com

## Driver FX

PRESIDENT: Ed Orzetti  
YEAR ESTABLISHED: 2000  
WD MEMBER: 1  
MEMBER-OWNED WAREHOUSES: 4  
MEMBER-OWNED JOBBER STORES: Not provided  
NON-MEMBER-OWNED JOBBER STORES: Not provided  
TOTAL JOBBER STORES IN THE PROGRAM GROUP: Not provided  
MEMBER-OWNED SERVICE CENTERS: 0  
NON-MEMBER-OWNED SERVICE CENTERS: 0  
TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: 0  
STATES COVERED: All 50  
MAJOR MEMBERS: Not provided  
GROUP STRUCTURE: Not provided

FEE REQUIREMENTS: Monthly payment ranging from \$125 to \$412, depending on program level chosen  
JOBBER REQUIREMENTS: Must be a legitimate business with a storefront for walk-in traffic  
WD REQUIREMENTS: Not provided  
RETAIL: Not provided  
WHOLESALE: Not provided  
PRIVATE LABEL: Not provided  
MAJOR BRANDS: Not provided  
PROGRAMS: Monthly sales materials — flyers, window posters, shelf cards, catalogs, mailing programs; national advertising; consumer and trade show presence; affiliate e-commerce site; dealer locator member service; national race sponsorship and more

Although Driver FX reported over 400 total jobber stores in their program group last year, they did not share those membership numbers with us this year. The group, which covers all 50 states, reported one additional member-owned warehouse this year.



44 TUNKHANNOCK AVE.  
EXETER, PA 18643  
(800) 233-8321  
www.driverfx.com  
www.ekeystone.com

## Engine Pro/Engine Parts Group, Inc.

PRESIDENT: Gregory L. Dunlap  
YEAR ESTABLISHED: 1989  
WD MEMBERS: 12  
MEMBER-OWNED WAREHOUSES: 32  
MEMBER-OWNED AUTOMOTIVE JOBBERS/MACHINE SHOPS: 0  
NON-MEMBER-OWNED AUTOMOTIVE JOBBERS/MACHINE SHOPS: 9,200  
TOTAL AUTOMOTIVE JOBBERS/MACHINE SHOPS SERVED: 9,200  
MEMBER-OWNED ENGINE REBUILDERS: 0  
NON-MEMBER-OWNED ENGINE REBUILDERS: 6,000  
TOTAL ENGINE REBUILDERS SERVED: 6,000  
STATES COVERED: All 50  
MAJOR MEMBERS: Not provided

GROUP STRUCTURE: Equally owned by 13 independent distributor members  
FEE REQUIREMENTS: Not provided  
JOBBER REQUIREMENTS: Not provided  
WD REQUIREMENTS: Not provided  
RETAIL: 0%  
WHOLESALE: 100%  
PRIVATE LABEL: 10%  
MAJOR BRANDS: 90%  
PROGRAMS: National engine warranty; national parts finder; motorsports affiliation; and other sales, marketing and promotional programs

Engine Pro/Engine Parts Group, Inc.'s 2006 goals include an increased focus on sales, advertising and promotional programs to help distributors grow market share in the engine hard parts marketplace. The group also wants to focus on new product categories and new market opportunities including performance, heavy duty and niche markets.



4891 INDEPENDENCE STREET  
SUITE 155  
WHEAT RIDGE, CO 80033  
(303) 424-3200  
FAX: (303) 424-4999  
www.enginepro.com

## Federated Auto Parts Distributors

CEO: Rusty Bishop  
PRESIDENT: Mike Schultz  
CO-PRESIDENT: Gene Jeffries  
YEAR ESTABLISHED: 1985  
WD MEMBERS: 79  
MEMBER-OWNED WAREHOUSES: 154  
MEMBER-OWNED JOBBER STORES: Not provided  
NON-MEMBER-OWNED JOBBER STORES: Not provided  
TOTAL JOBBER STORES IN THE PROGRAM GROUP: 3,800  
MEMBER-OWNED SERVICE CENTERS: Not provided  
NON-MEMBER-OWNED SERVICE CENTERS: Not provided  
TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: 2,700  
STATES COVERED: All 50  
MAJOR MEMBERS: Associate Jobbers Whse., Berrodin Company, Cold Air Distributors, Fisher Auto Parts, KOI Whse., Pat Young Service Co., Rasco Parts Whse., United Auto Supply, Woodbury

Automotive Whse.  
GROUP STRUCTURE: Board of directors are elected and serve one-year terms  
FEE REQUIREMENTS: Not provided  
JOBBER REQUIREMENTS: Not provided  
WD REQUIREMENTS: Not provided  
RETAIL: 20%  
WHOLESALE: 80%  
PRIVATE LABEL: 25%  
SHARED LOGO: 60%  
MAJOR BRANDS: 15%  
PROGRAMS: Discount pricing; computerized parts ordering; obsolete parts program; inventory management; Federated Car Care Installer Program; signage; POP displays; Technician's Diagnostic Hotline; business seminars; print, radio, TV ads; credit card program; national warranty program; shop layout/design; employee uniforms; shared logo lines; private label lines; specialty items; clinics; truck signage

"We will concentrate on the education and training of our jobbers and installers," says Federated President Mike Schultz on their 2006 goals. "We will continue to improve our Car Care and our Installer Business Management System; and we will also continue to aggressively gain market share through our national advertising and our expanded motorsports program."



P.O. BOX 2248  
STAUNTON, VA 24402  
(540) 885-8460  
FAX: (540) 885-7612  
www.federatedautoparts.com

## Independent Warehouse Distributors

CEO: Bruce Tavik  
 YEAR ESTABLISHED: 1985  
 WD MEMBERS: 100  
 MEMBER-OWNED WAREHOUSES: 100  
 MEMBER-OWNED JOBBER STORES: 800  
 NON-MEMBER-OWNED JOBBER STORES: 800  
 TOTAL JOBBER STORES IN THE PROGRAM GROUP: 1,600  
 MEMBER-OWNED SERVICE CENTERS: 0  
 NON-MEMBER-OWNED SERVICE CENTERS: 20,000+  
 TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: 20,000+  
 STATES COVERED: All except Alaska, Hawaii, Miss., Mont., N.D., S.D., Wyo.  
 MAJOR MEMBERS: Not provided  
 GROUP STRUCTURE: Governed by an 11-member board; managers serve staggered three-year terms; operated as a nonprofit busi-

ness; owned by membership  
 FEE REQUIREMENTS: None  
 JOBBER REQUIREMENTS: Affiliated exclusively with the Auto Pride program  
 WD REQUIREMENTS: Affiliated exclusively with IWD  
 RETAIL: 10%  
 WHOLESALE: 90%  
 PRIVATE LABEL: 10%  
 MAJOR BRANDS: 90%  
 PROGRAMS: Auto Service Experts program; Auto Pride marketing program; technical and managerial training; maintenance-minded direct mail letter; Auto Pride credit card program; signage and wear-able program; leasing program; product warranty program; on-hold message CD program; installer website; *Auto Service Experts* newsletter; business forms; private label programs

The main focus for Independent Warehouse Distributors this year is improving best business practices at distributor members and independent repair shop customers through collaboration and distribution of successful business and marketing strategies.



182 WINCHESTER AVE.  
 NEW HAVEN, CT 06511  
 (800) 243-4934  
 FAX: (203) 865-1819  
 www.autopride.com

## National Automotive Parts Association

PRESIDENT: Bob Susor  
 YEAR ESTABLISHED: 1925  
 WD MEMBERS: 2  
 MEMBER-OWNED WAREHOUSES: 64  
 MEMBER-OWNED JOBBER STORES: 1,000  
 NON-MEMBER-OWNED JOBBER STORES: 5,000  
 TOTAL JOBBER STORES IN THE PROGRAM GROUP: 6,000  
 MEMBER-OWNED SERVICE CENTERS: 0  
 NON-MEMBER-OWNED SERVICE CENTERS: 13,000  
 TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: 13,000  
 STATES COVERED: All 50  
 MAJOR MEMBERS: Genuine Parts Co., Quaker City Motor Parts  
 GROUP STRUCTURE: Board of directors

FEE REQUIREMENTS: Varies  
 JOBBER REQUIREMENTS: Full line jobbers only  
 WD REQUIREMENTS: Not provided  
 RETAIL: 20%  
 WHOLESALE: 80%  
 PRIVATE LABEL: 90%  
 MAJOR BRANDS: 10%  
 PROGRAMS: In-store design and merchandising; counterpersonnel training/certification; technology services; dealer merchandising programs and clinics; advertising; inventory management; obsolescence protection; preferential billing terms; specialty items (caps, pens, key chains); employee uniforms; market research; seminars; tapes and films; extended product warranties; group insurance plans; financial assistance/loans; private label lines

In existence for over 75 years, NAPA plans to spend 2006 focusing on continuous improvement and refinement of the group's program elements, as well as new distribution. The group thinks growth opportunities are available through distribution, and even though there are currently over 6,000 NAPA stores, the group will continue to evaluate new and existing locations.



2999 CIRCLE 75 PARKWAY  
 ATLANTA, GA 30339  
 (770) 956-2200  
 FAX: (770) 956-2201  
 www.NAPAonline.com

## National Pronto Association

PRESIDENT: Bill Maggs  
 CHAIRMAN: Randy Buller  
 YEAR ESTABLISHED: 1978  
 WD MEMBERS: 77  
 MEMBER-OWNED WAREHOUSES: 127  
 MEMBER-OWNED JOBBER STORES: approx. 600  
 NON-MEMBER-OWNED JOBBER STORES: approx. 900  
 TOTAL JOBBER STORES IN THE PROGRAM GROUP: approx. 1,500  
 MEMBER-OWNED SERVICE CENTERS: approx. 150  
 NON-MEMBER-OWNED SERVICE CENTERS: approx. 1,500  
 TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: approx. 1,650  
 STATES COVERED: All states except Alaska, Ark., Del., La., Miss., Mont., N.M., N.C., Okla., S.C., Va., W.Va., Wyo.

MAJOR MEMBERS: For a full listing of Pronto members, visit [www.pronto-net.com](http://www.pronto-net.com).  
 GROUP STRUCTURE: Members elect executive board of directors to three-year terms. There are additional committees for Product & Marketing and Computer & Technology.  
 FEE REQUIREMENTS: Varies  
 JOBBER REQUIREMENTS: Varies  
 WD REQUIREMENTS: Varies  
 RETAIL: 30%  
 WHOLESALE: 70%  
 PRIVATE LABEL: 10%  
 MAJOR BRANDS: 90%  
 PROGRAMS: National warranty; Car Care One credit card; roadside assistance; rental car; consumer direct marketing; unlimited tech time; ASE reimbursement; smart choice rewards; training; MSDS resources; catalog resources; technical resources

President Bill Maggs is happy with the current state of Pronto. "We're going to continue to look for good, quality distributors in markets we have open, trying to fill in the places where we aren't located," he says. "We're pretty excited about 2006 and beyond. We have great distributors."



3575 LONE STAR CIRCLE  
 SUITE 430  
 FORT WORTH, TX 76177  
 (817) 430-9449  
 FAX: (817) 430-9559  
 www.pronto-net.com

## TruStar

CEO/PRESIDENT: Steve Upton  
 MARKETING MANAGER: Kevin Davidson  
 YEAR ESTABLISHED: 1987  
 WD MEMBERS: 105  
 MEMBER-OWNED WAREHOUSES: 250  
 MEMBER-OWNED JOBBER STORES: 50  
 NON-MEMBER-OWNED JOBBER STORES: 0  
 TOTAL JOBBER STORES IN THE PROGRAM GROUP: 50  
 MEMBER-OWNED SERVICE CENTERS: 1,000  
 NON-MEMBER-OWNED SERVICE CENTERS: 100,000  
 TOTAL SERVICE CENTERS IN THE PROGRAM GROUP: 101,000  
 STATES COVERED: 47 plus Canada  
 MAJOR MEMBERS: AB&S, S&A Distributing, U.S. Tire & Exhaust, Brake Parts Supply, Frank Supply Co., Full Line Exhaust, Monro Service Corp., National Whse., Brake Supply

Plus, Prime Products, Motorcade Industries, Jag Parts Whse., Maritime Exhaust  
 GROUP STRUCTURE: Members are strategically located throughout the U.S. and Canada that head the Steering and Marketing committees.  
 FEE REQUIREMENTS: \$250 per month  
 JOBBER REQUIREMENTS: Not provided  
 WD REQUIREMENTS: Independent distributors with a focus on undercar products and the installer market  
 RETAIL: 20%  
 WHOLESALE: 80%  
 PRIVATE LABEL: 40%  
 MAJOR BRANDS: 60%  
 PROGRAMS: Installer's Choice marketing program; manufacture promotion calendar; warehouse distributor trip promotions; graphic package; master brake catalog; TruStar DC

This year, TruStar will focus on the membership support of the group's manufacturer brand and private brand programs. As for 2006 challenges, remaining competitive with import pricing and dealing with manufacturer consolidation are at the forefront.



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