

ROAD SIGNS

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PRESIDENT’S MESSAGE

Things have really been cookin’ around the ol’ APSA of Illinois kitchen. All of us on the Executive Committee knew we would have our hands full trying to fill the shoes of Jan Firth. Believe me that was no small task. For 29 years, she dedicated her professional career to our organization. Jan is respected throughout our industry from Capital Hill to AAIA; everyone knows her and respects her opinion.



JIM MCKAY
President

As I said, hard shoes to fill, but I think we have our man. We looked at a lot of resumes and conducted many interviews and after the smoke cleared, we all agreed on one person. That person is **MATT WELLS**. Matt came highly recommended and I know he will do a very good job. Here is a little bio on Matt:



MATT WELLS
New EVP

MATT WELLS, originally hails from the southeastern Illinois community of Cisne; growing up on a small livestock and crop farm. By the age of 21, Matt had spoken to over 40,000 people and traveled the state of Illinois promoting the Illinois FFA and Ag Education, as the Illinois FFA President.

Upon completing his Bachelors degree from Western Illinois University in Agricultural Business Management with a minor in Business Management, he went to work as the Membership Services coordinator at the Grain and Feed Association of Illinois. The GFAL is a small staffed office with a membership of 250 regular member companies with over 800 locations throughout the state and over 170 associate members. Matt has direct responsibility for the annual convention and trade show with over 1,000 attendees and 100 exhibitors. He also manages all printed material produced by the association, website and membership database. Matt plays an intricate role in the association lobbying efforts participating in legislative initiatives and communicating the association position to national and state legislators. He works with member issues on a day-to-day basis and manages the associations \$35,000 a year scholarship program. Maintaining an open dialogue and providing problem solving solutions for members is his number one priority.

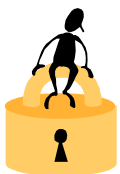
Matt had been active in his professional society of ISAE (Illinois Society of Association Executives) serving on the Board of Directors from 2003-2006 and receiving the 2004 Rising Star Award for the highest growth and potential in association management.

Matt and his spouse, Christina, have been married for six years and live in the small community of Franklin, 20 miles west of Springfield. They enjoy working around the house, restoring their 1986 Monte Carlo SS, and riding motorcycles.

Matt will assume his duties at APSA of IL on August 6, 2007. I am looking forward to working with him.

Jim McKay
 217-324-3971, Ext. 12
jmckay@mckavauto.net

P.S. On a personal note my knee is coming along just fine. Thanks for all the cards and kind words.



APSA of IL

will be

CLOSED

**Monday
 SEPTEMBER 3rd**

LABOR DAY

MEMBERSHIP



MEMBERSHIP ANNIVERSARIES

5 Years

- **Riverside Chevrolet, Inc.,** Chillicothe

10 Years

- **Parts Pros, Inc.,** Wheaton

20 Years

- **Danville Omni Kolor, Inc.,** Danville
- **Grayville Auto Supplies, Inc.,** Grayville

CONGRATULATIONS to these MEMBERS!!



Thank you for your membership and continuous support of the Association!

FREIGHTQUOTE.COM Instant Comparisons

APSA of IL and Freightquote.com have joined together to give you instant comparisons from lots of great carriers. We have completed a customized web link for the membership at: <http://apsail.freightquote.com>



The user-friendly tools automate everything - pricing, pickups, documents and tracking. Customers trust us with over 500,000 shipments every year - click on the above link to learn what FreightQuote can do for you.

MORE MEMBER PROGRAMS

In addition to <http://apsail.freightquote.com>, we have many members signed up to use the programs shown here, however, not many of these registered members are taking advantage of these programs.

If you are signed up to use one of these money-saving programs, *take full advantage of the benefit!*



SUPERFLEET Fuel Discount Program

APSA OF ILLINOIS' 2008 Automotive Aftermarket CALENDAR PROGRAM

Celebrate the Year 2008 by getting your message into the homes and offices of your customers...daily! Let them know that you intend to shine bright in this new age and will be there to serve their needs. Calendars are used all year. Plus they are often saved as personal records and looked at year after year. Calendars are used where buying decisions are made: on the job, in the office, on the road, or at home. Sixty-five (65%) percent of all calendar recipients write appointments and reminders on their calendar. This daily involvement keeps your advertising sign working all day, every day!

2008						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Order Today

Order your calendars today after reviewing the 2008 Calendar Flyer, using the following website links:

<http://www.apsail.com/Documents/08calendarflyer.pdf>

<http://www.apsail.com/Documents/08calendar%20price%20sheet.pdf>

EXIT STRATEGY

An exit strategy requires making smart moves early in the game. Your local Federated representative can tell you more about how Federated's Financial Protections Services for association members can help assure financial security for you, your family, and your business.



Review the Federated flyer at:

<http://www.apsail.com/Documents/Federated%20-%20An%20Exit%20Strategy.pdf>

DEBIT REWARDS PROGRAM More Banks Offering Debit Rewards Programs



Two-thirds of the top 50 financial institutions in terms of annual debit cardholder spending now offer debit rewards programs, up 40% from 14 months ago, according to a new study by

Mercator Advisory Group LLC. Mercator reports that, as of this month, 32 of the top card-issuing banks have at least one debit rewards program. That compares with only 20 of the top 50 banks that had at least one debit rewards program in February 2006, when Mercator previously surveyed the top 50 debit card-issuing banks. Eleven of the top 50 banks launched their first debit rewards programs within the past year, according to the study. And 18 of the top 50 banks now offer multiple debit rewards programs to cardholders, more than double the seven banks that did so the previous year, according to the study. Tim Sloane, Mercator analyst and author of the study, tells CardLine he is surprised by how many banks have not gotten around to promoting their debit rewards programs to customers. "It's remarkable how many financial institutions have the programs but really bury the fact that they exist," Sloane says. "They make the effort to sign the contracts and get the programs in place, and then there's a tendency to let [marketing] fall through the cracks."

(Source: NOVA Information Systems, Cardline 5/29/07, American Banker 5/30/07)

PROPOSED MEMBERSHIP BYLAWS REVISION



As required in the Association bylaws, Article XVI: *Bylaws may be amended at any regular membership meeting by majority vote, provided that notice of such proposed amendment shall have been mailed to each member at least ten (10) days before such meeting.*

The following revisions are being proposed by the Board of Directors to be voted on at the annual meeting of the membership on September 21, 2007 at Eagle Creek Resort, Findlay, Illinois. ***(red bold italics)*** designate suggested additions to bylaws and strikethroughs designate suggested deletion from the bylaws)

ARTICLE VI

METHODS OF VOTING

The business of the organization shall be transacted by oral vote. Subsidiary, Education Club, Emeritus Club and Honorary members shall not be eligible to vote. Every regular, associate, ***manufacturer*** and affiliate member will get one vote per membership. A paper ballot will be available (if necessary) for vote verification.

ARTICLE VIII

FINANCE COMMITTEE

The Finance Committee shall be comprised of the current officers of the Association's Board of Directors, the Immediate Past President, ***and*** the Association's Executive Vice President ***and the Association's Accountant***. The Executive Vice President ***and Accountant*** shall not have voting power. This committee shall render an audit of the Treasurer's account at any time called by the President and at the end of each fiscal year.

ARTICLE X

MEMBERSHIP

Section 1: Eligibility. Any reputable person, firm or corporation whose principal business is the wholesaling and/or retailing, manufacture and sales, or servicing of motor vehicle parts, accessories and equipment and/or whose business is affiliated with the motor vehicle aftermarket is eligible for membership in APSA of Illinois. All members of APSA of Illinois shall be bound by an employment-related common bond.

Section 2: Membership Categories. There shall be ~~seven~~ ***eight*** types of membership in the association. The Board of Directors may from time to time, create or amend such membership categories as they deem appropriate.

(a) **Regular Member** - A Regular Member shall be any business or individual whose place of business is within the State of Illinois, and whose business is

engaged primarily in selling motor vehicle aftermarket parts, accessories, equipment or materials and who buys and sells through legitimate channels in accordance with the established usage of the trade. Regular Members shall be eligible to vote, serve on the Board of Directors and Committees and hold office in this Association.

(b) **Associate Member** - An Associate Member shall be any business or individual who ~~manufactures or~~ sells motor vehicle aftermarket products and supplies or who provides motor vehicle aftermarket service to the consumer. It is the policy of this Association that all out-of-state jobbers and suppliers seeking membership in APSA of Illinois must do so as an Associate Member. Associate Members shall be eligible to vote and serve on the Board of Directors and Committees, but not hold office in this Association.

(c) **Manufacturer Member - A Manufacturer Member shall be any business or individual who manufactures motor vehicle aftermarket products and supplies. Manufacturer members will not be eligible to participate in the APSA of Illinois Group Medical Expense Reimbursement Plan. Manufacture members shall eligible to vote and serve on the Board of Directors and Committees, but not hold office in this Association.**

(~~e~~ d) **Affiliate Member** - An Affiliate Member shall be any business or individual who is not primarily engaged in the motor vehicle aftermarket, but who renders a service to the aftermarket industry. Affiliate Members shall be eligible to vote ***and serve but not serve*** on the Board of Directors and Committees, ***but not or*** hold office in this Association.

(~~t~~ e) **Subsidiary Member** - A Subsidiary Member shall be any separate location (company-owned or branch store) of an APSA of Illinois member. Subsidiary members shall not be eligible to vote, serve on the Board of Directors and Committees, or hold office in this Association.

(~~e~~ f) **Education Club Member - Education Club Member** - An Education Club Member shall be an individual who serves as an instructor in any related motor vehicle aftermarket course at a college or a training facility. ***Education members will not be eligible to participate in the APSA of Illinois***

Group Medical Expense Reimbursement Plan. Education Club Members shall not be eligible to vote, serve on the ~~Board of Directors and~~ Committees, or hold office in this Association. ***Education Club Members shall have one representative serve on the Board of Directors.***

(~~f~~ g) **Emeritus Club Member** - An Emeritus Club Member shall be an individual previously involved in AWOI and the motor vehicle aftermarket industry desiring to maintain communication with and support of the association. ***Emeritus Club Members will not be eligible to participate in the APSA of Illinois Group Medical Expense Reimbursement Plan.*** Emeritus Club Members will not be eligible to vote, serve on the Board of Directors and Committees, or hold office in this Association.

(~~g~~ h) **Honorary Member** - An Honorary Member shall be an individual who shall, through reasonable cause or for his efforts in behalf of the motor vehicle aftermarket industry or the Association, be deemed to have earned the recognition. Honorary Members may be elected unanimously by the Board of Directors at any regular meeting. ***Honorary Members will not be eligible to participate in the APSA of Illinois Group Medical Expense Reimbursement Plan.*** Honorary Members shall not be eligible to vote, serve on the Board of Directors and Committees, or hold office in this Association.

Section 3: Application for Membership. Application for membership by qualified (see Section 2 above - Membership Categories) firms, corporations or individuals shall be made in writing, accompanied by a check for the applicant's annual dues, on the forms supplied by the Association.

Section 4: Membership Listing. The Executive Vice President shall publish annually the names of the entire membership.

Section 5: Membership Approval. Upon receipt of application for membership by qualified (see Section 2 above - Membership Categories) firms, corporations or individuals, the Executive Vice President shall accept or reject such applications. Should an application be rejected, the applicant at his/her request may appeal the rejection to the full Board of Directors.



PROPOSED MEMBERSHIP BYLAWS REVISION ... *continued*

CONTINUED FROM PAGE 3 ...

ARTICLE XI

DUES AND FEES

Section 1: Dues and Fees. The Dues and Fees of the various Membership Categories shall be based on a schedule adopted by the Board of Directors, payable at time application is made and thereafter in advance. Such schedule of dues and fees shall be subject to review and amendment by the Board of Directors from time to time at any regular Board meeting.

Section 1: Delinquency. Any member failing to pay scheduled dues and fees within 90 days of due date shall be notified in writing by the Executive Vice President, **at the last known address**, that all Association privileges and services will be suspended, including the eligibility to attend meetings and vote until dues payment is received.

Section 2: Resignations. Should a member wish to discontinue his membership **from this association**, notice shall be given in writing to the Executive Vice President. Said resignation may be accepted by the Board of Directors, provided all indebtedness of said member to the Association is paid.

Section 3: Forfeiture. Any member, whose connection with this Association shall be severed by resignation, **death, receivership, bankruptcy, expulsion or otherwise**, shall forfeit all interest in any funds or other property belonging to the Association.

Section 4: Conduct. Any member who by personal or business conduct violates any of the rules, purposes, or ethics of this Association may be expelled from membership by a majority vote of the Board of Directors, at a meeting called for that purpose, provided that said member shall have been given at least ten (10) days notice in writing of such pending action. Service of such notice may be made by personal delivery or registered letter mailed to the last known address. Said member may appear, or may be represented by counsel, at the hearing before the Board of Directors.

ARTICLE XIII

DURATION OF MEMBERSHIP

Section 1: Delinquency. Any member failing to pay scheduled dues **and fees** within 90 days of due date shall be notified in writing by the Executive Vice President, **at the last known address**, that all Association privileges and services will be **suspended, including the eligibility to attend meetings and vote** until dues payment is received.

Section 2: Resignations. The Executive Vice President shall be notified of the resignation of any member from this association. **Should a member wish to discontinue his membership from this association, notice shall be given in writing to the Executive Vice President.** Said resignation may be accepted by the Board of Directors, provided all indebtedness of said member to the Association is paid.

Section 3: Forfeiture. Any member, whose connection with this Association shall be severed by resignation, death, receivership, bankruptcy, expulsion or otherwise, shall forfeit all interest in any funds or other property belonging to the Association **and forfeit all benefits of the Association.**

Section 4: Conduct. Any member who by personal or business conduct violates any of the rules, purposes, or ethics of this Association may be expelled from membership by a majority vote of the Board of Directors, at a meeting called for that purpose, provided that said member shall have been given at least ten (10) days notice in writing of such pending action. Service of such notice may be made by personal delivery or registered letter mailed to the last known address. Said member may appear, or may be represented by counsel, at the hearing before the Board of Directors.

ARTICLE XIV XII

ORDER OF BUSINESS

Opening, Roll Call, Acceptance of Minutes, Treasurer's Report, Reports of Committees; Membership Report, Unfinished Business, New Business, Adjournment.

ARTICLE XV XIV

INDEMNIFICATION

Each Director, Officer and member of any advisory group or committee of the Association, now or hereafter in office, and his heirs, executors and administrators shall be indemnified by this Association against all costs, expenses and amounts of liability therefore, including counsel fees, reasonably incurred by or imposed upon him in connection with or resulting from any action, suit, proceedings or claim to which he may be made a party, or in which he may be or become involved by reasons of his acts of omission or commission in his capacity as a Director, officer or member of any advisory group or Committee of the Association.

The provision hereof, shall apply to any settlement of the action, suit or proceeding whether or not he continues to be such Director, Officer or member at the time of incurring such costs, expenses or amounts; whether or not the action or omission to act on the part of such Director, Officer or member

which is the basis of such suit, action or proceeding occurred before or after the adoption of this by-law. This indemnification shall not apply to such Director, Officer or member who shall be finally adjudged in such action, suit or proceeding to have been individually guilty of willful malfeasance or malfeasance in the performance of his duty. Further, the indemnification therein provided shall, with respect to any settlement of any such suit, action, proceeding or claim include reimbursement of any amounts paid and expenses reasonably incurred in settling any such action, suit proceeding or claim when, in the judgment of the Board of Directors of this Association, such settlement and reimbursement appear to be for the best interest of this Association. The foregoing right of indemnification shall be in addition to and not exclusive of any and all other rights as to which any such Director, Officer or member may be entitled under any agreement or vote of Directors.

ARTICLE XVI XV

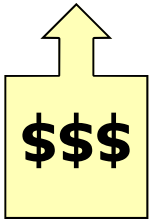
ALTERATIONS AND AMENDMENTS

These bylaws may be amended at any regular membership meeting by majority vote, provided that notice of such proposed amendment shall have been mailed to each member at least ten (10) days before such meeting.

Any subject not herein provided for shall be decided by the regular rules prescribed in Roberts Rules of Order.

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PRICE FIXING RULING MUDDIES AFTERMARKET RETAILWATERS



Shoppers may see higher prices and retailers may have to keep a closer eye on pricing as a result of a recent U.S. Supreme Court ruling that lifts a ban on minimum retail pricing. The new ruling states that retail price agreements will not be an automatic

violation of the **Sherman Antitrust Act**. Each case of possible price fixing will be judged on a case-by-case basis.

"Now, what they are saying is price fixing could be legal or illegal depending on the effect on competition and restraint of trade," said **Aaron Lowe**, vice president of government affairs for **AAIA**. "Every court would have to make a determination in each case based on the competition and the price issue. In some cases, price restraints could be okay."

The new ruling overturns an antitrust ruling made by the Supreme Court in 1911 on a case concerning the prices of medicine. What brought the issue to the present court was the maker of women's handbags who insisted that the retailer sell at a particular price. The suit was brought by the owner of

a women's clothing store on the grounds that the pricing policy violated antitrust laws. The jury agreed with the shopkeeper and awarded a \$4-million judgment. The U.S. Supreme Court reversed this verdict.

Lowe said the ruling will definitely have implications for the aftermarket, between the manufacturer and the retailer, although it is hard to know at this point how it will evolve.

SEMA had been watching the case and also been holding seminars and webinars to help educate its members. "We've been showing people how they can legally have an impact on pricing at the retail level," said **Russ Deane**, legal counsel for the association. "That includes the Manufacturers Advertised Program, MAP, which has the manufacturer supporting the advertising for the retailer or wholesaler."

A second program is called the **Colgate Program**, which Deane said allows a manufacturer to set what price it wants to sell a product for. "Effectively, what the court has done is moved the means by how the pricing practices are analyzed," he explained. "With the old law, no matter what, price fixing was a violation. With the

new ruling, the court reviews the agreement and looks at the facts to see if it is anti-competitive or pro-competitive. If it is anti-competitive, it is a violation."

SEMA will hold seminars on price fixing at the **SEMA Show**. "We want our members to know where the danger spots are," Deane said. "There is a clear line now. Before, it was illegal. Now, it is maybe illegal. It is important to use an experienced antitrust counsel when dealing with this. It is like walking through a mine field."

Carl Person, the lawyer behind the **Coalition for a Leveling Playing Field**, said the recent decision is part of a movement to keep antitrust cases out of the courts. "With antitrust, this is the thing to do," Person said. "They have eliminated an age-old case that everyone knew. Price fixing was a per-se violation. You didn't have to show it was reasonable or not. Now, not all price fixing is illegal. Some of it is reasonable because big companies do that and they compete with each other. And, when you have big companies competing with each other, that is good for the public."

(source: The Greensheet July 6, 2007)

REFRIGERANT PROGRAM APPLICATION WIZARD INTRODUCED BY ASE

ASE has released a **Section 609** wizard to help technicians quickly determine their EPA-approved credentialing requirements for air-conditioning service. The application is designed to help eliminate some of the confusion when working on A/C systems used in different types of vehicles. Using a stepped interview process, the wizard asks specific questions about the A/C system. Based on the responses, the

application then advises the user whether an EPA-approved Section 609 program like the **ASE Refrigerant Recovery and Recycling Review and Quiz** applies to the type of system being serviced. It's a free tool for service professionals and can be found on the ASE website at www.ase.com in the "Service Professionals" section under "**Online Refrigerant Recovery Program**."

INDUSTRY INDICATORS REPORT

The Industry Indicators file consists of five worksheets. The "Auto Retail Report" worksheet contains indicators relevant to the automotive aftermarket retail industry, while the "Auto Parts Manufacturing Report" contains indicators relevant to the automotive parts manufacturing industry, and the "Heavy Duty Aftermarket Report" worksheet contains indicators relevant to the heavy duty aftermarket.



For each indicator, these reports include the values from the last three months, percent changes from the previous year and an assessment of the trend for that indicator. The report also includes a "Raw Data" worksheet that contains the historical data for each indicator and a "Sources" worksheet that contains a list of the sources and definitions for each indicator.

The Industry Indicators Report can be accessed here:
http://www.apsail.com/Documents/AAIA_Industry_Indicators2nd.pdf

EPA PROPOSES EMISSIONS STANDARD FOR VOCs IN AEROSOL SPRAY PAINTS



The Environmental Protection Agency (EPA) is proposing national

emissions standards for volatile organic compounds (VOCs) found in aerosol spray paints based on how rapidly they react to sunlight to form ground-level ozone. Currently, most consumer product VOC standards are mass based which treats all VOCs alike. According to EPA, a reactivity based standard will better control a product's contribution to ozone formation by encouraging the use of less reactive VOC ingredients. The

proposed rules are similar to those already promulgated in California, Washington and Oregon and are anticipated to reduce VOC emission nationwide by about 17,130 tons.

Under the proposal, companies that manufacture and distribute spray paints will need to ensure that their products meet a series of reactivity limits for six general coating categories and 30 subcategories of specialty coatings by Jan. 1, 2009. The reactivity limits are expressed in terms of mass of ozone generation per gram of product. Companies that have not previously manufactured, imported or distributed a product for

sale or distribution in California could seek an extension until Jan. 1, 2011. Manufacturers and distributors also would need to ensure that labels clearly identify which regulated product category it complies with, as well as being marked with a product date code. Manufacturers that produce very limited quantities of aerosol spray paints, or those spray paints that contain a total VOC content of no more than 7,500 kilograms annually, would be exempt. In addition, the proposed rule would require an initial notification report from all manufacturers covered by the regulation. The agency said the report must be submitted 90 days prior to the

compliance date and contain basic information about the regulated entity, identify all manufacturers, processors, wholesale distributors and importers of the aerosol spray paint. It should also include a statement certifying that all of the company's products will be in compliance by the date of implementation. EPA will accept written comments until Aug. 16, unless a public hearing is requested by July 26. If a hearing is requested, then written comments must be received by Aug. 30. Comments should be identified by Docket I.D. No. EPA-HQ-OAR-2006-0971 and submitted to www.regulations.gov.

NHTSA Grants Car Company Petition on Tire Pressure Monitoring

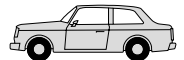
The National Highway Traffic Safety Administration (NHTSA) has granted a petition by the Alliance of Automobile Manufacturers seeking changes for malfunction warning requirements for tire pressure monitoring systems (TPMS). The alliance asked NHTSA to reconsider Federal Motor Vehicle Safety Standard 138, TPMS because specifications for a TPMS malfunction warning could affect

current "distributed logic" vehicle designs that allow the TPMS telltale to be independently commanded from different parts of the system.

NHTSA requires that a second flashing light never occur during the same ignition cycle. Due to this requirement, system designs incorporating distributed logic may need to be redesigned to an extent

that is not practicable before the Sept. 1 compliance date. In response to the petition, NHTSA has chosen to retain the requirement that a system detect a malfunction and initiate a 60-90 second flashing sequence by the telltale (followed by continuous illumination) within 20 minutes of the malfunction. The agency will amend the standard to not require TPMS to initiate additional flashing

illuminations for any additional, separate malfunctions.



The standard's testing procedure has also been amended to provide simulation of only one malfunction during each test. None of the changes are expected to change the costs of compliance or require the redesign of current TPMS.

ACTIVANT INTRODUCES MARKET INTELLIGENCE SOLUTION TO HELP DISTRIBUTORS, JOBBERS ENHANCE SALES PERFORMANCE

Activant Solutions has introduced a new market intelligence solution to help replacement parts distributors and store owners capture new sales opportunities through increased insight to regional catalog transactions and other data.



The web-based Activant Vista for Distributors solution enables users to access an extensive nationwide database of daily catalog lookups and product transactions by part number and vehicle platform. The solution includes more than 50 customized reports designed to help users improve inventory efficiency and sales performance by making demand-based stocking decisions at each of their store locations.

"This important new solution allows aftermarket distributors and store owners to gain a clear view of their regional markets based on actual parts consumption," said Thomas Aliotti, vice president and general manager of the Activant automotive business. "With the Vista for Distributors solution, you're no longer making stocking decisions based solely on broad assumptions from local vehicle registrations. Now you can customize your stock assortments by store location based on demonstrated customer demand via the parts replacements tracked by Activant."

Subscribers to the Activant Vista for Distributors solution will become members of the national panel through which catalog lookup and parts transaction data is

collected, consolidated and analyzed on a daily basis. Rather than having access only to their own point-of-sale data, subscribers can track and analyze transactions across regional and national panels of distributor and jobber locations for a more precise view of product demand.

The Activant Vista for Distributors solution includes a "Market Intelligence" module comprising 19 reports, including national-brand parts performance by category and region, catalog transaction analyses, store stocking profiles by vehicle make/model and counterman brand bias assessments. The solution's "Stocking Guide" module enables subscribers to generate customized store stocking solutions based on side-by-side comparisons of regional catalog transactions and their own inventory and proprietary point-of-sale data. The solution's "Product Intelligence" module features packaged analysis and reporting across all facets of aftermarket product distribution, including individual customer buying patterns, counter operations performance, return rates, inventory performance, inventory aging, promotions and new-part sales tracking.

"The distributor or store owner who best understands the customer's buying behavior has a competitive advantage," Aliotti said. "The Activant Vista solution provides a 360-degree market view that enables users to enhance their competitive intelligence and business performance. This is the power of data at its very best."

“UNDER THE DOME”

By Jay Shattuck



Not much has changed since the end of May when it comes to the happenings at the Capitol. This session has achieved a record that no-one is very proud of: the longest overtime session since the new constitution was established over 35 years ago. While a 30 day budget was approved at the end of June, it appears as of this writing that another 30 day

budget extension is needed to avert a shut down of state services. While legislators are finally taking ownership of the budget and are working with their caucus leaders to finalize a budget, there continues to be wide differences between what the House and the Senate see as viable, balanced budgets. The political atmosphere is as “poisoned” as I have ever seen it in the 30 years that I have been lobbying in Springfield. The lack of trust, the acrimony and the unwillingness to compromise has prolonged the overtime and likely means that it will take a government shutdown to motivate parties to finalize the budget. When our citizens are unable to receive their basic state services such as driver licenses, hunting licenses, state permits, professional licenses, etc., perhaps then they will take notice.

One major issue that was holding up the process was a solution for the rise in electric rates in Illinois. With the passage of SB 1592, that issue is now resolved for especially many downstate lawmakers who indicated that the issue needed to be dealt with before they would support any budget. The rate relief proposal that awaits the Governor’s action, provides refunds to residential customers and small commercial customers (up to 15,000 KW), eliminates the reverse power auction process and puts future electric power purchases in the hands of a new state agency, the Illinois Power Agency. That will be interesting...a state agency will be negotiating power purchases on behalf of Illinois electric utilities with electric generating companies. Let’s hope this new approach doesn’t cause the lights to be turned off.

The budget debate centers on those who wish to expand social services and those who wish to try to live within the state’s means. Side debates also revolve around what are the priorities for new state funding. With such a large portion of any new revenues that are needed to fund Medicaid and state pension obligations, there remains little in the natural revenue growth to go to other state activities such as education.

Consequently, some lawmakers are searching for ways to provide more revenues to the state. Earlier in the session the General Assembly passed legislation that changes various business tax provisions and raises over \$200 million in new revenues. The Senate also is considering an increase in tobacco taxes that will raise another \$300 million in revenues. It is a dangerous time as legislators attempt to get creative in finding ways to end the overtime session and do not always think their ideas through before passing them.

Of greatest concern to APSA members is the 3% payroll tax that the Governor continues to press the General Assembly to enact. The 3% payroll tax would be applied to businesses that have 10 full-time workers or more and who do not provide healthcare benefits to their employees. The tax which raises an estimated \$1.2 billion would be used for the Governor’s healthcare plan. He has strongly indicated that this is his number 1 priority and must be part of the final budget agreement. There are a number of meritorious elements of the Governor’s healthcare plan that should become law that have virtually no price tag. Yet, the Governor has made it an all or nothing proposition and compromise on a number of the problematic parts of his proposal so far is not in his negotiation vocabulary. Even though nearly 12 Senate democrats are joining all 22 Senate republicans in rebuking the Governor on his plan, there has been little change to the major features of his proposal. Therefore, the overtime session could be extended indefinitely.

Unfortunately, too many Illinoisans are paying little to no attention to the debacle in Springfield. Cynicism causes many to blame politics and provide excuses to pay even less attention to what is going on. The solution however is engagement and holding elected officials to be accountable. In August, petitions for state representative and state senate are available for circulation and the primary elections are being moved up to February of 2008. APSA members should keep their elected officials accountable for the state of the State and where appropriate seek out new legislators who will do a better job. Stay informed, get involved and APSA will help on both accounts.

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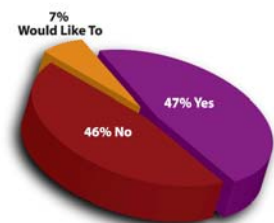
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THE PULSE: Bringing Parts Store Websites Up to Speed

The latest Babcox Internet study shows that counter professionals as a whole are increasingly using the Internet to help them work more efficiently. They use the Internet in a number of ways – for accessing manufacturer websites, to locate and purchase parts and even to communicate with other stores and suppliers. However, when it comes to their own web-presence many parts stores and jobbers are lagging behind, not utilizing technology and web capabilities in ways that could make their businesses run more efficiently.

According the Babcox Internet Study, 47 percent of *Counterman* readers said they have a website for their business. Forty-six percent do not but another 7 percent said they would like to. Of those businesses that do, the majority only offer the most basic information. Ninety-six percent of the parts businesses with websites offer company contact info and 82 percent offer hours of operations and directions. Yet, only 53 percent offer customers the ability to make purchases online. Even less (40 percent) offer the ability to check inventory. Only 11 percent allow customers to process returns online and 7 percent can schedule deliveries online. (source: *aftermarket news*)

Does Your Parts Store Have a Website?





APSA of Illinois ANNUAL MEETING

September 21 - 22, 2007
on Lake Shelbyville
Findlay, Illinois

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- **Sunnyside Parts Warehouse/Factory Motor Parts**, Chicago
- **The Parts House, Inc.**, Galesburg
- **Trenton Auto Supply, Inc.**, Trenton

2007 CALENDAR OF EVENTS

Sept 5-7	<u>AAIA Fall Board & Committee Meetings</u> Renaissance Hotel, Chicago
Sept 21-22	<u>APSA of IL Annual Meeting/Board/Committee Meetings</u> Eagle Creek Resort & Conference Center, Findlay
OCTOBER	FALL CAR CARE MONTH
Oct 29-30	<u>ASAAA Fall Membership Meeting</u> Caesar's, Las Vegas, NV
Oct 31-Nov 3	<u>AAPEXA/AAIW 2007 (Automotive Aftermarket Industry Week)</u> Las Vegas, NV

This newsletter is designed to provide accurate information, but the discussion is general in nature and should not be acted upon without obtaining professional advice from a licensed attorney or certified public accountant.

WE CAN DO IT BETTER TOGETHER!

