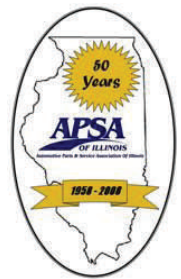
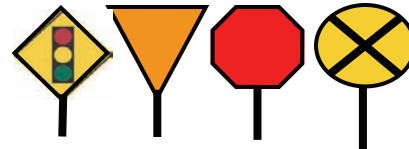




Automotive Parts & Service Association of Illinois

ROAD SIGNS



website: www.apsail.com

Matt Wells, Executive Vice President

e-mail: info@apsail.com

6450 S. 6th Street Rd., Springfield, IL 62712-6818

(217) 786-2850 or (800) 369-2964 • FAX (217) 529-3705 or (800) 779-1179



JEFF DUST
President

Message from the President

Happy New Year! Where did 2007 go? What a month December was that it went so quickly. I hope everyone had a very merry and blessed Christmas and that the Holiday Season finds everyone in good health and ready to start 2008 in a big way.

Your associates had a very busy year end. It started out by the staff and board members attending a Strategic Plan Meeting. What a meeting that was! It was a two-day seminar, the very end of November. We held the meeting in Springfield to keep expenses down. All the staff and board members, who attended,

came out with a very positive attitude and a lot of great ideas. Ross Ament, Ament Associates, Inc., facilitated the meeting. He kept the meeting interesting and upbeat. You will be hearing, in the future newsletters and emails, of some of the great ideas that have come out of the seminar. The seminar helped us define, as an association, who we are and what we want to be. Most importantly, to staff and board members, it made us realize that we all have a lot of work to do to start to implement the many good ideas.

Now that I have attended a strategic planning seminar and can see the value of one, I urge each of you to consider the possibility of having one for your own business. You can tailor the seminars to fit your needs and it does not take a lot of money to put one on. The seminar just might help solve the age old problem of the saying "I can't see the forest because of the trees."

I want to thank the staff of APSA of Illinois; Matt, Marsha, Sue, Bill and Penny, for their hard work and efforts to keep the association going. We have a lot of changes coming in 2008 to prepare our state Association for the future.

I know by now, most everyone has heard the big news about the FutureGen power plant coming to Illinois. It is supposed to come to Mattoon at a cost of over \$1.5 billion. Now that is more money than I can even fathom. Even though nothing has happened yet and I don't believe it is a done deal, let us all urge our government officials to make sure this comes true. It should be very good for the state of Illinois and especially for downstate Illinois, so let's see what happens.

In closing, I want to wish everyone a healthy, safe and prosperous New Year. Let us make 2008 a great year by becoming active in our state Association and supporting it in ways that are possible for you to do so. Have a great year and thank you for letting me be your president.

Jeff Dust

jdust@dustandson.com

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Mission Statement

The mission of APSA of Illinois is to provide communications, education, legislative and regulatory advocacy and group purchasing of services for its members while promoting the motor vehicle aftermarket industry.



Smoke Free Illinois

No Smoking



It is against the law to smoke on these premises.

Smoke Free Illinois goes into effect January 1, 2008 in all public places in Illinois. Smoking in public places is prohibited, *unless* you are in your own home, your car,

outdoors, in a retail tobacco shop and certain hotel and motel rooms. Public Act 95-0017 states:

- No smoking within a minimum of 15 feet from entrances, exits, windows that open and ventilation intakes.
- "No Smoking" signs must be posted and all ashtrays must be removed.
- Fines for violations of \$100 - \$250 per occurrence for individuals.
- Fines for business owners and employers \$250 to \$2,500 who permit smoking in prohibited areas under their control.

The Illinois General Assembly's Joint Committee on Administrative Rules (JCAR) will not review the proposed regulations for the state-wide smoking ban until January 9, 2008, however, the law will go into effect as written on January 1, 2008. The official state of Illinois smoke free website is <http://www.idph.state.il.us/smokefree/index.htm>

European Parliament Moves Forward in Adopting Repair Clause

Quality Parts Coalition: U.S. Design Patent Law Should Follow Suit to Ensure Competition in the Collision Replacement Parts Industry.

Washington, DC — The European Parliament today voted in favor of the Commission-proposed Repair Clause. The adoption of this clause by the European Parliament, as recommended by the Legal Affairs Committee, will ensure the European Union moves to join Australia, Belgium, Hungary, Ireland, Italy, Latvia, the Netherlands, Poland, Spain and the U.K. in ascribing to free competition in the collision

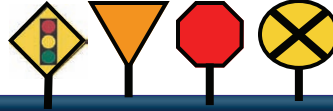
replacement parts industry.

The new directive would strike a balance between protecting intellectual property and ensuring free competition by creating a limited design patent exception for spare parts intended to restore the original appearance of complex products, including automobiles.

"I commend the decision in the European Parliament to protect and promote competition in the collision replacement parts industry in the EU and urge the Council of Ministers to unify law in the EU by finalizing the adoption of the Repair Clause," said Eileen Sottile, Executive Dir. of the Quality Parts Coalition (QPC). *"As we work to incorporate a 'repair clause' in the U.S. design patent law, we strive to join the long list of countries that have already voted to promote competition — the foundation of U.S. business — in the collision replacement parts industry."*

The number of design patents awarded to the major automobile manufacturers in the United States has dramatically increased during the past five years, representing approximately 20 to 25 percent of the total U.S. patents awarded to those manufacturers. Collision parts account for 50 to 93 percent of the U.S. design patents awarded to the car companies. Without a permanent solution, such as a "repair clause," automaker design patent cases could eliminate the entire alternative collision replacement parts industry, thus removing competition in the marketplace.

The Quality Parts Coalition represents the interests of the independent parts industry, the repair industry, the insurance industry and consumers. It is the goal of the Quality Parts Coalition to develop and secure a permanent legislative change to U.S. design patent law to preserve competition and to protect the consumer's right to benefit from quality, lower-cost alternative replacement parts. Like the directive approved in Parliament, the amendment would specify that the making and use of a matching exterior auto parts for purposes of repair to a vehicle is not an act of infringement. For more information, visit www.qualitypartscoalition.com.



Alliance of State Automotive Aftermarket Associations Endorses Quality Parts Coalition

Fight Strengthens Against Big Automakers' Monopoly on Aftermarket Collision Parts.

Washington, D.C. — During the Alliance of State Automotive Aftermarket Associations (ASAAA) October 30, 2007, member meeting, ASAAA endorsed the Quality Parts Coalition (QPC). The organizations will collaborate to preserve competition in the replacement collision parts market.

"The Alliance of State Automotive Aftermarket Associations has a long history of preserving quality and competitiveness in the aftermarket parts industry," said Eileen Sottile, Executive Director of the QPC. *"As we work to incorporate the 'repair clause' in the U.S. design patent law, the Alliance brings great strength to the Coalition and provides a solid alliance within the industry."*

Established in 1953 to bring together the state association executives to network and address industry issues facing the aftermarket parts industry, the ASAAA works in affiliation with most every national automotive trade association to best represent its members before industry, media and the government.

"As an association representing all aspects of the automotive industry, the Alliance of State Automotive Aftermarket Associations sees the outcome of this struggle as vital to the future of our industry," stated Randal Ward, president of ASAAA. *"We are pleased to be joining forces with the Quality Parts Coalition to protect competition and the consumer in the automotive aftermarket marketplace."*

The Alliance of State Automotive Aftermarket Associations is comprised of 18 regional and state associations representing the automotive aftermarket. While most memberships are predominantly independent parts distributors, many of the associations represent all aspects of the automotive industry including automotive service and repair.

AGMERP Program Premium Billings Due

All companies participating in APSA of Illinois' Group Medical Expense Reimbursement Plan (AGMERP) program are asked to submit copies of their January premium billings. Please mail a copy of your billings to: **APSA of Illinois Group Insurance Fund, c/o Administrative Services, Inc., PO Box 590, Rochester, IL 62563-0590** or **fax to (217) 498-8481**

Avoid Claim Payment Delays, send in your premium billings today!



Walt Stanwood to Leave Association Staff

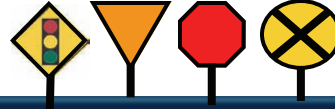
Walt Stanwood, former owner of Butler Auto Parts, will no longer be serving as the APSA of Illinois Northern Field Representative. On December 15th Walt returned to enjoying retirement in Woodstock, IL. As a part-time field representative, Walt worked with members in the suburban and Chicago-land area, along with the other northern regions.



No stranger to APSA of IL, Walt served on the association board from 1983 to 1987, and as President of AWOI in 1987-1988. We appreciate all the time and service Walt has given to the Association over the years and wish him the best in retirement.

Any one needing service or information in the northern region can contact the association office and speak to Bill Richards or Email bill@apsail.com.





2008 Standard Mileage Rates

WASHINGTON — The Internal Revenue Service today issued the 2008 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes.

Beginning Jan. 1, 2008, the standard mileage rates for the use of a car (including vans, pickups or panel trucks) will be:

- 50.5 cents per mile for business miles driven;
- 19 cents per mile driven for medical or moving purposes; and
- 14 cents per mile driven in service of charitable organizations.

The new rate for business miles compares to a rate of 48.5 cents per mile for 2007. The new rate for medical and moving purposes compares to 20

cents in 2007. The rate for miles driven in service of charitable organizations has remained the same.

The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile; the standard rate for medical and moving purposes is based on the variable costs as determined by the same study. Runzheimer International, an independent contractor, conducted the study for the IRS.

The mileage rate for charitable miles is set by law. A taxpayer may not use the business standard mileage rate for a vehicle after using any depreciation method under the Modified Accelerated Cost Recovery System (MACRS), after claiming a Section 179 deduction for that vehicle, for any vehicle used for hire or for more than four vehicles used simultaneously.

[Revenue Procedure 2007-70](#) contains additional information on these standard mileage rates. *IR-2007-192, Nov. 27, 2007*

A Little Bit of Our History.....



Members and guests of the 1961 Convention held November 17 - 19, 1961 at the St. Nicholas Hotel, Springfield, IL. The archives reflect that over 750 members and their guests attended the three-day convention.

Please plan now to attend the 50th Anniversary Annual Meeting of APSA of Illinois September 19 - 20, 2008 at the Hotel Pere Marquette, Peoria, Illinois.

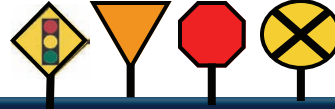


"1958 Edsel Citation"

If you have a picture of your company or business in 1958, please email them to sue@apsail.com. We will include your pictures and a brief history in future editions of the "Road Signs."

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!



2007 Ralph Silverman Memorial Foundation Scholarship Winners.....Who are they?

Over the next few months we will be highlighting recipients of 2007 Ralph Silverman Memorial Foundation Scholarships.

This month - **Kevin Severs** and **Carl Jones**.

Name: Kevin Severs

Parents: Jeffrey and Pamela Severs, Marengo, IL.

Sponsor: Mary Lindsay, Lindsay Auto Parts, Marengo, IL.

School Status: Freshman at Iowa State University

Course of Study: Materials Science and Engineering.

2007 graduate of Marengo Community High School, Marengo, IL.

Accomplishments:

- American Legion Premier Boy's State
- Illinois Math League
- Varsity Scholastic Bowl
- Student Council
- National Honor Society
- Rockford Rescue Mission
- Worldwide Youth in Science and Engineering



Kevin received a 2007 Ralph Silverman Memorial

Foundation Scholarship in the amount of \$500 and was also granted a \$1,000 interest free student loan.



Name: Carl Jones

Parents: Tony and Jane Jones, Ellery, IL.

Sponsor: Dick Price, A & D Auto Parts, Fairfield, IL

School: Junior at Southern Illinois University Carbondale

Course of Study: Automotive Technology with a

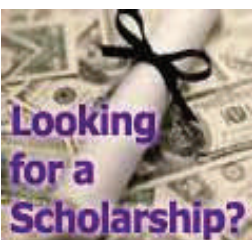
minor in Marketing.

2004 graduate of Edwards County High School, Albion, IL.

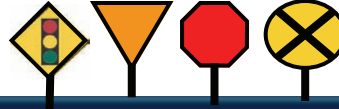
Accomplishments:

- Illinois Association of Student Councils
- President of Student Council
- Castrol GTX top Technician
- Automotive Technology Club
- Dinner Theater and Show Choir
- Fellowship of Christian Athletes
- Executive Committee of FFA

Carl received a 2006 and a 2007 Ralph Silverman Memorial Foundation Scholarship in the amount of \$500 each year.



The application deadline for both the student loan program and scholarship program is March 31, 2008. Please visit www.automotivescholarships.org to receive consideration for multiple 2008 scholarships.



New Year's Resolutions

by Matt Wells, Executive Vice President



Each New Year brings us each an opportunity to make changes in our lives and how we live them. Many times we say we want to go on a diet after the Holiday meals, or drop a bad habit that we may have. At the association we have dropped a lot of old habits and are working on a new outlook for the upcoming year. This year we are excited to be celebrating the 50th Anniversary of this organization.

Fifty years ago five men gathered together in Peoria Illinois to form the Automotive Wholesalers of Illinois Association. From those humble beginnings, to the heydays of the association in the late 70's and early 80's with over a thousand attending the annual meetings and membership flourishing; to the rougher times of the early 90's where so many sold out and consolidation took the industry by storm and still continues to change today. Although our name and industry have changed, our ideals remain the same. We remain committed to helping you run your businesses better and protecting you from legislative encumbrances.

In celebration of this New Year and of the Association's 50th year, I am asking you to try something new for your New Years Resolution. We have organized five committees for you to participate on. To serve on a committee all you have to do is complete the form and commit to one year of service on up to two committees. Now is the time for you to start making your dues dollars work harder for you and get what you want out of your association.

Branding Committee - Build a better stronger brand for APSA of Illinois, including excellent, effective communication of that brand.

Programs Committee - Investigate the feasibility of potential new APSA of Illinois member benefit programs and redevelop marketing strategy's for current programs.

Membership Growth Committee - Develop a membership drive campaign to begin at the 50th anniversary annual meeting to increase membership and identify APSA of IL membership values.

Legislative Committee - Conduct APSA of Illinois member education on legislative issues, process and agenda, and identify causes or issues to communicate to the members and politicians on a timely basis.

50th Anniversary Annual Meeting Committee - Develop and enhance Annual Meeting programs and activities while celebrating achievements over the last fifty years.

The next 50 years of APSA of Illinois will be different than the last fifty years, but we need you to think like those who started this association 50 years ago. Ask yourself what is important to you and how you can make a difference in the automotive aftermarket industry. Make one of your New Year Resolutions to be a part of this respected organization and influence the future of your industry. Trust me; I know it will be easier than staying on that diet...

In celebration of the 50th Anniversary of APSA of Illinois, we are unveiling an anniversary logo that will be used throughout 2008 in all of our publications and on the website. Tell us what you think!



Membership Anniversaries

Welcome!

Patriot Automotive, Anna

Membership Milestones

35 Years

Security Steel Supply Company, Kankakee

20 Years

United Remanufacturing Company, Chicago

10 Years

NAPA Distribution Center, Mt. Vernon

Louisville Auto Parts, Inc., Louisville

Johnson & Johnson Auto Service Cent., Springfield

5 Years

Stevens Implement Company, Inc., Petersburg

Cooperative Gas & Oil Company, Inc., Geneseo

Congratulations!! Thank you for your continuous support!



“Under the Dome”

by Jay Shattuck



Lawmakers Return Like Groundhog Day

The General Assembly has been called back into Special Session on January 2nd by Gov. Blagojevich to address mass transit and capital spending. And, much like the character portrayed by Bill Murray in the movie “Groundhog Day”, returning lawmakers find themselves in the same mess that they were in the last time they were in Springfield.

After January 1, simple majorities are all that is necessary to approve legislation. It is thought that the Democrat majorities in the House and Senate should be able to pass a mass transit solution in January. If it happens, it will be accomplished with much political strife. Downstate democrats are now taking a page from republican legislators and are insisting on a capital budget as part of the deal. Funding for a capital budget requires bonding and bonding requires a three-fifths vote of approval by the legislature which then again brings the republican minority back into the negotiations. In addition, funds for bonding must be generated and the best political bet is that increasing gaming is the path of least resistance to taxpayers. However, a

number of key legislators are vying for a license in their backyard and there aren't enough new licenses to satisfy everyone. So, we are right back to where we were before... Groundhog Day!



Add to the political landscape the fact that the state's fiscal mess is getting even worse as we go into the final six months of the 2008 fiscal year. As of December 26th, the state is without a finalized budget since the Governor has yet to sign the budget implementation legislation. Comptroller Dan Hynes also has signaled that the cash flow for the state is at an alarming deficit. Cash flow is so bad that he indicated that his office was only capable of paying state employee wages and benefits in a timely manner. Other state payables, such as payments to state vendors will be further delayed until the cash flow situation improved. The Comptroller's alert indicates that vendors will be delayed in receiving payments in excess of 30 business days and payment delays are expected to increase over the next several months.

With these kinds of fiscal pressures and the Governor escalating state liabilities through expansion of state provided healthcare benefits, the General Assembly comes into 2008 staring down a fiscal hole of several billion dollars. A gross receipts-like tax, a payroll tax to pay for healthcare and other schemes to pay for state overspending will be in play. The one element that will help hold back the tide to increase taxes on business in 2008 is that it is an election year. Therefore, to use the election element to leverage against tax increases on business, the business community will need to rally again as it did in the spring against the Governor's gross receipts tax proposal. Without a similar effort, legislators may be convinced, as they were in 2003, to force the job creators in our state to dig the state out of its fiscal nightmare. If you recall in 2003, the Governor successfully urged the General Assembly to pass his “corporate loophole” closings (i.e. decouple from the federal inheritance tax exemption increase and the accelerated depreciation schedule) and create new business taxes such as the workers' compensation payroll tax. The Governor was able to steamroll business interests then and he may be able to do it again 2008.

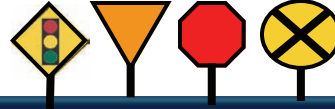
As we did this past year, APSA of Illinois will be engaged in the debates at our State Capitol and watching out for our members' interests. At appropriate times, we will provide updates and legislative alerts to help you know what is going on in Springfield and allow you to effectively communicate with your legislators on issues important to your business. For us to be able to have our voices heard in Springfield, we must communicate to our elected officials as to what we want them to do. That communication comes best from a constituent at the local level.

Keep yourself informed and although at times what is occurring in Springfield may cause you want to ignore the silly games, this is the time to stay engaged, keeping your legislators aware that you are informed and paying attention and that you plan to hold them accountable.

Jay Shattuck

Shattuck & Associates Consulting, Inc.

Phone (217) 544-5490 E-mail: JayDeeShattuck@att.net



2008 Calendar of Events

January 17, 2008 - APSA of Illinois Board Meeting Springfield, IL	May 15, 2008 - APSA of Illinois Board Meeting Springfield, IL
February 8-9, 2008 - SEMA Spring Expo and SEMA OFFROAD , Indianapolis, IN	May 20 - 21, 2008 - GAAS Symposium, Hyatt Regency O'Hare, Chicago
April "National Car Care" Month	Sept. 19-20, 2008 - APSA of IL "50th Anniversary" Annual Meeting, Peoria, IL
April 9 - 11, 2008 - AAIA Spring Leadership Days Bonita Springs, FL	Nov. 4-6, 2008 - AAPEX 2008 Las Vegas, NV

2007-2008 APSA of Illinois Board of Directors

President

Jeff Dust, Dust & Son Auto Supplies, LP, Effingham

Vice President

Ken Kalina, Kalina Machine & Engine Parts, Peoria

Treasurer

Doug Layhew, A & B Auto Body Supply, Inc., LaSalle

Secretary

John Rice, Jr., The Jopac Companies, Bloomington

Directors

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Rick Nicholls, Jr., Western Motor Service, Rockford

Region 2

Vacant

Region 3

Michele Brett, Brett Equipment Corp., Crestwood

Region 4

Steven Fransene, The Parts House, Galesburg

Region 5

Randy Van Kuiken, Master Auto Supply, Inc., Frankfort

Region 6

Jim Bounds, Quincy Automotive Supply Co., Springfield

Region 7

Jerry Chambers, Dust & Son of Macon County, Decatur

Region 8

John Verstegen, Trenton Auto Supply, Inc., Trenton

Region 9

Tod Britton, Louisville Auto Parts, Louisville

Region 10

Clinton "Wain" Taylor, Mac-Weld, Inc., Carbondale

Past President

Jim McKay, McKay Auto Parts, Inc., Litchfield

Contact APSA of Illinois:

TOLL FREE **HOTLINE:** 1-800-369-2964

TOLL FREE **FAX:** 1-800-779-1179

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OTHER EMAIL: Membership: membership@apsail.com Programs: programs@apsail.com

Insurance: insurance@apsail.com Forms: forms@apsail.com

Matt Wells — Executive Vice President: matt@apsail.com

Marsha Fogleman — Comptroller: marsha@apsail.com

Bill Richards— Products Service Manager: bill@apsail.com

Sue Brookman — Membership Services: sue@asail.com





APSA of Illinois Committee Sign-up Form

Now is your time to help!! We need volunteers to help guide and direct the course of your organization for the next few years. Please consider participating in one of the committees listed below, or have one of your employee's sign up. We are looking for people who want to see their membership dues working for them. If you have any questions, contact the APSA of Illinois office.

Committee terms are for one year. Any owner, manager or employee of a regular, affiliate, associate, manufacturer, or educational company may serve on the committees with supervisor consent. Committees will meet once or twice through the year, and may conduct some business via teleconference or email.

APSA of Illinois Branding Committee

Build a better stronger brand for APSA of Illinois, including excellent, effective communication of that brand.

Identify APSA of Illinois' member base, both now and in the future.

Develop better means of communicating APSA of Illinois benefits to members.

Develop a public relations plan for the next two-three years.

Create an image promotion, emphasizing APSA of Illinois' accomplishments.

APSA of Illinois Membership Growth Committee

Increase APSA of Illinois membership by 15% in the next year, maintaining the retention of existing members.

Develop a membership drive program to coincide with the APSA of Illinois 50th Anniversary Annual Meeting.

Promote value of membership to current members.

Analyze methods of member recruitment.

Identify APSA of Illinois' market share.

APSA of Illinois Legislative Committee

Institute a regional town hall meeting concept for need analysis and PAC effectiveness.

Encourage APSA of Illinois members to attend their respective legislator's fundraisers.

Identify a cause or issue and communicate to the members and politicians our view on a timely basis.

Revamp Political Action Committee and intensify involvement.

Conduct APSA of Illinois member education on legislative issues, process and agenda.

APSA of Illinois Programs Committee

Analyze existing programs for viability.

Determine APSA member needs.

Investigate the feasibility of potential new APSA of Illinois member benefit programs.

Develop APSA of Illinois' educational programming.

Evaluate and implement new programs.

APSA of Illinois 50th Anniversary Annual Meeting Committee

Develop stimulating events for the annual meeting in order to:

Encourage involvement and attendance at the APSA of Illinois 50th Anniversary Convention.

Enlist sponsorships in the 50th Anniversary Convention (*entire industry participation.*)

Develop and enhance Annual Meeting programs and activities.

May we count on you?



Committee Member Form

Committee terms are for one year. Any owner, manager or employee of a regular, affiliate, associate, manufacturer, or educational company may serve on the committees with supervisor consent. Committees will meet once or twice through the year, and may conduct some business via teleconference or email.

If more than one person from a company would like to serve on a committee, copy and complete a form for each individual.

Name: _____

Company: _____

Address: _____

City: _____ Zip _____

Phone: _____

Fax: _____

Email: _____

(please list most commonly used email address)

Please place a check mark in the appropriate box for the committee to serve on – up to two committees per individual:

Branding Committee

Membership Growth Committee

Legislative Committee

Programs Committee

50th Anniversary Annual Meeting Committee

Please return the completed form to our office (fax or email) by February 1, 2008

Your input is vital, please say yes!