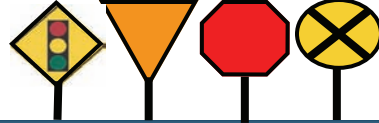




Automotive Parts & Service Association of Illinois

ROAD SIGNS

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Under the Dome (page 4) - "The General Assembly, while not aggressively looking for ways to create an environment to attract jobs to Illinois, has not passed legislation that continues to undermine Illinois' ability to retain and attract jobs."

Illinois Repair Shop Lien - Everything you need to know (page 5) - One of the most misquoted and misunderstood laws in the automotive industry is the repair lien act. As a business owner in the automotive aftermarket industry you need to have a firm grasp on the laws that regulate your business.

Higher Level of Satisfaction with Independent Repair Shops than Dealerships (page 6) - According to the May 2008 issue of *Consumer Reports*, more Americans (71%) are very satisfied with independent repair shops for vehicle service than new car dealers (53%).

Multiple Price-Fixing Suits have been Filed (page 7) - More than a dozen lawsuits have now been filed against major aftermarket filter manufacturers alleging a conspiracy to fix prices and rig bids in the United States.

APSA of IL Joins QPC in Support of HR 5638 (page 8) - APSA of Illinois today joined the Quality Parts Coalition (QPC) in support of HR 5638, sponsored by Representative Zoe Lofgren (D-CA).

Meet me in Peoria! (page 9) - One event that you should consider making plans to attend is the 50th Anniversary Annual Meeting & Conference on September 19-20, 2008.

Wachovia Research for APSA of IL for First Quarter (page 11) According to the survey results, sales softened in March from stronger January/February levels (69%/67% of responding stores saw sales rise year-over-year in Jan/Feb; however, only 26% saw business increase in Mar).

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.

Message from the President



Jeff Dust

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“Hello” to everyone in the Automotive Parts and Service Association. Welcome to the summer issue of the APSA of Illinois *Road Signs* newsletter. By the time you read this letter, it will be June 2008. The year is almost half over and my term for serving as your president is 2/3 complete. Where has the time gone? Time seems to be going faster and passing us by way too quickly.

I hope everyone had a safe and happy Memorial Day weekend. What an exciting way to start the summer season with a holiday weekend, that gives most people an extra day off, to have a cookout or family get together. Even though the calendar says June and we have started the summer season, here in Effingham our weather has been everything but summer. We have had plenty of rain, cloudy cool days and quite chilly nights. It has been so unseasonably wet and cool that most of the farmers in our area are well behind schedule. Let us pray for favorable weather to help agricultural business and all of our businesses.

Now that it is June and most of the schools in the area are closing out the school year, a lot of families are considering a summer vacation. With that in mind, the hottest topic of conversation is the price of fuel. With gasoline almost \$4.00 per gallon and diesel fuel at almost \$5.00 per gallon, it is raising the cost of driving so much that people are changing their traveling plans. This has a trickle down effect on the economy now more than ever. With no one wanting to say the word “recession,” our economy could use a boost any way we can get it. The high cost of fuel and energy has definitely made it challenging in the business world too.

The cost of doing business is raising much faster than the profit side. With the high cost of fuel, it makes me wonder how long our automotive aftermarket industry will be able to offer the hot-shot delivery service at no cost. I am not aware of any other industry at this time that still provides free hot-shot delivery. Even the pizza delivery companies in our area are charging a delivery fee. It will be interesting to see how the American public copes with high fuel cost and what long term effect it will have on our economy.

One thing is for sure, now more than ever, we need to actively support APSA of Illinois and seek to add new

members to help grow our Association so that APSA of Illinois can be our voice in Springfield and beyond and to let everyone know that we care about the automotive aftermarket industry.

In closing, I wish everyone a safe and happy summer with favorable weather, and a good business economy for great success. I also hope everyone takes time out of their busy schedule to make sure they have some FUN. Thank you for letting me be your President.

Have a great summer!

Thomas F. Roche Passes

Thomas F. Roche, of the law firm Keeley, Kuenn & Reid, served as the APSA of Illinois Legal Counsel for over 49 years. Mr. Roche, 81, passed away May 29, 2008.

Tom grew up in the Southwest Side neighborhood of Marquette Park, the only child of Martin Roche, a bartender, and his wife, Gladys.

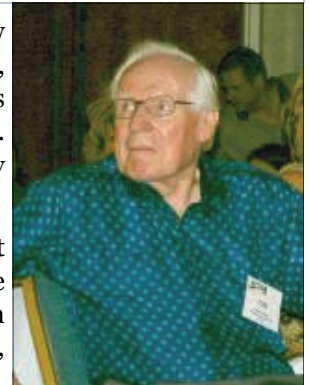
At Lindbloom High School, he met his lifelong sweetheart, Beatrice Point, whom he would marry in 1948. After serving as an Army Teletype operator in Austria during WWII, Mr. Roche came back to Chicago and attended Loyola University on the GI Bill for his undergraduate and law degrees.

After a short stint working with LaSalle Bank, Tom joined the law firm then called Halfpenny, Hahn & Ryan, where he spent the rest of his career. He represented trade and professional associations, helping them with employment, tax and antitrust law. “He practiced law the old-fashioned way,” said his son. “The legal community was much smaller when he started - more collegial, more civil and less cutthroat, crush-the-enemy tactics that you see so often these days.”

Tom won several awards during his career, was a trustee for the Catholic Charities of the Archdiocese of Chicago and was named an honorary Carmelite priest, his children said.

Many of Tom’s clients were in the automobile industry, which allowed him to mix his work with an interest in cars. At various times, he owned a Porsche, several Audis and a Jeep pickup truck, said friend John Weinberger, owner of Continental Motors.

His presence on this earth will be missed by the many lives he affected in the automotive aftermarket community.



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 July 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!



New Minimum Wage Effective July 1, 2008

The minimum wage will increase by an additional 25¢ on July 1st for the next two years.

- \$7.75 on July 1, 2008
- \$8.00 on July 1, 2009
- \$8.25 on July 1, 2010

New employees (first 90 days of employment) and employees under age 18 may be paid up to 50¢ less per hour.

Tipped employees may be paid 60% of the hourly minimum wage (\$4.65 through June 30, 2009.)

Certain employees must be paid overtime, at time and 1/2 of the regular rate, after 40 hours of work in a workweek.

Need more information? Visit www.state.il.us/agency/idol Or call the Minimum Wage Hotline at (800) 478-3998.

APSA of Illinois Now Endorsing Qualified Processing Services for Credit Card Processing



The Automotive Parts & Service Association of Illinois Board of Directors' recently endorsed a new and

exceptionally successful credit card processing program to our membership. Qualified Processing Services (QPS), "partners" with their clients to help reduce the overall cost of credit card processing. Their system has shown amazing results with other automotive jobbers around the country. In addition, five percent of the gross profitability from member accounts will be refunded back to participating APSA of Illinois members on an annual basis. (Refunds will be proportional to processing volume.)

QPS is a unique credit card processing company and has created a special merchant services package that is not offered elsewhere. Through premium customer relations, they will work with your company to effectively remove the surcharges from your merchant account statement. The net result will be significant savings, delivered through minimal surcharges and lower rates.

It is their emphasis to create true relationships with their clients. Through relationships, they not only teach their merchants how to process "correctly", but QPS continuously monitors their accounts to ensure that they always process correctly. In a time when customer service is often lacking, QPS provides a level of service that is unsurpassed.

QPS CUSTOMER TESTIMONIAL

I am writing this letter to recommend the services of QPS to any business considering a relationship with their organization. I am the owner of several NAPA Auto Parts stores in Arizona. When my company was initially contacted, I was very doubtful that such a service could be delivered. I have accepted credit cards for a very long time and had never heard of such a unique program. Regardless, with a Guarantee in place, I felt comfortable enough to give them a chance to earn my business.

"To this day, QPS has delivered on everything they guaranteed." I am pleased with their service and am extremely happy with the relationship I have with my sales representative. I hope this letter can serve to give any other business owner the confidence to give them a chance like I did. Our business made a very good decision in doing so. Brent Crosser, **NAPA Auto Parts**

Please take Mr. Crosser's advice and give QPS a chance to see if they can save money on your credit card processing needs. QPS will be in contact with all APSA of Illinois members soon. In the meantime, if you would like to speak with them about the program, just give the APSA of Illinois office a call, or send an email to matt@apsail.com and we will have them contact you immediately.

"Under The Dome"



Jay Shattuck

*Shattuck & Associates Consulting, Inc.
Phone (217) 544-5490 email:
JayDeeShattuck@att.net*

By the time that APSA members read this column, lawmakers in Springfield should have passed a budget for fiscal year 2009 and be wrapping up session. I am relatively sure that as I am writing this column, this scenario is unlikely. Why am I confident of that statement? The legislative leaders and the Governor should have met by this time and resolved most of the budget issues and now be focused on the items that remain unresolved. However, the leaders and the Governor have yet to meet and it is common to hear from rank and file legislators that the expectation is that there will be a repeat of last year which saw no final budget until late in 2007.

In an election year, there is little interest to address the state's growing deficit either by cuts in programs or increases in taxes. The state deficit probably will not see any serious resolution until after the November elections. Until then it will be a "bump along" budget.

Instead of continuing to contribute to the cynicism about what is happening at our state Capitol, let me emphasize some of the positives of this session that may help APSA of Illinois members feel better about the stewardship of their state by the General Assembly.

First, there has been no mention of the gross receipts tax or any similar approach to drive business out of our state. Second, instead of consideration of a massive, costly healthcare program, we are dealing with nearly a dozen healthcare mandates (all well intentioned) but each carrying additional costs over and beyond the double digit medical/insurance premium inflation small businesses face at time of renewal of their health benefit plans. These mandates range from requiring reimbursement of marriage and family counselors to requiring dependent coverage to up to age 25. This is also in the face of a recent Robert Wood Foundation study indicating that Illinois leads the country in the loss of health insurance benefits for employees. Finally, the General Assembly while not aggressively looking for ways to create an environment to attract jobs to Illinois, has not passed legislation that continues to undermine Illinois' ability to retain and attract jobs. Legislation like the Clean Car Initiative, that would have made California vehicle emission standards Illinois' standards, has not passed this year.

Okay, okay, I said I was going to get away from the cynicism.

What I see as a positive for APSA of Illinois members is the commitment of the Board and the staff led by Executive Vice President, Matt Wells to reinvigorate the APSA of Illinois legislative program. I was able to attend a couple of the Association member "Town Hall" meetings recently held across the state. Creation of a legislative committee will help define challenges facing APSA of Illinois members and develop solutions. We are discussing alternatives to the Clean Car Initiative proposal and are pursuing questions to determine the value of the federal Right to Repair Act to members. Engagement of members in the issues and the legislative process can bring change to the outcomes, as well as what are issues get discussed in Springfield. I look forward to working with the Board of Directors, Matt and others on staff to make this happen and remain successful.

APSA of Illinois Board of Directors

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Illinois Repair Shop Lien, Everything you need to know...

Information provided by: Hasselberg, Williams, Grebe, Snodgrass & Birdsall



One of the most misquoted and misunderstood laws in the automotive industry is the Repair Lien Act. As a business owner in the automotive aftermarket industry, you need to have a firm grasp on the laws that regulate your business. The following article is designed to help you understand the repair shop lien regulations and the rights you have

as a business owner.

Much of this article was provided by APSA of Illinois legal counsel in reviewing a situation where a member company had a non-paying customer with over \$2,000 of repairs on a vehicle. As you will find in this article, possession is 9/10 of the law. Before we tell you how to collect on those unpaid repair bills, we need to establish some preliminary guidelines.

First, you have to define your repair shop and the type of sale. For a sales shop, meaning no labor was exchanged, your course of action will include sending a letter and filing a suit. If you are a collision shop, you must ensure that your business practices comply with the Automotive Collision Repair Act (815 ILCS 308). There are specific requirements regarding notices which must be posted, providing estimates and authorization to perform work. Failure to comply with the Act may result in the lien being barred.

If you are a non-collision shop then you must comply with the Automotive Repair Act (815 ILCS 306). For a link to or a copy to these statutes, please contact the Association office. There are specific requirements under this Act as well and failure to comply with the Act may result in the lien being barred. If the amount due is more than \$2,000, a repair shop (either type) has a lien upon a vehicle beginning on the date the repairs commence. The lien shall be valid for one year from the completion of the repairs. That lien exists by operation of law under the Labor and Storage Lien Act (770 ILCS 45).

First and foremost, you must always look to any contracts that you and the customer may have signed for preliminary guidelines. This form may provide additional guidelines for you to follow. *Before taking this course of action we encourage to you to seek legal counsel to ensure you are protected during the lien process.* APSA of Illinois' has negotiated a base rate of \$165/hour for basic legal work from the law firm of Hasselberg,

Williams, Grebe, Snodgrass & Birdsall of Peoria, IL for all members. Contact information is available at the end of this article.

The process is broken down to three categories:

- Repair shop has possession of the vehicle with less than \$2,000 of repair work
- Repair shop does not have possession of the vehicle with more than \$2,000 of repair work
- Repair shop has possession of the vehicle with more than \$2,000 of repair work

Each scenario will provide a different method and course of action for securing payment. Please see the article on page 13 for more information on these and other issues.

Repair shop has possession of the vehicle with less than \$2,000 of repair work.

1. If a repair shop is owed less than \$2,000 and wishes to maintain its lien, it must not return the vehicle to the owner until paid. If the vehicle is returned, the lien is extinguished.
2. If the repair shop retains possession of a vehicle, it can proceed to sell the vehicle to satisfy the lien.
3. Under the Labor and Storage Lien (Small Amount) Act, the repair shop must send a Notice of Sale of the vehicle by certified mail to the owner at his/her last known address. If the repair shop does not know of an address for the owner, and cannot find an address after inquiry, the Notice of Sale does not need to be sent.
4. In addition, the Notice of Sale must be published in a local newspaper one time at least 30 days before the sale. A copy of a sample Notice of Sale is available from the APSA of Illinois office.
5. The owner of the vehicle has the option, during those 30 days, to pay the amount due. If the amount due is paid, the sale will not be held.
6. The sale is conducted by auction and the vehicle is to be sold to the highest bidder at said auction. The sale must be conducted in a commercially reasonable manner, i.e. standard auction procedures, open bidding, etc.
7. The proceeds of the sale, after the payment of the lien and the expenses related to the publication of the Notice of Sale and the certified mailing, must be turned over to the owner. If the owner does not claim the proceeds after six (6) months, the proceeds will be turned

(continued on page 12)

Higher Level of Satisfaction with Independent Repair Shops than Dealerships

“Right to Repair” legislation protects consumers’ rights through equal access to repair information”

BETHESDA, MD – April 22, 2008 – According to the May 2008 issue of *Consumer Reports*, more Americans (71%) are very satisfied with independent repair shops for vehicle service than new car dealers (53%). To ensure that car owners can continue to choose who will repair their vehicles, Congress introduced the Motor Vehicle Owners’ Right to Repair Act (H.R. 2694). *“As evidenced by the Consumer Reports study, millions of car owners trust the independent repair shops to provide affordable and competitive automotive repair service,”* said Kathleen Schmatz, president and CEO of the Automotive Aftermarket Industry Association (AAIA). *“It is important that these neighborhood repair shops have the same access to safety alerts and repair information as the new car dealer network. If motorists are forced back to the dealer for service and repairs, particularly if there is no dealership in their area, consumer choice will be severely compromised, and convenient and affordable auto repair will become a thing of the past.”*

Because vehicles are becoming increasingly sophisticated with virtually every system either monitored or controlled by computers, servicing these vehicle systems to keep them in safe working condition requires ready access to

complete and accurate information from the car companies. The legislative intent of the Right to Repair Act is to offer protections for motor vehicle owners by making it illegal for vehicle manufacturers to withhold information necessary to diagnose, service or repair motor vehicles.

“The fact is that there aren’t enough dealerships in all the right places to keep every motor vehicle serviced, repaired and operating safely,” continued Schmatz. *“Passage of the Right to Repair Act will level the competitive playing field, ensuring that car owners can conveniently and affordably have their vehicle serviced at the repair shop of their choice, whether it’s their neighborhood repair shop or a franchised new car dealer.”*

The Right to Repair Act, which was introduced by Rep. Edolphus Towns (D-NY), would require car companies to make the same service information and tools capabilities available to independent repair shops that they provide to their franchised dealer networks. The legislation further provides car companies with strong protections for their trade secrets unless that information is provided to the franchised new car dealers. The bill clarifies the responsibilities of the Federal Trade Commission in enforcing the bill’s requirements. For more information about the Right to Repair Act, visit www.righttorepair.org.

Membership — active membership — in your business association can be a most profitable experience.

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Multiple Price-Fixing Suits have been Filed Against Aftermarket Filter Makers

From the GREENSHEET Automotive Week (5/23/2008)

More than a dozen lawsuits have now been filed against major aftermarket filter manufacturers alleging a conspiracy to fix prices and rig bids in the United States. One suit filed by the **Parts Plus Group**, an auto-parts distributor based in Bogota, NJ (*not the Parts Plus program group based in Tennessee*), is one of several filed in the state of Connecticut following an investigation by the law firm **Labaton Sucharow**.

It was Labaton Sucharow that interviewed a number of potential witnesses — witnesses that substantiated the allegations that there was a price-fixing conspiracy among filter manufacturers and filed the first case. That suit, with Utah based **S&E Quick Lube Distributors** as the plaintiff, got the ball rolling in Connecticut. Others, like the Parts Plus Group, followed. *“All of the cases that have been filed in Connecticut have signed on to our complaint, and we’ve been able to verify for those firms the allegations in the complaint because [the allegations] were the result of our investigation,”* said **Hollis Salzman**, an attorney with Labaton Sucharow.

These suits — along with others filed in such states as New Jersey, Tennessee and Illinois — are substantially similar to the original one filed by S & E Quick Lube. *“All of the complaints have basically copied our complaint,”* Salzman said. They seek class action status, meaning that the plaintiffs want to have the case tried on their own behalf as well as the behalf of all others similarly situated.

They allege that the defendants — **Champion Laboratories, United Components Inc., Purolator Filters, Mann + Hummel USA, Bosch USA, ArvinMeritor, Honeywell, Wix Filtration, Cummins Filtration, the Donaldson Co., and Baldwin Filters** — conspired to fix, raise, maintain or stabilize prices, as well as rig bids and allocate customers. Their claims include specifics on meetings and arrangements between defendants, and reference recorded conversations and the personal knowledge of witnesses interviewed. **One of the witnesses to the alleged price-fixing conspiracy has been revealed as William Bunch**, a former employee of Purolator and Champion Laboratories. (Bunch is suing Champion, alleging wrongful termination). His name comes up in

some of the complaints, including one filed in Illinois by **Neptune Warehouse Distributors** of Massachusetts.

According to the Neptune complaint, Bunch was terminated by Champion for knowing about and subsequently reporting to authorities the antitrust violations alleged above. Bunch, a former national accounts and division sales manager at Champion, is said to have disclosed in an affidavit made in his suit against Champion that the company, among other things, provided information concerning price increases to competitors before it provided that information to consumers or to the general public. Champion also allegedly was given advance information about price increases by its competitors.

What is next for the plaintiffs? With similar price-fixing suits filed in various jurisdictions, the Judicial Panel on Multi-District Litigation will decide which cases should be consolidated before a single judge in a single jurisdiction. In making its decision, the panel will consider such things as where the first case was filed, where the defendants are located, and where the majority of the plaintiffs desire the case to be transferred. **A hearing to determine that will be held in July.**

Salzman said Labaton Sucharow and S&E Quick Lube have petitioned for Connecticut. She said the defendants have petitioned for the same. The plaintiffs want to recover damages from the defendants in an amount to be trebled in accordance with antitrust law, as well as barring the defendants from engaging in the actions alleged above. At this stage, it’s unknown how much money the defendants’ alleged activities have cost.

(To receive The GreenSheet, call (877) 694-6076 or go online to www.thegreensheetonline.com.)

APSA of Illinois Joins QPC in Support of HR 5638

Permanent Legislative Solution Protects Consumers and Competition in the Automotive Replacement Parts Market

WASHINGTON — APSA of Illinois joined the Quality Parts Coalition (QPC) in support of HR 5638, sponsored by Representative Zoe Lofgren (D-CA). Introduced in March 2008, the bill would amend Title 35, U.S. Code (Patents) to provide design patent exemption for alternative repair parts used for the purpose of repairing a vehicle to its original appearance, protecting consumers from monopolies imposed by the large automakers in the aftermarket collision parts market.

The QPC was created in early 2007 in response to a Section 337 case filed by Ford Global Technologies with the International Trade Commission against manufacturers and U.S. distributors of auto exterior repair parts on the Ford F-150, which resulted in the elimination of a competitive choice for the American consumer for seven exterior Ford F-150 repair parts. With that decision currently under appeal, Ford Global Technologies filed a second suit, targeting 2005 Ford Mustang replacement parts on May 2, 2008.

“With Ford’s apparent push to monopolize the automotive collision parts market, it is now more important than ever that Congress adopt Rep. Lofgren’s bill to protect consumers from unwarranted and illegal monopolies,” said Eileen A. Sottile, Executive Director of the QPC. “APSA of Illinois, along with the QPC, recognizes that this drive to create a second monopoly in collision repair parts is an attempt by car manufactures, already reeling from a tough economy, to increase their

own revenues at the detriment of the consumer. Rep. Lofgren’s introduction of HR 5638 is a permanent legislative solution that will protect owners of every automobile make and model.”

For 50 years, APSA of Illinois has been guided by business policies and practices based on truth, integrity, honor and dependability. Throughout its history, the Association has worked to provide a solid foundation to organize the automotive aftermarket in Illinois, offering strong leadership to ensure the growth and prosperity of the industry.

“Design patents are intended to protect the overall innovation of an automobile, not to provide an avenue for big automakers to impose a monopoly -- and remove incentive to keep costs low and quality high – on the aftermarket collision parts market,” said Matt Wells, Executive Vice President of APSA of Illinois. “Rep. Lofgren’s bill will protect the tradition of competition in the alternative aftermarket collision parts industry that has provided a quality choice when repairing a crashed vehicle for more than 60 years.”

For more information, visit www.apsail.com and www.qualitypartscoalition.com.

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.

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For additional information call toll free (877) 796-2333 or contact the APSA of Illinois office for an application.

Meet Me in Peoria!



Matt Wells
Executive Vice President
matt@apsail.com

One event that you should consider making plans to attend is the 50th Anniversary Annual Meeting & Conference on September 19-20, 2008. The Conference will be held in the LaSalle Room at the historic P re

Marquette Hotel in Peoria, IL. This room is significant to APSA of Illinois 50th Meeting as it is where your Association's Articles of Incorporation were signed by the founding members in 1958. This year is a year of true importance for APSA of Illinois and you as a member. You have now seen that the Board of Directors' and staff of this organization have started to make some real changes to help your business. We have reached a milestone of value, stability and integrity to the automotive aftermarket industry in Illinois.

Why should you leave your shop, store or office for a Friday and Saturday to attend the Annual Meeting? On Friday afternoon, we have scheduled an opportunity for you to tour one of the most advanced foundries in the United States. Caterpillar Casting Foundry, just south of Peoria, makes everything from track hoe arms to NASCAR racing engine blocks. After the tour, you can attend the 50th Anniversary Reception at the P re Marquette Hotel for drinks, food and great networking

with others in the industry as we celebrate 50 years of representing the automotive aftermarket. After the reception, if you have driven your own cruiser or custom car, you can join the Central Illinois Cruisers for a cruise-by that evening. Another alternative is to purchase tickets to the Ron White comedy act that will be across the street at the Peoria Civic Center.

On Saturday morning, we start the day with the Annual Business Meeting Breakfast and honor those who have been with the Association for the last 50 years. In addition, you will hear from the incoming President, Ken Kalina, (Kalina Machine, Peoria, IL), and myself, as we present the changes, strengths and challenges that face our industry. Following the breakfast meeting, we will have a series of educational programs for you to attend with topics that will interest you as a businessperson in Illinois. Attending these educational programs will help you develop and run your business more effectively.

The Annual Meeting is an opportunity to network with others in the industry. I believe this is one of the greatest values we can offer you. This opportunity to talk with others in the industry about what challenges or successes you are having in your day-to-day business. That small occurrence could possibly save you from spending thousands of dollars to find an answer to a challenge that someone has already faced; to enabling you to enjoy the satisfaction of helping a counterpart learn from your experiences. But, for all of this to happen, we need you to be there. **See you in Peoria!**

Region Director Nominations Sought

As the APSA of Illinois Region Director's term of service for Regions 5, 9 and 10 are drawing to a close, the Board is seeking nominations for Directors from the membership in these respective regions. The Board is also seeking nominations for Directors in Regions 2 and 6.

Any active Regular or Associate member in the Association shall be eligible to serve as Director for a three-year term for the period of 2008-2011. No Director shall serve more than one successive term. Nominations are to be signed by five members in good standing and accompanied by a statement from the nominee, that, if elected, he or she would serve. All nominations shall be acted upon separately and the candidate for each given office securing the highest number of votes shall be declared elected. Nominated individuals will be submitted to the Nominating Committee, who will then choose a suitable slate of qualified candidates to present to the membership. The election and installation of

Directors and Officers will take place at the 50th Anniversary Annual Meeting and Conference at the Hotel P re Marquette, in Peoria, IL on September 19-20, 2008.

This important decision involves the representation in the direction and management of your Association. Each Director plays a very important role in the formation of your Association's policies and is your voice in the industry. Anyone interested in representing your region or if you would like to nominate a member, please contact the Association office.



Membership Classification & Dues Billing Change

Recently your Association has changed database systems that requires us to go to a once-a-year dues billing; instead of the anniversary date billing that we have had for the last few years. With a majority of the membership having a summer dues billing and the Association's fiscal year July/June, we will be pro-rating membership dues based on your anniversary date and the dues class that your business qualifies for membership. Every member will receive dues billing in future years during June. One feature the Association is offering, is for you to pay on a quarterly installment. If you would like to pay in quarterly installments, please notify us once you receive your new dues invoice.

The APSA of Illinois Board of Directors passed the following changes to the member categories in the Association bylaws at the May 15, 2008 meeting. In addition to the new categories, the Board also restructured the dues to more accurately reflect an equal representation of the automotive aftermarket industry in Illinois.

Regular

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 custom and practice and usage of the trade, or who provides motor vehicle aftermarket service

to the consumer. Regular Members shall be eligible to vote, serve on the Board of Directors, Committees and hold office in this Association.

Associate

Any business or individual who currently renders a service to the motor vehicle aftermarket industry. 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, serve on the Board of Directors and Committees, but shall not hold office in this Association.

Affiliate

Any business or individual who is not primarily engaged in the motor vehicle aftermarket, but is an existing member of the association. Affiliate Members shall be eligible to vote but shall not serve on the Board of Directors, Committees, or hold office in this Association.

Education

An educational facility that currently offers a motor vehicle aftermarket program or an individual who currently serves as an instructor within that program. Education Members shall not be eligible to vote, and shall not serve on the Board of Directors, Committees, or hold office in this Association, but shall be eligible to serve as an ex-officio non-voting member of the Board of Directors.

APSA of Illinois 50th Anniversary Annual Meeting & Conference

Yesterday's Success - Tomorrow's Opportunities

Plans are underway for the 50th Anniversary celebration of the APSA of Illinois September 19 - 20, 2008. This year's meeting will be held at the Hotel P re Marquette, Peoria, Illinois - the same location as the founding meeting held in December 1958.

Highlights:

- Tour of the Caterpillar Casting Foundry
- Reception at Hotel P re Marquette
- 50th Anniversary Celebration
- Show your vintage automobile in the Cruise-By with the Central Illinois Cruisers
- Breakfast Business Meeting with election of Officers and Directors, followed by award presentations

- Educational sessions

Registration for members is \$50 per person for the entire event. For your convenience, a block of rooms has been reserved at the Hotel P re Marquette at a room rate of \$102 per night. Please contact the hotel directly to make your room reservations at (866)-376-8886 or on their website www.hotelperemarquette.com.

For those of you who have vintage automobiles, please bring them along with you to Peoria. We have been given permission by the Hotel to showcase one special automobile during the reception on Friday night. Please let the APSA of Illinois office know if you are bringing your vehicle. We have also negotiated with Central Illinois Cruisers to participate in a cruise-by Friday evening.

Wachovia Research for APSA of Illinois for First Quarter, Research Now Conducted Quarterly

This year APSA of Illinois teamed up with Wachovia to provide some localized economic data for the membership. To start with, we took the first quarter to try collecting data monthly and returning it to the membership. Although taking off strong, the busier season kicked in and it was more difficult for members to participate in the survey.

In the second quarter we are going to be conducting a single survey in the hopes that you can participate at this level, without taking very much time from your schedule. We will have two different surveys, one for the jobber/wholesale market and another for the installer/service market. We realize the different trends in each area that are important to your business. The survey is only a few questions, and takes very little time to complete.

The surveys are conducted online only and participation is optional. Please contact Sue or Matt at the Association office. In addition to receiving the data in a timely manner, you will also be placed in a drawing for a \$50 gift card. First quarter winners include: Steve Fransene, The Parts House, Galesburg; Michael Warshawsky, Mid-City Automotive Warehouse, Inc., Highland Park; and Jim Mckay, McKay NAPA Auto Parts, Litchfield.

If you would like to read the entire quarterly report go to www.apsail.com.

Retailer/Jobber Highlights

Business was strong in Jan and Feb; trends softened in March. During Jan/Feb, 69%/67% of responding stores saw sales rise year-over-year; however, only 26% saw business increase in Mar.

Retail (DIY) business looks to have become more challenging throughout the quarter, as 49% (Jan), 78% (Feb), and 87% (Mar) of survey respondents saw sales flat to down on a year-over-year basis.

Commercial (DIFM) remained resilient and strengthened throughout the quarter, with 73% (Jan), 87% (Feb), and 96% (Mar) of responding stores reporting a year-over-year sales increase.

Weather likely played a favorable role during Jan and Feb; however, Mother Nature was a drag in Mar. 56%/53% of responding stores cited "favorable" weather in Jan/Feb vs 70% claiming "unfavorable" conditions in Mar.

Customer trade-down activity became more pronounced throughout the quarter, as 74% of

respondents in Mar – up from 39% in Jan – reported seeing "more frequent" trade down to value line merchandise.

The majority of respondents expect business conditions to improve over the next 3-6 months.

Service Provider/Professional Installer Highlights

Business trends remained relatively strong throughout the quarter, highlighted by a surprisingly robust Mar. 68%/50% of installers saw business increase in Jan/Feb. Surprisingly, Mar came on strong with 88% of service providers reporting a sales increase of more than 10%.

Weather impact on sales difficult to assess during Jan and Feb; however, weather patterns in Mar appeared to play a role in the sales boost, as 100% of installers cited "favorable" conditions year-to-year during the month.

Trade down activity not as prevalent in DIFM business, as 60%/70%/100% of respondents in Jan/Feb/Mar reported seeing "about the same" level of trade down as in the past.

Consumers are still deferring maintenance, but this trend has not become any more pronounced of late. Only 19%/17%/12% of installers surveyed in Jan/Feb/Mar reported "more frequent" deferral activity.

Routine maintenance and tires/related services being deferred the most, not a huge shock given the ability to easily defer service in these categories.

Business expectations, on average, are expected to improve over the next 3-6 months.



over to the county treasurer.

8. After the sale, the repair shop should complete a Mechanic's Lien Affirmation. The form is available on the Secretary of State's website http://www.cyberdriveillinois.com/publications/pdf_publications/vsd5269.pdf This document will allow the purchaser of the vehicle to obtain title and provide verification that the sale was conducted properly. There are several documents which will need to be filed along with that Affirmation. The list of those documents is included on the Affirmation form and include a copy of the bill for the services provided, a verification that the owner was sent the notice of sale via certified mail, a copy of the Notice of Sale, etc. A copy of that form is available from the APSA of Illinois office.
9. It is strongly recommended that the repair shop consult with an attorney before pursuing any of its legal remedies.

Repair shop has possession of the vehicle with more than \$2,000 of repair work.

1. If the repair shop has possession of the vehicle and the amount due is more than \$2,000, the process for selling the vehicle is fairly quick. The shop may act under the Sale of Unclaimed Property Act. (770 ILCS 90/3).
2. Under the Unclaimed Property Act, the repair shop must send a Notice of Sale by certified mail to the owner at his/her residence. The Notice of Sale must be sent 30 days prior to the sale of the vehicle and must provide the time and place of the sale.
3. If the repair shop does not know the address of the owner and is unable to locate it after a reasonable attempt to do so, the repair shop must file an affidavit with the clerk of the circuit county where the vehicle is located. The affidavit should state that the repair shop does not know the address of the owner and is unable to locate said owner.
4. After the Notice of Sale is sent to the owner, or the affidavit is filed, the Notice of Sale must be published once a week for three successive weeks in a local newspaper.



5. The sale is conducted by auction and the vehicle is to be sold to the highest bidder at said auction. The sale must be conducted in a commercially reasonable manner, i.e. standard

auction procedures, open bidding, etc.

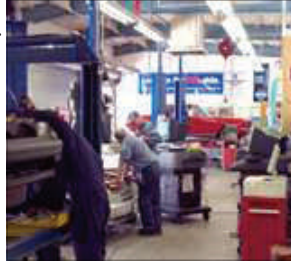
6. The proceeds of the sale are to be applied first to pay off the repair shop's lien and the costs of advertising. The remaining proceeds are to be turned over to the owner of the vehicle. If the owner does not claim the proceeds, the proceeds will be turned over to the county treasurer.
7. After the sale, the repair shop should complete a Mechanic's Lien Affirmation. The form is available on the Secretary of State's website. This document will allow the purchaser of the vehicle to obtain title and provide verification that the sale was conducted properly. There are several documents which will need to be filed along with that Affirmation. The list of those documents is included on the Affirmation form and include a copy of the bill for the services provided, a verification that the owner was sent the notice of sale via certified mail, a copy of said notice of sale, etc. A copy of that form is available from the APSA of Illinois office.
8. It is strongly recommended that the repair shop consult with an attorney before pursuing any of its legal remedies.



Repair shop does not have possession of the vehicle with more than \$2,000 of repair work

1. If the repair shop returns the vehicle to its owner or his authorized agent without first obtaining payment in full, the repair shop must file a Notice of Lien within 60 days of the return of the vehicle to the owner. If the Notice of Lien is not filed within those 60 days, the lien will be invalidated. This applies even if less than one year has passed since the completion of the repairs. Therefore, the return of the vehicle to the owner will mandate the repair shop to act promptly in order to preserve its lien regardless of the one year provision defined in the Labor and Storage Lien Act (770 ILCS 45).
2. If the repair shop has complied with the Automotive Repair Act and the Automotive Collision Repair Act as stated above, the repair shop, in order to assert its lien after the return of the vehicle to the owner, must file a copy of a Notice of Lien with the County Recorder's office in which the work was done. Said Notice of Lien must be verified by oath by a party having personal knowledge of the facts of the transaction. A sample of Notice of Lien is available from the APSA of Illinois office.

3. The County Recorder's office will file the Notice of Lien in the "Index of Liens Upon Chattels". There will be a filing fee for filing the lien. Each County recorder's office will set its own costs.
4. In order to enforce the Notice of Lien, the repair shop must deliver a certified copy of the Notice of Lien and a signed request for foreclosure of the Notice of Lien to the sheriff of the county in which the vehicle is located. The repair shop will also have to provide a monetary bond to the sheriff.
5. The sheriff will then take possession of the vehicle. The sheriff will also provide a copy of the Notice of Lien to the person in possession of the vehicle and mail a copy of the Notice of Lien to the owner. An itemized bill will also need to be included with the Notice of Lien and will have to be provided to the sheriff.
6. The owner has ten days from the receipt of the Notice of Lien to deliver to the sheriff a denial of the claim. If the denial is filed, the repair shop will have to file a lawsuit within ten days of the denial. If the repair shop does not file the lawsuit within the ten days, the sheriff will return the vehicle to the owner.
7. If the owner does not deliver a denial to the sheriff within the ten days, the sheriff will sell the vehicle.
8. From the proceeds of the sale, the repair shop will receive payment on its lien, any interest, the costs of seizure of the vehicle, filing and recording costs, certified copy costs and storage costs. The remaining proceeds shall be turned over to the owner.
9. It is strongly recommended that the repair shop consult with an attorney before pursuing any of its legal remedies.



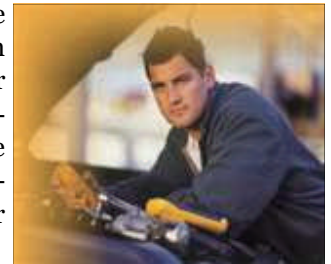
**Notice of Sale and Notice of Lien examples are available from the APSA of Illinois office.*

Contact information for:

James Grebe or
Alison E. McLaughlin
Hasselberg, Williams, Grebe, Snodgrass & Birdsall
124 SW Adams St., Ste 360, Peoria, IL 61602
Phone: (309) 637-1400 <http://www.hwgsb.com/>

Supplemental Guidelines to Collecting on a Repair Lien

1. Always check the title of the vehicle before proceeding with the sale of a vehicle to collect on a repair shop lien. If the repair shop does not have physical possession of the vehicle title, use the Information Request Form available on the Secretary of State website: <http://www.ilsos.gov/regstatus/>. A copy of the form is available from the APSA of Illinois office.
2. In every situation where a repair shop is selling the vehicle to foreclose on its lien, the Notice of Sale must be sent to the owner and the lien holder listed on the title.
3. In a situation where the amount due is more than \$2,000 and the repair shop does not have possession of the vehicle, the repair shop lien is subordinate to any prior recorded bona fide security interest. After the sale of the vehicle, the proceeds from the sale shall be used to pay the prior recorded lien before the repair shop lien.
4. In a situation where the amount due is more than \$2,000 and the repair shop has retained possession of the vehicle, the repair shop lien takes priority over any recorded or unrecorded lien.
5. In a situation where the amount due is less than \$2,000 and the repair shop has retained possession of the vehicle, the repair shop lien takes priority over any recorded or unrecorded lien.



Debt Collection

By special arrangement with APSA of Illinois, this program works strictly on a contingent fee basis – no retainer, no start-up fees and no charge if collection isn't made. Collection of past due commercial debts made easy! Contact:

[Cosmopolitan Service Corporation](http://www.cosmosvc.com/)
1606 Wes Colonial Parkway
Inverness, IL 60067
(847) 776-3500 Fax (847) 776-3508
<http://www.cosmosvc.com/>

Ralph Silverman Memorial Fund \$500 Scholarships Awarded

Gilbert Johnson, Christopher, IL
School: SIU Carbondale
Sponsor: Ben Komnick, SIU Carbondale

William Martie, Pinckneyville, IL
School: Rend Lake College
Sponsor: Nigel Thompson, Rend Lake College

Austin Tewksbury, Glenview, IL
School: SIU Carbondale
Sponsor: Ray Hillinger, Glenbrook Auto Parts, Inc.

Robert Markle, Mapleton, IL
School: SIU Carbondale
Sponsor: Blaine Heisner, SIU Carbondale

William Stegich, Northfield, IL
School: Ferris State University
Sponsor: Ray Hillinger, Glenbrook Auto Parts, Inc.

When you contribute \$10 to RSMF with your membership dues renewal, you will be entered in a drawing for Cubs/Cardinal tickets. More information will be with your dues invoice.

A Little Bit of our History



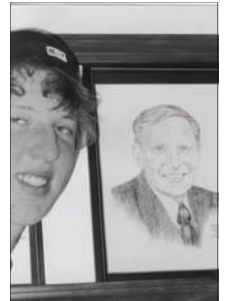
Mr. and Mrs. Bob Brennan cut the ribbon at the opening of the 1978 Convention where there were over 1,500 attendees. *"The 20th Annual Convention and Trade Show joined the previous 19 as a happy and successful memory and will be high on the list of memorable occasions. The business sessions, trade show, cocktail party, banquet, luncheons and all other functions were outstanding and well attended."*

News Bulletin Nov. 7, 1978

Member News



The APSA of Illinois office was treated with a visit from past President Irv Oppenheim's daughter, Phylles Reichel and her two sons, Josh (14) and Brandon (10), in late March. Irv's grandson, Josh, had his picture taken beside his grandfather's picture on the President's Wall. We had a great time "catching up" with the Oppenheim family.



Legislators Attend Dinner with the Board of Directors



The Board of Directors held a dinner for legislators on May 14, 2008 at the APSA of Illinois office. Those legislators in attendance were: Rep. John Bradley, Sen. Dan Brady, Rep. Frank Mautino, Sen. Gary Dahl, Sen. John Jones, Rep. Gary Hannig, Rep. Donald Moffitt, Rep. David Winters, and Rep. David Reis.

This dinner was a relaxed atmosphere for the Board members enabling them to talk to their elected officials about their business and APSA of Illinois. Developing a positive relationship with legislators enables your Board to be a resource for the legislative leaders in Springfield to go to when dealing with issues that pertain to our industry.

(pictured at the table – Rep. Gary and Mrs. Hannig, Jim McKay)

2008 - 2009 Calendar of Events

June 5 - 8

Torco Racing Fuels Rte 66 NHRA Nationals, Chicago, IL

June 14 - 15

Volkswagen Funfest, Effingham, IL

July 4

Independence Day - APSA of Illinois office closed

July 14 - 16

Aftermarket eForum - Chicago, IL

June 27 - 30

Automotive Electric Association (AEC) Segment Conference, Renaissance Hotel, Chicago, IL

August 23

Hot Import Nights, Rosemont, IL

September 1

Labor Day - APSA of Illinois office closed

September 3 - 5

AAIA Fall Leadership Days, Grand Hyatt, San Antonio, TX

September 7 - 11

Chicagoland Indy 300, Joliet, IL



September 19 - 20

APSA of Illinois "50th Anniversary" Annual Meeting & Conference, Hotel P re Marquette, Peoria, IL

November 2 - 6

Automotive Warehouse Distributors Association (AWDA) 61st Business & Education Conferences, The Venetian, Las Vegas, NV

November 4 - 6

AAPEX 2008, Las Vegas, NV www.aapexshow.com

March 11 - 12, 2009

Aftermarket Legislative Summit, Washington, DC

April 2 - 4

Car Care World Expo, Las Vegas, NV

April 21 - 24

AAIA Aftermarket Financial Symposium, Huntington Beach, CA

April 21 - 25

AAIA Spring Leadership Days, Huntington Beach, CA

May 25

IRL Indianapolis 500, Indianapolis, IN

If you are planning an event in 2008, please let us know the details and we will include the information in the next quarterly issue of **Road Signs**.

New Members

Welcome New Members!

Broadway Auto Body, Inc., Mt. Vernon

White's Auto Body, Elwin

AAA Auto Service, Springfield

Membership Anniversaries

45 Years

A & A Midwest Rebuilders Suppliers, Chicago

40 Years

South Side Auto Parts Co., Chicago

30 Years

NAPA Auto Parts/IFCO Auto Supply, Danville

15 Years

Lube Oils, Inc., Gurnee

10 Years

H & H Towing, Libertyville

5 Years

ByFord Wilson Auto Body, Mt. Vernon

Mac-Weld, Inc., Carbondale

OKAW Area Voc. Center-Auto Mech., Vandalia

Rend Lake College, Ina

Congratulations and thank you for your continuous support!

New Dues Classifications

2008 - 2009 Dues Amounts

Member Class	# of Employees	Dues
Regular		
CLASS A	1 - 3	\$200
CLASS B	4 - 7	300
CLASS C	8 - 12	400
CLASS D	13 - 20	500
CLASS E	21 - 50	600
CLASS F	51 - 100	725
CLASS G	101 - 200	850
CLASS H	201 - 400	1,000
CLASS I	401 - 800	2,000
CLASS J	801 +	4,000
Associate		
CLASS R	ALL	\$250
Affiliates		
CLASS M	< 20	\$500
CLASS N	20 - 75	1,000
CLASS O	75 - 100	2,000
CLASS P	100 - 250	4,000
CLASS Q	250+	6,000
CLASS V	Contract	0
Education		
CLASS L	ALL	\$40

APSA of Illinois Staff

Executive Vice President

Matt Wells

matt@apsail.com

Comptroller

Marsha Fogleman

marsha@apsail.com

Product Service Manager

Bill Richards

bill@apsail.com

Membership Services

Sue Brookman

sue@apsail.com

Field Representative

Penny Bagby

membership@apsail.com

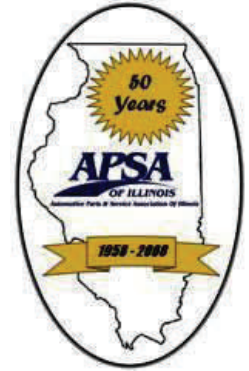
6450 South Sixth Street Road

Springfield, Illinois 62712-6818

(217) 786-2850 or (800) 369-2964

Fax (217) 529-3705 or (800) 779-1179

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.



Automotive Parts & Service Association of Illinois

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Springfield, IL 62712-6818

www.apsail.com