

# AR Recyclers News Press

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- Manager(s) Safety Supervisor
- Environmental Mgr
- Stormwater Mgr
- Bookkeeper



# Shipping with Style

For small businesses, brand differentiation and customer loyalty are key to growth. How can you differentiate your brand from that of the marketplace you are using to sell parts? If a customer associates your products with that site's brand rather than your own they will continue to return to the website marketplace and shop for the products that meets their need. Creating standout packaging can help.

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# IAR IOWA AUTOMOTIVE RECYCLERS

Recyclers News Press

The RECYCLERS NEWS PRESS is published six times per year for the lowa Automotive Recyclers. None of the material in this publication necessarily reflects the opinion of IAR, its officers, director, staff members or advertisers. Statements of fact and opinion are the responsibility of the author.

IAR Members are encouraged to submit material for publication in the Recyclers News Press. Content may be edited for length with the author's permission.

Deadline for submission is the 20th of the month prior to publication. Send content to Sue Schauls at <a href="mailto:Schauls3@mchsi.com">Schauls3@mchsi.com</a> with a full color graphic when possible.

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www.lowaAutomotiveRecyclers.com

### SUE SPEAKING

### From desk of the Executive Director

### Members of IAR

Ace Auto Recyclers Iowa City, IA www.AceAutoRecyclers.com

Action Auto Parts Marshalltown, IA www.action-auto-parts.com

Aikey Auto Salvage Cedar Falls, IA www.AikeyAutoSalvage.com

Airline Auto Parts Waterloo, IA www.airlineautopartsinc.com

B & B Salvage Sioux Center, IA www.BandBSalvage.net

Chase Auto Parts Company, Inc Waterloo, IA www.sunline-chase.com

Don's Auto & Truck Salvage Des Moines, IA <u>www.DonsAutoTruck.com</u>

Grab & Go Auto Salvage, LLC Spencer, IA www.grabandgosalvage.com

High Country Auto Cherokee, IA

Hogeland Auto Plaza & Salvage Marshalltown, IA www.hogelandautoplaza.com

Hulett & Son Auto Salvage Creston, IA

The Iron Mine Waukon, IA

### **Greetings Recyclers!**

Another fruitful springtime in Washington DC at the annual ARA Hill Day and Legislative Summit meetings. Bipartisan effort to level the playing field for automotive recyclers with other automotive industry player was once again the task at hand.

As I say every year, if you have not been to this event, you simply MUST put it on your agenda for next year. There really is no other experience like it. If that isn't in your budget or on your priority list then at least get involved at the state level. Attend your state Hill Day or visit your federal legislators local office. You do not have to have an "ask" to make an appointment and talk to staff about how the problem with the recall data is putting consumers at risk! Speak from the heart and engage them in the solution.

The lowa legislative session has closed for the year, having balanced the budget, whether you agreed on how they are spending it is another issue!

There was an attempt to raise the salvage threshold amount from 50% of fair market value prior to the damage to 75% on the calendar for most of the session. Then the percentage was changed to 70% in the bill but it still suffered from opposition. Ultimately the bill failed to move forward. Some cited safety issues as the reason. Others complained of complacency.



JJ Feregrino, Senator Chuck Grasslev and Mike Swift pose for a picture in D.C.

### SUE SPEAKING

### From desk of the Executive Director

For Iowa Automotive Recyclers the change of the value to 75% would have put the state threshold more in line with others states. This may have alleviated the issue caused when an out-of-state title car comes in to Iowa and exceed the 50% threshold but did not exceed the common 75% threshold in another state and suddenly the buyer is unhappy because they thought they bought a good title repairable only to have it diminish in value once seeking an Iowa title. But in truth, most auto recyclers are buying insurance auction cars that are all on salvage titles as total loss vehicles. The change in percentage is *almost* not germane to auto recyclers acquisition issues. Some speculated going to 75% would positively impact parts sales as more cars would be repaired but again, if the car is repairable there is a legal way to do it in Iowa. Regardless, the bill is dead. Rest assured, the concept will be resurrected next year for more debating on the merits and pitfalls of making a change.

Thanks for listening, Sur Schauls



### Members of IAR

Jeff Smid Auto, Inc. Davenport, IA www.JeffSmidAuto.com

Jerry Carney & Sons Ames, IA www.CarneyAutoParts.com

John's Auto Aplington, IA <u>www.aplingtonautobodyshop.com</u>

> KAR Parts, LLC Garner, IA https://garnerkarparts.com

King Automotive Salvage Center Cedar Falls, IA http://kingsalvage.com

> Lems Auto Recyclers, Inc. Doon, IA www.LemsAuto.com

Leon Recycling & Auto Parts, LLC Leon, IA www.LeonAutoParts.com

> Lyle's Auto Salvage Oto, IA

McChesney Auto Somers, IA <u>www.mcchesneyauto.com</u>

Midwest Auto Parts, Inc. Waterloo, IA www.mw-autoparts.com

Monson Salvage, Inc. Lone Rock, IA

North End Auto Wrecking
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## Board of Directors Meeting

March 13, 2019—Conference Call —5:15 pm

### Members of IAR

Osage Auto Salvage Osage, IA http://osageautosalvage.com

Pat's Auto Salvage, LLC Waterloo, IA www.patsautosalvage.com

Piper's Auto Salvage Bloomfield, IA www.PiperAutoParts.com

Preferred Auto Sales, Inc. Lockridge, IA www.preferredautosales.net

Quandt Auto Salvage, Inc Carroll, IA www.QuandtAutoSalvage.com

Sam's Riverside Auto & Truck Parts Des Moines, IA www.SamsRiverSide.com

Sandhill Auto Salvage Tama, IA www.sandhillautosalvage.com

Smith Auto Parts & Sales, Inc. Fairfield, IA www.SmithAutoParts.com

Snyder's Auto Body Clarinda, IA www.snyders-autobody.com

Spilman Auto Parts, Inc Bloomfield, IA www.SpilmanAuto.com

Sun Line Inc. Cedar Rapids, IA www.sunline-chase.com

Swift's Trails End Auto Recycling Des Moines, IA www.TrailsEndAuto.com Call to Order at 5:17 pm, Roll Call, Anti-trust reminder by President Eric Piper, Approved Meeting Notes from February 6, 2019. Treasury Report Approved.

Legislative Committee Update - DOT's HSB47 (bill to clarify that salvage coming in to lowa will be on salvage title if vehicle meets the IA threshold even if it is not on salvage from another state) is dead due to lack of promoting from sub-committee to floor.

HSB/SSB1148 now SF436 (Raise salvage threshold to 75% *now* 70%) has made it through the funnel week and is alive and viable. Once voted on the Senate floor, it will be sent back to House for companion bill. We have been watching the bill daily.

https://www.legis.iowa.gov/legislation/BillBook?ba=SF%20436&ga=88

**NEW** SF332 - Motor vehicle damage repair under motor vehicle insurance policies and deceptive acts or practices by motor vehicle insurers. — No companion House Bill — No support declared. Unknown originator/Zaun.

Hill Day was cancelled due to weather.

PAC Fundraiser Summary - Thanks to the generous donations, the PAC Fundraiser event was very successful with several more pledges and "maybes" to followed up.

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Legislative Committee

will meet face-to face to draft legislative five year plan to be presented to the Board at the next face-to-face Board meeting in May.

New Members — *United Catalyst Corp* (Assoc Member) was approved. Motion made by Mike S, Second by Jodi, motion carried. New Members — *Junk Car Medics* (Assoc) was approved. Motion made by Mike S, second by Dereck, motion carried. We will send a welcome letter.

Summer Outing – Call for Vendors for Big Equipment and Tech Lab have gone out. Use the posted registration info at

www.iowaautomotiverecyclers.com/Events.html to make contact with big equipment vendors and sign them up to exhibit. Sue will make a trip to Des Moines to start planning event lay out/set up at Swift's Trails End.

## Board of Directors Meeting

March 13, 2019—Conference Call —5:15 pm

Membership Drive – Sue will create a membership drive packet and begin sending it out to potential new members discussed on the call and make it available for others to use to recruit.

Hotlines Status update – follow up with Betsy. Ask for an article for the newsletter that highlights some of the benefits members gained using Hotlines such as unassisted sales and the Parts Trader process automation.

Create a Booth for trade shows – Until we have funding for marketing efforts the Marketing Committee will focus on creating a trade show booth. Webinar for peer-to-peer discussion to focus on Top 5 Tips from Board members for increasing sales.

Respectfully submitted,
Jeff Smíd



#### Members of IAR

Tourniers Recycling Inc Independence, IA www.tourniersrecycling.com

Van Gorp Used Cars, Inc. Oskaloosa, IA www.VanGorpIA.com

Van Horn Auto Parts. Inc. Mason City, IA www.VanHornAutoParts.com

> Vander Haag's, Inc. Spencer, IA www.VanderHaags.com

> Vander Haag's, Inc. Council Bluffs, IA www.VanderHaags.com

> Vander Haag's, Inc. Des Moines, IA www.VanderHaags.com

> Vander Haag's, Inc. Kansas City, MO, <u>www.VanderHaags.com</u>

> Vander Haag's, Inc. Sioux Falls, SD www.VanderHaags.com

> Vander Haag's, Inc. Winamac, In www.VanderHaags.com

Walker Auto Salvage Waverly, IA www.WalkersAuto.com

Waterloo Auto Parts Waterloo, IA www.WaterlooAutoParts.com

West Edge Auto Salvage Independence, IA www.westedgeautosalvage.com

## Board of Directors Meeting

April 10, 2019—Conference Call —5:15 pm

### Members of IAR

Wilken Auto Salvage Britt Britt, IA www.wilkenandsons.com

Wilken Auto Salvage IA Falls lowa Falls, IA www.wilkenandsons.com

Wilken Auto Salvage Nashua Nashua, IA www.wilkenandsons.com

Yaw Auto Salvage Des Moines, IA www.yawssalvage.com Call to Order, Roll Call, Anti-trust reminder by Sue at 5:20 pm. President Eric Piper was excused for funeral.

Review/Approve Meeting Notes from March 13, 2019 were distributed on 3/14/2019.

#### **New business**

### 1) Warranty Standards for I-CARE Gold

Different policy for retail walk-ins (30 days) than wholesale parts (90 days) Ebay decides what policy is same for all parts

Extended warranty sales are an opportunity – not being realized by all our members –

Are there exception? – no warranty on tires, (LKQ= airbag, seatbelt, tires) Do peer-to-peer Webinar for sales staff emphasize selling extended warranty.

### 2) Summer Outing Vendors

Snap-on is locked in

Capital city equipment will bring BobCats to play with

Jeff Egli Washer System of Iowa

SAS Forks 1<sup>st</sup> to register

Racking guy - John Ward, St Anthony

DMACC students - send out invites to all Community Colleges

Zips Trucking- call John Kuhn at Zips

Twin City Trucks

Vander Haag equipment to display

Need a racking vendor for de-pollution station

Make tickets for repair shops – print postcard

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### 3) ARA Hill Day Recap -

Good meetings. Grassley meeting came with offer to write letter to NHTSA on getting recall rules written. Encourage more to go next year. It is a worthwhile experience. ARA's successes in getting the law passed for recall data is just one example of the inroads participating in Hill Day benefits.

### 4) MISC ITEMS

- Encourage Board Members to attend IIADA annual event – send out agenda to Board – IAR will pay registration for the Saturday, April 27, 2019 event.
- PAC Jodi will send Sue list of donors

# Board of Directors Meeting

April 10, 2019—Conference Call —5:15 pm

- Dereck Sales staff question Do you tell your salesman to source the part?
- Peer-to-peer webinar idea of "Sales school" ask H&H staff to moderate/present
- Make a brochure to encourage unlicensed rebuilders to get a R License

### **Old Business**

Bill to raise salvage threshold to 70% is dead this year. It was placed on the calendar for next session in 2020.

### Set next meeting -

- ⇒ May 1, 2019 Face-to-Face, Location: Des Moines, IA Noon Montana Mike's Steakhouse.
- ⇒ June 5, 2019 Conference call 5:15pm
- ⇒ July 10, 2019 (2<sup>nd</sup> Wednesday due to Holiday) -Conference call 5:15pm
- ⇒ August 7, 2019 Conference call 5:15pm
- ⇒ September 11, 2019 Conference call 5:15pm
- ⇒ September 20, 2019 Summer Outing Des Moines Face-to-Face, Noon-3 pm

Respectfully submitted,

Jeff Smíd

Jeff Smid, Secretary









Bob Schoof, General Manager

1041 Sheffield Avenue Waterloo, IA 50702 **319-234-2445 • 800-728-2568** Fax: 319-234-1977

Email: chase@qwestoffice.net

# Membership Does Have Privileges!

By Theresa Colbert

You might know that I volunteer for several state auto recycling associations, doing fundraising and trying to You do not have to volunteer to sit in on committee grow membership. I attend board meetings several times a month: I volunteer to teach classes, sell raffle tickets, or anything else that needs to be done. I have done everything from setting up the tables and chairs before the show, to serving food during the show, and cleaning up after. I have even cleaned the bathrooms! To be honest, I just do whatever needs to be done.

I'm not telling you this to pat myself on the back. I'm hoping that explaining why I do this may motivate some of you to "join my cause," so to speak. Are all of those jobs fun? Nope, not really! Again, being honest here! I would much rather sit around, sipping a cocktail and chatting with my friends at these shows! But here's the deal:

### WITHOUT THE STATE AND NATIONAL ASSOCIATIONS, YOUR YARD MAY NOT BE A VIABLE BUSINESS!

Oh, I am not saying you would not be in business! Don't get me wrong! I am just saying that life as you know it would be much harder! I doubt that you have ever gone to Washington D.C. and asked your senators and congressmen to pass a bill protecting XYZ Auto Recycling. Or perhaps you have written a bill like the one ARA has right now asking the OEs to give XYZ Auto Recycling all of the build sheet data on every car that you own? Or perhaps you would like to know which Takata airbags have been recalled or replaced already? Wouldn't that be handy?

Your associations do go to the state and national legislatures! They do try to get bills like these passed! This is the reason that I volunteer to help with these meetings and membership drives.



meetings or set up tables and chairs or clean bathrooms (although, I wish you would!), but please, I am begging you, PLEASE, join your state association and ARA!

### THE YARD YOU SAVE MAY BE YOUR OWN!

Call me, text me, email me! I can help you sign up and may even be able to get you a discount rate for signing up with me! As always, have a great month!

Theresa Colbert

TheresaC@Car-Part.com 859-802-2382







Your partners in advancing the auto recycling industry!

### Friends of IAR Member

Is a new membership type for out-of-lowa used auto parts dealers & salvage yards that want to be included in the many benefits received by the lowa members. Benefits such as the newsletter, Safety Subscription, Stormwater and other regulatory assistance access to Sue Schauls. As well as training seminars, webinars and trade show conventions.

Membership is by invitation only.

### Media Products:

- ✓ Who's Who in Salvage Membership directory with distribution to 400 buyers
- ✓ The Iowa Automotive Recyclers NEWSPRESS 6 publications per year

  Members are encouraged to submit a company profile to the newsletter with a card graphic —
- √ www.lowaAutomotiveRecyclers.com website
- ✓ www.BuyUsedAutoParts.org website
- ✓ 2019 Summer Outing Convention—BIG EQUIPMENT SHOW in Des Moines

# Iowa Automotive Recyclers Friends of IAR Membership Application

Company Name:	
Contact Person & Title:	
Address:	
City, State & Zip:	
	Website:
Telephone:	Fax:
Membership \$75	
Enclosed is my IAR annual mei	ership check:
Friends of IAR Member (Out-o	owa business which dismantles and sell used automotive parts
Signature	Date: , 20

Iowa Automotive Recyclers – 2214 Regal Avenue – Waterloo, Iowa 50702

Phone 319-290-7843 & Fax 319-233-7970

# Shipping with Style

Packaging to Create Loyalty

### PACKAGING IDEAS TO BRAND YOUR **GOODS AND WIN LOYAL CUSTOMERS**

For small businesses, brand differentiation and customer loyalty are key to growth.

### How can you differentiate your brand from that of the marketplace you're using to sell parts?

If a customer associates your products with that site's brand rather than your own they will continue to forgoing the standard, clear packing variety. Most return to the website marketplace and shop for the products that meets their need. They will choose between you and the other vendors using the site to sell goods because they had a good experience, even if you were the one providing that good service! So how can you make them YOUR return customers? Creating standout packaging can help.

While developing highly branded packaging can be expensive and time-consuming, there are more simple and affordable ways to let your business shine. Read on for packaging ideas for the inside and outside of your shipping box that could set your business apart and help win loyal customers.

### Rubber Stamps

This crafty solution puts your logo, icon or message onto boxes, bags and paper for less than the cost of printing customized boxes. Choose ink in one of your business's colors, or something neutral that works with your packaging.

Use a decorative rubber stamp to:

- Place your branding on the box—like on the inside flaps—affordably.
- Add a signature touch to paper elements in the
- Brand your receipts, envelopes and thank-you cards.



### Stickers and Tape

Branded stickers add a little personalization to your parcel without breaking your budget. They're also a great freebie for customers: throw in a branded sticker for them to keep, and they'll remember your brand long after the box is gone. Or maybe they will put it on their suitcase and give your free advertising.

You can also use custom tape as a decorative touch, professional automotive salvage businesses are doing this. **Commercial Forms** is a wonderful recyclers supply resource for shipping supplies. www.commercialforms.com Print your stickers and tape with your logo or print a thank-you message on one design or both.

Use stickers and tape to:

- Keep interior paper wrapping together.
- Put a custom touch on a thank-you card.
- Tease what's inside the package.



### **Box Sleeves or Liners**

Depending on what fits your product, box sleeves can be decorative or functional additions to your interior box packaging. Think of basic box sleeves, which slide over an interior product box, like ribbons on wrapped gifts. Some sleeves are more like half-boxes that can be used to brand a less expensive, generic box or as a liner to the shipping box sidewall. For uniform products, there are detailed sleeves with trays that can slip together, creating a small box to hold a product within your shipping box.

# Shipping with Style

### Packaging to Create Loyalty

With automotive parts and the wide variation of size and shape, simply lining the shipping box side walls will inexpensively create the box sleeve design in a less custom manner. The sidewall liner is also fast and efficient with no boxes to assembly or shape to the auto part.

Box sleeves can create a curated unboxing experience for a part, but are not recommended for use on your shipping boxes themselves. Use them within your parcel to enhance the presentation of your item and to reinforce your brand to the buyer.

# Box sleeves or liners can be an inexpensive way to customize recycled boxes.

Use a sleeve or liner to:

- Add a decorative touch to a simple box.
- Place your brand on a part's packaging.
- Customize recycled boxes affordably.
- Connect the buyer to branding used in the photograph that advertised the part on the website.

### **Tissue Paper Wrap**

Hand-wrapping the item using custom tissue paper and branded stickers or tape may be less expensive than a box sleeve with the same outcome.



Custom tissue paper wraps can be purchased for very low costs. For less than 10 cents per box a single tissue paper wrap can enhance the brand. Tissue paper wraps are not dunnage! They are not there to cushion the auto part for shipping but have the sole purpose of adding branding to the inside the box at far less cost than a box sleeve.

Use the same design as the background graphic in the photo of the auto part used for placement on the internet marketplace to really connect the brand to the buying experience.

Custom printed shopping bags that are already in stock for counter sales may also have another use as a shipping box interior branding opportunity.

### **Personal Touches**

Making your customer feel personally appreciated is another way to differentiate your brand and potentially generate repeat customers. Beyond making your packaging recognizable and enjoyable, adding small touches can help connect your customers to your business so they keep them coming back.

Simple ways to add personal touch:

- A handwritten note, thanking them for their purchase. Use a company logo sticky note to add branding and have the shipper personnel simply write THANK YOU and sign their name.
- Extra items, like a business card, a coupon, sticker, free pen or other promotional item, or a notecard or sheet of paper outlining your return and exchange policy or any other items that align with your brand message.

Creative packaging involves innovative designs that help products stand out above the rest. Taking your packaging to the next level doesn't have to mean custom-printed boxes, involved branding processes or other expensive additions. Instead, distill the spirit of your business into something personalized and creative that will make your delivery memorable.

With these low-effort touches, you can differentiate your business while earning the loyalty of your customers.

## Let's Talk Recalls...

Get Paid for Deployed and Missing Airbags

### Let's Talk Recalls . . .

# Major Announcement – Recyclers Get Paid For Deployed and Missing Airbags Ford is 1<sup>st</sup> Automaker to Pay for Deployed/Missing Airbags

### By Paul D'Adamo and Katie Stark

Top 5 Reasons to Switch to our Mobile Yard Airbag App (YAPP)

- No more VIN Barcode Printouts
- Allows for Mobile Scanning of VIN's at check in or intake
- Allows for complete airbag recovery and validation at the vehicle
- Allows Recyclers to Invoice from the Cart
- Provides Bounty for Deployed and Missing Airbags

(currently only Ford Motor Company – Ford, Lincoln, Mercury)

Rebuilders Automotive Supply is happy to announce a new Bounty Program for Recyclers: Deployed and Missing airbags. Additional Automakers are bound to follow Ford's lead in capturing this valuable data. For Recyclers, the only significant change is that the current desktop validation system will not support the mobility and imaging required to satisfy the demands of the deployed and missing airbags. The New Mobile Yard Airbag App (the YAPP) supports the base image requirements for the validation of airbags to be recovered and one additional picture of the deployed and missing airbags.

### **Bottom Line for Deployed or Missing Airbags:**

After the two standard photos of the Dash and the VIN Plate, we will require 1 additional photo of the deployed or missing airbag. For a Bounty Vehicle with two deployed airbags, we would estimate a total time requirement of less than 2 minutes to do the initial scan and take four photos. It's kind of like a Geico commercial only in this case, 2 minutes will make you \$30 bucks.

Our Recall Team has been aggressively looking for additional Bounty opportunities in the recovery and identification of defective Takata airbags. The new YAPP provides the platform to eliminate time consuming steps and allow Recyclers to incorporate a mobile device into their processes to ensure these dangerous airbags are removed and destroyed. While the YAPP was originally designed for High Volume Self-Service Auto Recycling Operations which demanded a mobile device that eliminated paperwork, Full Service Operations have begun to adopt the platform into their flow process.



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## Let's Talk Recalls...

### Get Paid for Deployed and Missing Airbags

Most Auto Recyclers have a check-in process which involves staff that will most likely never pull an airbag. These check-in folks can still use the YAPP as a first step to scan and identify whether the vehicle has defective Takata airbags that are part of the Bounty program. Whether it is a mark on the car or a colored magnetic hat that is placed on the roof, we want visibility to the vehicles with Takata airbags to ensure that they are processed according to company procedure.

It is important to note that the YAPP does not currently identify some automakers that have defective Takata airbags but do not participate in the RAS Bounty Program, ie VW, Dodge, Chrysler, BMW, and others. RAS is working on a solution to address this gap, but there are still some hurdles to overcome.

Once the Bounty airbags are identified, the vehicles can either be segregated to a quarantine area where the bags will be removed by a Parts Puller prior to de-pollution, or for Full Service yards, brought into dismantling where the airbags will be handled.

The beauty of the YAPP is that now recyclers have a tool that can also be used pre-crush. With a simple scan of the VIN's, a parts puller could capture additional bounty revenue prior to the vehicle going to the crusher. With Scrap Prices at a low point, that extra \$55 – \$60 or even \$15 for deployed or missing could be a significant revenue stream with more ROI than the crushed car. Remember that Ford, Honda, and Toyota just added 3.9M VIN's to the database at the end of 2018. The YAPP would give you an opportunity to capture Bounty Revenue for vehicles currently sitting in your yard. Did you read last month's article? There are recyclers capturing over \$100K/year in Bounty Revenue. How about you?

Have you heard about our new Airbag Recall App? Tired of printing VIN barcode printouts? Call the Recall Team at 877-829-1553, press #.

Be a Lifesaver . . . #yankthatbag

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# Industry News

from the Automotive Recyclers Association

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# Inventory systems to query the NSVRP database in real time to check for recalls

For over three years ARA has regularly met with the National Highway Traffic Safety Administration (NHTSA) to discuss implementation of federal law passed in December 2015 that provides recyclers with recalled parts data. While the pace of regulatory action has been challenging, these meetings are important opportunities to communicate directly with regulators about the necessary steps needed to provide efficient, effective and comprehensive identification of defective recalled automotive parts.

During these meetings and in additional discussions on Capitol Hill and with the automakers themselves, ARA has remain committed to the belief that the solution must be fully-integrated into each industry inventory management system in order to capture active recalls at the point of inventory and the point of sale.

In the absence of regulatory action, ARA wants to make members aware of a new tool available to the industry through The National Salvage Vehicle Reporting Program (NSVRP). As announced on today's Town Hall with the ARA Executive Committee, NSVRP has offered an API to allow recyclers' inventory systems to query the NSVRP database in real time to check for recalls. This service will be provided free of charge and over the past several weeks, ARA has been working hard to connect each management system with NSVRP. As of today, Hollander, Car-Part.com, Crush and Buddy Automotive have agreed to integrate the NSVRP tool into their systems.

ARA believes that the NSVRP tool is a good solution for automotive recyclers based upon the information available and the challenges facing the industry to keep up with automotive safety recalls. With the NSVRP tool, recyclers should have the ability to check for recalls during routine, full-inventory spot checks as well as prior to purchasing vehicles. ARA encourages members to continue to implement and refine operational procedures within their business to check for automotive recalls and to contact individual management systems for details about NSVRP integration.



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ARA continues to urge all members to be sure they are familiar with the laws related to the recall process. For example, some of the possibly applicable Federal laws are referenced below:

Representative Laws To Protect Drivers From Automotive Safety Defects

In 1966, Congress passed the National Traffic and Motor Vehicle Safety Act (NTMVS Act) which prohibits the sale of new motor vehicles and motor vehicle equipment that fail to comply with an applicable Federal motor vehicle safety standard (FMVSS).

Over 30 years later, in 2000, Congress passed the Transportation Recall Enhancement, Accountability, and Documentation Act (TREAD Act) that extended the NTMVS Act prohibition to cover the resale of used equipment [possibly meaning parts] subject to recall that have not been fixed.

12 years after that, Congress enacted the Moving Ahead for Progress in the 21st Century Act (MAP-21) in 2012 which provided for a recall database with an individual VIN look-up tool which was established as <a href="https://www.safercar.gov">www.safercar.gov</a>.

On December 4, 2015, President Obama signed into law the Fixing America's Surface Transportation Act, or "FAST Act" which includes a provision requiring automobile manufacturers to include in their recall reports the name, description and part number of defective component parts. Under the FAST Act, NHTSA now has the authority to impose civil penalties of \$21,000 for each applicable recall violation.

Please be advised that the foregoing list or laws and/or regulations is provided for informational purposes only, is not legal advice and may not be an exhaustive list of applicable law. If you have any questions about the laws that apply to recalls, please consult your individual legal counsel.



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# The Value of Safety

Certification Standards

## The more things change...

1919 National Safety Congress topics included machine guarding, protective clothing and some safety standards. **Sound familiar?** 

The 50th Anniversary issue of *National Safety News*, published in November 1969, features a retrospective that makes reference to the safety issues being discussed at the 1919 National Safety Congress (now the NSC Congress & Expo):

"Many of the 1919 Congress papers could be retyped and presented at the 1970 Congress and still be relevant. Those papers covered such topics as supervisory training, machine guarding, protective clothing, dermatitis, safety standards and accident records."

Fast-forward 100 years, and you'll find those same topics are still relevant today even as technology advances, standards change and prevention efforts evolve. In truth, there are very few new standards created, even though some rules may be new to you, most rules are just updated over time to keep pace with the changing workplace.

When improving safety for the merit of just having a safer workplace is not enough, it's often a very powerful argument with leadership to help explain the cost of safety by showing the economic benefits of safety," one expert says. The challenge is lack of a universal formula for placing value on safety.

Although calculating a return on investment in safety lacks a universal formula, many experts agree that

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putting some thought in to the value and savings that a safety program will provide is worthwhile.

The obvious savings factor is the avoidance of fines. This is often the driving factor for some businesses. All too often, those businesses tend to focus on paperwork and not "walking the talk". An implemented Safety Program involves more than just dotting i's and crossing t's for OSHA's sake, it includes making sure the facility has a culture of safety.

The second factor when calculating the return on investment in safety is **the cost of lost time or productivity.** When a productive employee is injured, even a minor injury, productivity suffers. Time is money as they say, and lost time is lost money.

Finally, **injury and illness due to workplace accidents is costly.** It may be a workman's compensation claim or it may not. Either way, from a purely financial viewpoint, paying workers to recuperate cost more than paying them and the replacement to work.

Less easy to quantify is the most important factor, that **your facility must be a safe facility.** The "people factor" is simple but doesn't show up on your spreadsheet. You want employees and customers to be safe in the workplace.

The closest thing to evaluation of the people factor is turnover. Unsafe work environments have high turnover. High turnover cost money in training and low productivity of new employees. If you have high turnover, take a look at creating a more safe workplace with a Safety Program.

The age old problem in safety IS to continually create a safe workplace!

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