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Service Experts *News*

Truck Service Experts Fleet Service Experts

March 2009

Truck Service Expert Brahler's Truckers Supply 8000 Hall Street • St. Louis, Missouri 63147 Jeff Wilson Location Manager

Brahler's Truckers Supply began more than 35 years ago as a Bandag franchisee in Meredosia, Illinois. Founded by Richard William (Bill) Brahler, the company quickly began to develop a reputation for reliable products and fast service. The business relocated to Jacksonville, Illinois and continued to expand, adding a second retreading plant in Granite City, Illinois, to serve nearby St. Louis.

Brahler's added Michelin N.A. new truck tires in the early 1980s along with other brands to meet the needs of a wide variety of commercial vehicles. Brahler's successful tire and retreading business led to the addition of vehicle maintenance services and wheels.

Richard W. Brahler II purchased the company from the estate upon the death of his father in 2005. Brahler's now operates six strategically located commercial tire centers across Illinois and Eastern Missouri. The tire centers, staffed with knowledgeable sales and service personnel, provide new tires, high quality truck tire retreads, industrial new and retreaded tires, truck wheels, and truck maintenance services. Brahler's also provides 24/7 emergency fleet road service along interstate highways in Central Illinois, and in the St. Louis and Chicago metropolitan areas.

Their St Louis location, which is a Truck Service Expert, does full service truck and trailer repair. They offer all types of mechanical repairs such as brakes, chassis, bee line computerized alignment system, oil, lube and PM Service, and contract maintenance programs. They have a drop lot and terminal service. Brahler's also has a drive-in service center, 24 hour tire road service, a modern



fleet of 6 service trucks, national account billing, pick-up and delivery to/from their customers shop DOT Inspections.

Commercial vehicle operators rely on Brahler's to provide tires, wheels, and commercial vehicle maintenance. They focus on reducing their customer's total operating cost (TOC).

Today, after more than 35 years, Brahler's continues to be an independent, family-oriented, full-service commercial tire supplier. Their reputation for fast, knowledgeable service and quality products means that you can always rely on Brahler's. Trust Brahler's for service and solutions.

TruckPrideServiceExperts

Welcome New Truck Service Expert Member

Truck & Fleet Services
 Mississauga, ON

J.N.S. Truck Service, Inc.
 Steinbach, MB

River Valley Truck Center
 Mankato, MN

B & G's Trailer Repair, LLC
 Harrisburg, PA

CTR Heavy Duty Truck
 Malvern, AR

S & T Truck Repair, Inc.
 Portland, OR

On The Spot Truck Repair
 Portland, OR

Webinar Technical Training

On Today's Coolants: Maximizing Your Investment in Products and Maintenance

Hosted by WIX

The First Quarter Webinar Technical Training session will take place Thursday March 26th at 1:30PM Eastern Standard Time

In an effort to offer our service experts and their technicians the most up-to-date technical training at a convenient time and place Truck Pride is bringing you Webinar training. A webinar is an interactive online training session.

The format for this Webinar training will be as follows:

This webinar technical training session will be hosted by Paul Bandy. Each webinar presentation will be limited to 50 Service Expert locations and last approximately 1 hour. The webinars will be filled on a first come basis. We will offer additional webinar sessions to accommodate the demand. Because we will offer additional sessions it is extremely important that you tell us what time zone you are in.

Training for this Webinar will:

- Provide an overview of heavy duty coolant system preventive maintenance.
- Explain the causes, and how to prevent, common coolant system issues.
- Explain today's Coolants; what are they and how do you use them.
- Teach how to select and properly use Coolant filters and Supplemental Coolant Additives.

System Requirements:

- Broadband Internet access (i.e. DSL, T1).
- Prior to the trainings, you will receive additional information by email confirming your participation. The email will also contain a link to make sure your system is compatible with the meeting system.
- At the designated training time, it will be necessary for all participants to be in front of their computer. The audio for this

meeting will be conducted by phone. If there is more than one person at a phone, a speaker phone will be necessary. The confirmation email you will receive will provide you with the phone number to call prior to the meeting.

- If several people are watching one computer, the use of a PC projector is recommended so everyone can see the training more clearly.
- Please do not use a speaker or cellular phone that does not have mute capabilities. The background noise from these will disrupt the communication and disrupt the training for the other participants. Likewise, do not put the meeting on hold because recorded hold music and messages will come through and again, disrupt the training for all other participants.
- Should you have any questions, please drop us a note at: techservice@affiniagroup.com. Please put in the subject line, "March 26 Webinar."

Please complete:

Company Name: _____

Contact Name: _____

Number of Participants who will attend the Webinar Session: _____

Phone Number: _____

Time Zone: Eastern Central Mountain Pacific
Underline One

Please fill out the above information and fax it to Melissa Jolls at: 908-251-5836 or email the information to: meljolls@earthlink.net with reference to WIX Webinar Technical Training as soon as possible. Do not fax.

April HOT PACK!!

You will be seeing your HOT PACK in the next few weeks! The HOT PACK is filled with specials and promotional items, as well as business building and marketing tools from your Truck Pride distributor and suppliers. Everything in the **HOT PACK** is there to help your business. We have provided you with programs and tools to keep you competitive and aggressive in your market. Make sure you go through them.

Look for the new Truck Service Experts Directories and Truck Pride Scheduling Pads!

www.nttsbreakdown.com

**Almost 300,000 Ad Views
In the Fourth Quarter of 2008**

Ask your local Truck Pride distributor to share with you how many times your ad page has been viewed.

October.....	91,293
November	70,931
December	82,990

Total Ad Views for 2008 ~ 1,114,969

OMG National On-Hold Message Program

WHY YOUR BUSINESS NEEDS TELEPHONE ON HOLD MESSAGES

When you put a caller to your business on hold you risk losing a sale, or losing a customer forever. The answer to these lost opportunities is a professionally produced telephone on-hold message program. Imagine what you can tell your callers while they are waiting; product information, hours, services and current promotions you are providing. An on-hold message program is like having a customer service staff that never takes a coffee break or a day off.

Eight Custom Messages and Fifty Generic Auto and Truck Pride Messages Plus a Custom Holiday Program

For Only **\$399**

For a Quarterly Subscription

Includes: Eight Custom Messages Each Quarter
Plus a Custom Holiday Program and
USB-11 Digital Player

For Only **\$799**

Call Jerry Davis at 800-789-4619 ext: 121

How to Net 20% to 30% Cash Profits — Smart Parts

by Chris "Chubby" Frederick,
President Automotive Training
Institute

Here is the auto repair model
thousands of owners have
achieved:

Sales.....	100%
Parts Cost.....	-18.5%
Tech Cost Loaded	-20.0%
Sales Cost Loaded	-7.0%
Gross Profit	54.5%
Less Expenses.....	-24.5%
Total Cash =	30.0%

of Sales

Before I bombard you with knowledge, let's talk about commitment to making money. If you create a business plan to breakeven, then expect to net 30%, it just won't happen. If you are not making the money you deserve, then you are not focusing on it.

One morning I rolled over to kiss my wife and she called me a loser! That is right, the big "L!" She asked why all my business friends call me "Breakeven Frederick?" I explained that a breakeven goal keeps me focused on survival and anything over breakeven is a plus. She asked me what I had accomplished most of my life. You know what the answer

was? BREAKEVEN. She admitted I was a good provider, put five kids through college, etc., but asked me why I never accomplished what many of my clients do - 30% net profits? "Why don't you practice what you preach?" she wondered. "Why can't we retire or at least enjoy more free time? Do you work the long hours to provide the family with everything we want? NO! It gives you an emotional high. You love what you do and you love helping others. Why don't you help yourself, you loser?!"

It was an emotional morning for me. I angrily jumped in the car and turned on one of my many self-improvement tapes; you know, the ones on how to become financially independent. I have listened to them at least twenty-five times but it just never sunk in. If you are not making the money you deserve, you are just not focusing on it! I played it over and over until it dawned on me.

Diane was right. I had been working hard, not smart. I had never created a plan to net 30% so I never made the money. It can't be that easy, I thought. But, what if I did have everything in place except the plan to net 30% cash? When I arrived at the office I called a staff meeting and told them we must create a model that will net

our company 30% (I wasn't sure what that was!). Surprisingly to me, they came back with a plan to do it. We implemented it immediately and have never netted less than 30% since that day. I have made more money in the last 18 months than the last 18 years. I tell you this not to impress you, but to impress upon you the power we all have inside us. It is not just the knowledge but also the skills and the action to change coupled with commitment through tough times.

Let's discuss how to make your parts costs no more than 18.5% of total sales. If you can, you are on your way to netting 30% cash.

Here is the concert a leader must play everyday in perfect harmony:

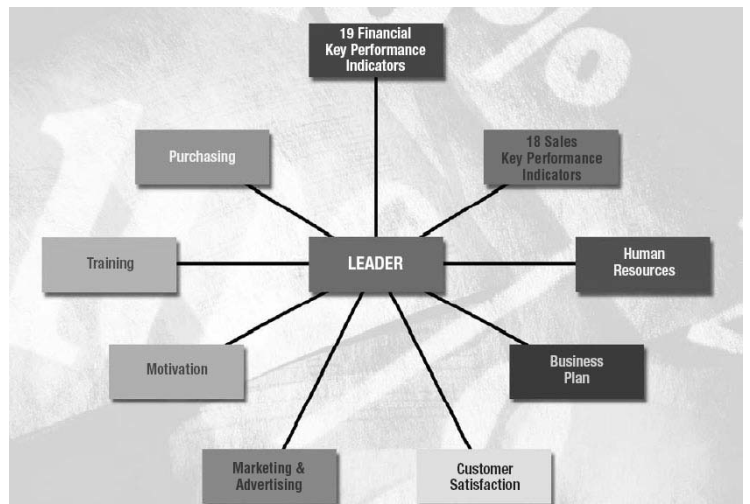
No one of these is more important than the others. To net 30%, they must all work in concert. The leader cannot grow a business if he or she is stuck in any part of this production. So, lead or get someone who can! Ok, let's talk parts.

Parts margin is Key Performance Indicator #3 out of 37 to which we must pay attention. Parts by themselves should generate 53% gross profit, not including tires or shop supplies. How is it done? By using a matrix. A parts matrix is a multiplier system that bangs the low cost parts harder than the high cost parts. In other words, the multipliers are more aggressive where customers' sensitivity is low. Here is a matrix we start our clients on

JOBBER MATRIX		
Cost Range	Multiply By	Parts Profit %
\$0.00-\$5.00	3.25	69.2%
\$5.01-\$10.00	2.50	60%
\$10.01-\$75.00	2.25	55%
\$75.01-\$150.00	2.00	50%
\$150.01-\$750.00	1.85	46%
\$750.01-UP	1.54	35%

DEALER MATRIX		
Cost Range	Multiply By	Parts Profit %
\$0.00-\$1.00	3.50	71.4%
\$1.01-\$5.00	3.25	69%
\$5.01-\$50.00	2.25	55%
\$50.01-\$100.00	1.82	45%
\$100.01-\$175.00	1.67	40%
\$175.01-UP	1.54	35%

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Use the jobber matrix for parts bought from your local parts jobbers. Use the dealer matrix for parts bought from car dealers. It works because the average cost of a part is in the \$20-\$30 range. The multipliers in this range are the most important, creating a 55% G.P. on the most popular parts. More expensive parts erode margins, but most of the time this matrix creates a 53% "weighted" gross profit. To keep parts cost at 18.5% of sales, you have to make over 50% G.P.

Implemented properly, this matrix has worked in 99% of my clients' shops across North America. If you modify it, remember the most important multipliers are on your average part cost.

Regardless what you do, there will be a few customers who say they can get a part cheaper somewhere else. My suggestion is do not try to prove them wrong with clichés. Simply agree, "Of course you can!" They could also buy a beef filet at a grocery store then try to have an upscale steakhouse cook it to save money! In any industry you can buy the commodity by itself cheaper than a service provider would sell it...restaurants, electricians, plumbers, etc. to name a few. If you try to compete at that level, you will never make money!

You cannot be everything to everybody in the auto repair business (or any other business). You can sell tires and menu items to anybody, but it costs big money to perform legendary auto service. Do not confuse the different profit centers in your business. Profit is not a dirty word. If you have been focusing your attention on the 20% of customers who are price shoppers, consider changing your focus to the 80% that love you. Research indicates that if your menu items are competitive, your parts margins can be 53%. Customers that love you want you to be profitable so you can deliver legendary service.

Tires and Fuel Economy

by Jeff Wilson, ASE Certified Medium/Heavy Duty Truck Technician of Brahler's Truckers Supply

Tire design, brand, application and tread life all play an important roll in fuel economy and tire price. First, tire manufacturers have many desired goals to reach when designing a tire. Long tread life, low rolling resistance, retreadability, traction and price point. These are customer desired attributes that each tire "should" have. In the real world there are trade-offs. If you want a long tread life you may lose some fuel economy due to increased rolling resistance. This is also true of increased traction which can have an impact on rolling resistance. Low rolling resistance tires may have less aggressive tread designs and premium rubber compounds to enhance the tire performance, this results in a higher price tag.

My point is, tire design is a give and take proposal. There are a lot of factors to consider when determining which tire is best for your operation and budget. Tire price is not always a good benchmark for determining which tire is best for you, however cost is. A lot of operators are not sure how to determine tire cost.

Let's take a look at tire cost. The chart below has some popular tires that are used in the St. Louis market. This chart breaks down the tires to purchase price, tread depth, projected tire life and potential fuel savings based on rolling resistance. It is important to note that the some of the data used in the chart is based on assumptions derived from information obtained from various truck operators in our market. There will always be variances in actual tread life, tire prices and fuel economy due to differences in truck types, operating conditions, maintenance and fleet size.

We can learn how to determine the actual costs and savings as pertains to your operation by following these simple steps:

1. Actual tire cost divided by actual miles of service gives you a cost per mile. Calculate steers separate from drives and add results together.
2. Tire cost per year is the cost per mile x the total miles driven per year.
3. Projected fuel savings can be determined by using Michelin's web site toolbox which has a fuel savings calculator.

As you will see in the chart, the lowest priced tire is not always the lowest cost tire Just as the most expensive is not always the highest cost tire. If you want the best deal on tires, you need to do a little homework to determine what combination and brand will give you the lowest operating cost. It's not really that hard once you know how to calculate and compare tire costs.

Vehicle Service	Base Vehicle	Example #1	Example #2	Example #3	Example #4	Example #5
Steer Tire Brand	Firestone	Bridgestone	General	Continental	Yokohama	Michelin
Steer Tire Model	FS590	R287	S580A	HSL2	RY617	XZA3
Steer Tire Tread Depth	18/32"	16/32"	18/32"	19/32"	18/32"	19/32"
Avg. Market Price	\$300	\$385	\$325	\$375	\$325	\$450
Projected Tread Life	120,000	150,000	120,000	150,000	120,000	150,000
Drive Tire Brand	Firestone	Bridgestone	General	Continental	Yokohama	Michelin
Drive Tire Model	FS690	M726-EL	D460	HDL-Ecot	703ZL	XDA3
Drive Tire Tread Depth	29/32"	32/32"	26/32"	28/32"	32/32"	26/32"
Avg. Market Price	\$310	\$400	\$335	\$385	\$370	\$460
Projected Tread Life	250,000	350,000	300,000	320,000	350,000	350,000
Percentage Fuel Savings	0%	2.3%	2.9%	5.4%	5.6%	5.9%
Fuel Savings (per year)	\$0	\$1870	\$2355	\$4308	\$4519	\$4726
Tire Cost Per Mile	\$0.0149	\$0.0142	\$0.0143	\$0.0146	\$0.0135	\$0.0165
Tire Cost Per Year	\$1788	\$1704	\$1716	\$1752	\$1620	\$1980
Tire Cost Per Year						
Less Fuel Savings	\$1788	-\$166	-\$639	-\$1709	-\$2899	-\$2746

In the chart above we used the following assumptions:

1. Vehicle is a 6 x 4 tractor in highway long haul operation
2. Vehicle runs 120,000 miles per year
3. Vehicle gets 6 mpg on base tires
4. Base tires are Firestone
5. Tire prices are average for the St. Louis market
6. No labor or other materials are included in the tire price
7. Savings is for one (1) truck and shown in blue

Your savings will be more or less depending on miles driven per year and your base average miles per gallon (mpg). Proper tire inflation, rotation, wheel alignment and maintenance will also effect the amount of savings. With good maintenance many operators will see longer tread life and additional savings in fuel and cost per mile than shown above. The bottom line is don't buy on price alone!

Cut cost not performance!