

THE HORN

Published by:



**Automotive Aftermarket Association of the
Mid-South, Inc.**

*Serving the Automotive Aftermarket in North Carolina,
South Carolina, Tennessee and Virginia*

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Bulletin No. 607

February 2019

MANAGEMENT NOTES

Have Your Best Sales Year in 2019

By John Chapin

Warning: if you're looking for a short cut or easy way to your best year, you probably won't like this article. What I have to say is not what the majority of the population wants to hear. That said, it is what you need to hear if you want to have your best year in 2019.

Two tips for having your best year

Tip #1: Work Harder

This is the tip most people won't like. Here's the thing about hard work: the harder you work by making more sales calls, the more your sales will increase. Want to increase sales by 20%? Simple, increase your sales calls by 20%. If everything stays the same: your contact rate, your closing ratio, the quality of prospects you're calling on, your sales skills, etc., and you simply call on more people, you will automatically increase sales by the percentage of increase in the number of calls you make. So what that means is: whatever percentage increase it will take to have your best year, simply increase your calls by that number and you're guaranteed the result.

The most successful people on the planet, in any walk of life, are the hardest workers. No exceptions. The top athletes, the top musicians, top actors and actresses, and top ditch diggers, all work harder than everyone else. Are there exceptions to the rule? Yes, and they are just that: the exceptions. Follow the rule not the exception. The exception is the person who got rich winning the lottery. You don't want to rely on those odds. Stop looking for the short cut, the easy way, the care-free, painless way. In the long-term those are the longer ways. They are more expensive mentally, physically, and financially, and ultimately the short cuts are a waste of time. Follow the tried-and-true path and work hard.

The above said, it is also a good idea to increase the effectiveness of your sales calls. If you get better at all aspects of selling: getting to the decision maker, getting their attention, differentiating yourself, finding their pain, creating a solution, building rapport and long-term relationships, etc., now an increase in sales calls will grow sales exponentially. Even if you only get better in one or two areas, your sales will increase at a higher rate than if you simply increase the number of calls. In addition to getting better at selling, you should also follow Tip #2.

Tip #2: Be Disciplined

The most important activities of a salesperson are: prospecting, presenting and closing. The most important thing you do during the sales day is talk to people who can give you business. It takes lots of discipline to stick to these activities during prime calling hours. You've got to make hitting your numbers every day

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2019: Your Best Sales Year

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your number one priority. This means you've got to guard your time closely against your biggest enemy: distractions.

Distractions come in many forms: phone calls from friends and family, text messages, e-mail chimes, social media, chasing a fly around your office for five minutes, paperwork you should be doing off-hours, and other urgent/unimportant tasks that steal your attention during the day. While most of these distractions simply pop up, many of us are also guilty of intentionally placing distractions smack in the middle of our day. Don't do that. Don't schedule doctor's appointments, dentist appointments, appointments with your financial planner, CPA, or anything else at these times. Obviously there are times when you can't avoid that, but you want to stick to this rule as much as possible. Also, again, don't do paperwork and other non-time sensitive activities during prime calling time.

You also want to look for other time wasters. I had one insurance agent who was going to every Chamber of Commerce, BNI, and networking event for years all while getting very little business. When we got her to go out and knock on 50 new prospect doors a week and follow up with phone calls, her efforts over the next 12 months produced more than 40 times the results she got from attending all those events. It's simple, she was no longer hoping the same people she saw every week for three years, who were at the networking events primarily to 'get' as opposed to 'give' business, would have a new lead for her. She was now proactive with in-person visits and phone calls to prospects. Was it harder to knock on the doors and ring the phones and face rejection from strangers? Yes. And as your parents told you growing up, the most difficult thing to do is usually the right thing to do. In-person visits and phone calls are also still the fastest ways I know to grow a business quickly. That said, if you still want to go to the networking events you can, but only after you've gotten all the prospects you need from phone calls and visits.

In addition to the above, put up two signs, one in your office and one in your car, that say, "Am I working on my most important sales activities right now?" If it's 5 a.m. and the answer is "no", that's fine. If it's 11 a.m. on a Wednesday, and most of your prospects are on a standard work schedule, and the answer is "no", that's an issue.

Finally on Tip #2, part of being more disciplined is also delegating activities and finding faster, better, more effective ways to do current tasks. This will free up more time for more sales activities.

Ultimately there is only one question you must answer to determine whether or not you'll have your best year in 2019: Are you willing to put in the time, effort, and energy, and endure the pain, to do the things that must be done, when they must be done, in order to make it happen? Yes? Great! Then get out of your own way and go make 2019 your best year ever!

John Chapin is a motivational sales speaker and trainer. For his free newsletter, or to have him speak at your next event, go to: www.completeselling.com. John has over 31 years of sales experience as a number one sales rep and is the author of the 2010 sales book of the year: Sales Encyclopedia. You can reprint provided you keep contact information in place.

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INDUSTRY NEWS

Record Vehicles Per Bay

"The number of cars and light trucks on U.S. roads and the service bay population are moving in opposite directions. The car and light truck VIO (vehicles in operation) has climbed over the past five years, but the service bay population has fallen. This resulted in a record number of vehicles per service bay in the U.S. during 2017." — Jim Lang

Do-It-For-Me Market Growth

The car and light truck VIO in the U.S. grew by approximately 25 million between 2012 and 2017, and Do-It-For-Me (DIFM) product sales expanded by more than \$12 billion. This dynamic growth should have sparked a large increase in service bays across the U.S. However, the opposite occurred.

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Record Vehicles Per Bay

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Service Bay Paradox

As the volume of products installed by automotive technicians increased by more than 15% at user-price between 2012 and 2017, the car and light truck service bay population declined.

More Light Vehicles but Fewer Service Bays

There were over 8,000 fewer service bays in the U.S. at mid-year 2017 than five years earlier. This bay loss occurred despite a 10% increase in cars and light trucks on U.S. roads.

Shrinking Service Bay Population

The shrinking number of service bays coupled with the expanding car and light truck population has continued to ratchet up the average number of vehicles per service bay in the U.S.

Record Vehicles per Bay

In 2012, there were 206 cars and light trucks in the U.S. for each light vehicle service bay. As the service bay count declined and the car and light truck VIO increased, the average number of vehicles per bay continued to rise, reaching 212 by 2014.

Growth of Vehicles per Bay

Over the next three years, the situation grew more critical. There were 228 cars and light trucks per bay in the U.S. during 2016 and a record-high 235 vehicles for each service bay by 2017.

VIO and Service Bay Trends

Lang Marketing expects the number of service bays will continue to decline over the next two years, despite a steady growth in cars and light trucks on U.S. roads. As a result, Lang Marketing projects there will be a new record-high number of cars and light trucks for each service bay in the U.S. by 2020.

Aftermarket Opportunities

With an increasing number of vehicles per bay and a growing volume of aftermarket DIFM products, service bays must become more productive in order to keep pace with the increasing repair demand per bay. This provides significant opportunities for suppliers of diagnostic and installation equipment that can speed up vehicle repair as well as shop management, vehicle data programs and other means that can increase technician productivity.

Aftermarket Challenge

Automotive technicians must continuously become more productive so that the shrinking number of service bays can handle the growing volume of car and light truck repairs across the U.S.

More Vehicles Per Bay 2012-2017	
<u>Year</u>	<u>Cars and Light Trucks Per Service Bay</u>
2012	206
2014	212
2016	228
2017	235

LEGAL/LEGISLATIVE

Starting January 24 Employers Face Higher OSHA Penalties

By Tressi L. Cordaro on 01/23/19, Jackson Lewis, P.C.

The Federal Register published the [Federal Civil Penalties Inflation Adjustment Act Annual Adjustments for 2019](#). This final rule increases civil penalties the Department of Labor assesses including those assessed by OSHA. The rule is effective as of Jan. 24, and the increased penalty rates will apply to any penalties assessed after the effective date of the rule. So OSHA civil penalties have increased.

Employers who have open and ongoing OSHA inspections can expect that any citations issued by OSHA after Jan. 24, will reflect the increased penalties.

The new 2019 maximum penalties are as follows:

Other-than-Serious: \$13,260

Serious: \$13,260

Repeat : \$132,589

Willful: \$132,589



Attorney General

Josh Stein CONSUMER ALERT

Don't be conned by a new Social Security scam

Social Security numbers are our most important personal information. These numbers – which can be used to open new credit cards, take out loans, even set up a new identity – are a scammer's dream. That's why they work so hard to steal your Social Security number.

We've been hearing about a new uptick in scammers posing as Social Security Administration (SSA) employees and calling people and threatening or misleading them in an attempt to steal their Social Security number. These scammers are able to fool your caller ID to show the SSA's real phone number (1-800-772-1213), but that's not the SSA calling. Here's what you need to know:

- Your Social Security number is not about to be suspended. You don't have to verify your number to anyone who calls out of the blue. And your bank accounts are not about to be seized.
- SSA will never call to threaten your benefits or tell you to wire money, send cash, or put money on gift cards. Anyone who tells you to do those things is a scammer. Every time.
- Never give any part of your Social Security number to anyone who contacts you. Or your bank account or credit card number.

Scammers are always looking for new ways to access sensitive information. If you encounter someone seeking to get this information from you, report it to our Consumer Protection Division by calling 1-877-5-NO-SCAM or by filing a complaint online [ncdoj.emailnewsletter.us].

Additional 0.25% Local Sales & Use Tax in Some NC Counties

According to a Special Notice distributed by the North Carolina Department of Revenue - Sales and Use Tax Division on January 25, 2019..."Effective April 1, 2019, the following counties adopted resolutions to levy an additional 0.25% local sales and use tax: Graham County, Moore County, Stanly County and Swain County.

Effective April 1, 2019, the local rate of sales and use tax in Graham, Moore, Stanly, and Swain Counties is 2.25%. Per N.C. Gen. Stat. 105-164.4(a), the general 4.75% State and 2.25% local rates of sales and use tax (total rate of 7.00%) apply to taxable sales, purchases, and the gross receipts derived from the following (refer to the Department's website: <https://www.ncdor.gov/documents/general-guidance-local-sales-and-use-tax-rate-increase> [[ncdor.gov](https://www.ncdor.gov)]) when sold at retail and sourced to one of the above counties.)

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Additional Sales & Use Tax

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Assistance: The revised Form E-536, Schedule of County Sales and Use Taxes, will be available after May 1, 2019, and can be obtained on the Department's website or by calling the Department's Forms Line at 1-877-252-3052 (toll-free) after May 1, 2019.



IRS Issues Standard Mileage Rates for 2019

The Internal Revenue Service has issued the 2019 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes. Beginning on Jan. 1, 2019, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 58 cents per mile driven for business use, up 3.5 cents from the rate for 2018,
- 20 cents per mile driven for medical or moving purposes, up 2 cents from the rate for 2018, and
- 14 cents per mile driven in service of charitable organizations.

The business mileage rate increased 3.5 cents for business travel driven and 2 cents for medical and certain moving expense from the rates for 2018. The charitable rate is set by statute and remains unchanged.

It is important to note that under the Tax Cuts and Jobs Act, taxpayers cannot claim a miscellaneous itemized deduction for unreimbursed employee travel expenses. Taxpayers also cannot claim a deduction for moving expenses, except members of the Armed Forces on active duty moving under orders to a permanent change of station.

For more details see Notice-201902. The standard mileage rate for business use is based on an annual study of the fixed and variable costs of operating an automobile. The rate for medical and moving purposes is based on the variable costs.

Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates. A taxpayer may not use the business standard mileage rate for a vehicle after using any depreciation method under the Modified Accelerated Cost Recovery System (MACRS) or after claiming a Section 179 deduction for that vehicle.

In addition, the business standard mileage rate cannot be used for more than four vehicles used simultaneously. These and other limitations are described in section 4.05 of Rev. Proc. 2010-51.

Notice 2019-02, posted today on IRS.gov, contains the standard mileage rates, the amount a taxpayer must use in calculating reductions to basis for depreciation taken under the business standard mileage rate, and the maximum standard automobile cost that a taxpayer may use in computing the allowance under a fixed and variable rate plan.

AAAMS News

In Memoriam: Yates Tyson

We recently learned of the passing of Yates Tyson, former owner of Anson Auto Supply, Wadesboro, NC. Yates was an active member of our Association up until the sale of his stores. Our sincere condolences go out to the entire Tyson family and all of Yates' friends.



2019 AAAMS Business Conference Dates & Location Set

The 2019 AAAMS Business Conference Committee, chaired by Doug Moore, Pickens, SC, will soon begin planning this year's annual meeting. The dates are Thursday, September 12 through Sunday, September 15 at the NEW Margaritaville Resort in Gatlinburg, TN (as far away from the coast and hurricanes as possible—we hope). Full details regarding this outstanding event will be published soon. Please plan to join us in Gatlinburg this September.

Your Invisible Paycheck

TO: _____
(Employee's Name)

Not many of us realize how much it costs for our company to keep us employed. Shown below is what it actually cost the company to employ you in 2018

Your Total Paycheck in 2018

Your **Gross Earnings** before deductions\$ _____

Deductions from your paycheck amounted to:

Income Taxes (State and Federal)\$ _____
Social Security Taxes\$ _____
Your Share of Group Insurance Premiums.....\$ _____
Your Charitable Deductions.....\$ _____

Total Deductions\$ _____

Your **Net Earnings** (take-home pay)\$ _____

In addition to your wages, the company paid for you:

Social Security Taxes\$ _____
Unemployment Compensation Taxes.....\$ _____
Workers' Compensation Insurance Premiums\$ _____
Retirement Plan Benefits.....\$ _____
Life Insurance Premiums\$ _____
Health Insurance Premiums\$ _____
Dental Insurance Premiums\$ _____

Total cost of company paid benefits.....\$ _____

Total the company paid in 2018 for your wages and benefits\$ _____

Time paid, but not worked:

Included in your wages paid by the Company were the following amounts for the time you did not work:

Company paid for _____ holidays.....\$ _____
Company paid for _____ vacation days\$ _____
Company paid for _____ sick leave days.....\$ _____
Company paid for _____ other days\$ _____

Total company paid you for time not worked\$ _____

In 2018, the company paid you in wages and benefits a Grand Total of\$ _____

This statement is provided to you for your information. It is not intended to show that our company is a generous employer. You earned the amount on the bottom line. We do feel however, that you and your family should know what extra benefits and protection programs you have as an employee of

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**AAAMS ROSTER LISTING
FOR THE 2019 YEARBOOK / DIRECTORY**

TO: All AAAMS Members
FROM: Randy Lisk, AAAMS Executive Vice President

To make your directory listing as complete as possible, please fill out the form below, and

MAIL TO: AAAMS, Inc., PO Box 97993, Raleigh, NC 27624

FAX TO: (919) 821-0753 **-or-**

EMAIL TO: rlik@aaamsonline.com

In order for these **changes** to appear in the 2019 Yearbook/Directory, they **must be received in the office by April 1, 2019**. Please take a minute - look in the 2018 Directory and make sure your listing is correct. If we do not receive an update from your company, you will appear in the Directory as you did last year.

PLEASE TYPE OR PRINT TO HELP AVOID ERRORS.

FULL CORPORATE OR BUSINESS NAME	OWNER/MANAGER ()
STREET ADDRESS	PHONE NUMBER ()
CITY	STATE ZIP FAX NUMBER

1. MEMBERSHIP CATEGORY: REGULAR___; WAREHOUSE___; AFFILIATE___

2. PLEASE **ADD** THE FOLLOWING BRANCH STORES:

Store Name(s)	Address	Manager	Phone No.

3. PLEASE **REMOVE** THE FOLLOWING BRANCH STORES:

Store Name(s)	Address	Manager	Phone No.

NAME **DATE**

- ❖ **DUES must be current in order to be listed in the Directory.**
- ❖ You must be an AAAMS member to be listed in the Directory -- take advantage of this opportunity to become a member of the Association.