



FADRA
news
 Issue 3, 2004
www.fadra.org

CALENDAR

July 23-24, 2004

FADRA Annual Convention & Trade Show
 Hawks Cay Resort, Duck Key, FL

Room Rate: \$150 S/D; \$275 Conch Villa; Call 305-743-7000 for hotel reservations.

October 6-9, 2004

American Recyclers Association Annual Convention & Trade Show
 Memphis, TN

October 3-10, 2004

Annual Cruisin' The Coast
 Gulf Coast, Mississippi

Car enthusiasts from 40 states and Canada drive to the Mississippi Gulf Coast once a year to showcase and to cruise a variety of antique, classic, and hot rod automobiles at designated stops along the Coast in Ocean Springs, Biloxi, D'Iberville, Gulfport, Long Beach, and Bay St. Louis. During this week-long classic car event, thousands of automobile fans gather for fun and nostalgic excitement, which includes live music, swap meets, outdoor festivals, organized cruises, and cash prizes. Cruisin' activities also include Kick-Off Parade, Drag Racing, an ICA-sanctioned Auto Auction, and many other events. The 2004 raffle car is a 1932 custom-built Ford Roadster, and the drawing will take place during the 2004 Cruisin' The Coast finale on Sunday, October 10. Proceeds from the raffle go to the Make-A-Wish Foundation. Contact: 229-385-3847, 888-808-1188,

www.cruisinthecoast.com.

FADRA Members Go to Puerto Rico for Study Tour

By Steve Holland, Brandon Auto Salvage

FADRA took several members on a Study Tour to Puerto Rico in April, 2004. A group of intrepid FADRA Members and other interested parties visited two salvage yards on the beautiful island. I want to thank our gracious hosts, Autopiezas Nacional (National Auto Parts) and Number 1 Auto Parts. They have become regulars at the FADRA Convention and it was nice to return the favor and see how things are done "south of the border."

The Study Tour started with a visit to San Juan, PR on Friday. Then, we took a bus to visit Autopiezas Nacional (National Auto Parts) to see their facility. Hector Orizondo, his wife, and his employees did a wonderful job serving us food and drinks and sharing time with us. They showed their facility and told us how the salvage business is in Puerto Rico. Hector's wife handmade the food that we



We're just happy to be here.

enjoyed. Hector has printed a very good coloring book for the salvage industry in Spanish.

"I appreciate everyone coming," Hector said. "Until they see your yard, they don't know who you are and what you have. Now, they know how I do business and what my place is like. We had a very good time."

The bus then took us to Number 1 Auto Parts to tour their facility. Jose, Victor, and their employees welcomed us. We toured their

facility and the auction site next door, which the insurance company owns. They served us a lunch that was fit for a king. We had a white tablecloth dinner catered to us by their employees. It was unbelievably good. Even the bus trip across the island was enjoyable. To be able to see so many differences in the countryside and the various buildings was a pleasure.

"Number one appreciates everything that FADRA does for us," Victor Ocasio said. "It seemed that everyone was satisfied."

Saturday evening, after a short afternoon rest at the beach and pool, the group was able to sit down for dinner and spend a little time enjoying the surroundings of the resort. Rarely have I been able to mix business with pleasure so enjoy-

See "Puerto Rico" continued on page 5

Business Intelligence:

Ask for the Sale

By Ron Sturgeon, AutoSalvageConsultant.com

Sales just happen if you set up shop and have a product. Right? No. Don't take your sales for granted. Even if a certain amount of income comes almost automatically from walk-in sales



that seem to happen whether you do anything or not, every business has the potential to increase its sales results. By the way, you know walk-in has dropped precipitously. Right? (And you've planned for it?)

Certainly you must match your product to your customer. You do that by defining your core customer as I discussed in a prior article. Creating increased sales is mostly science, not art. Salespeople are supposed to have this skill when they come to work for you, but not all of them possess it to the same degree. As a business owner, you should never rely totally on the skill level of salespeople who come into your organization. Learn from every one of them. Investigate on your own the elusive cause behind increased or decreased sales. Read everything you can about how to generate sales. Talk to others in your industry. Follow their advice wherever it may apply. Experiment and monitor your progress.

You increase sales first of all by monitoring the actual numbers. How will you know something is working if you don't have metrics against which to weigh your results? (Don't forget how important metrics are, as discussed in a prior story.)

The production output of your sales staff is directly related to their belief in you and your company. Give them reason to believe in you. Ask them what you can do to help them increase their sales. Provide

them with ongoing sales training as you can afford it. As a manager, you are the goal setter as well. Set their goals realistically from the numbers you are monitoring and ask them what they think their goal should be. Then, as they reach those goals for you, reward them accordingly. When they don't reach those goals, talk to them about why they think they didn't. Maybe you weren't realistic. Maybe they didn't work hard enough. Maybe someone is not asking for the sale.

If you are directly involved in customer sales, then you'll want to be aggressive on the floor or phone by learning to ask for the sale. This is a key ingredient to increasing sales. Never put your customer off for a future sale. Ask them if they are going to pay by credit card or check. Ask them when they would like to have their purchase delivered. Always ask "closing" questions that can't be answered with a yes or no. How you do it is up to you, but don't let them go without asking for the sale.

Observing other businesses within the auto-recycling industry as well as businesses in industries where we're the customers, we see that too few salespeople actually ask for the sale.

What happens to a customer who walks away without committing? Watch what happens to you. Given time to think about it, you will likely talk yourself out of it. You will consider other alternatives or reconsider the price. You may just decide not to buy.

Make sure you and those on your staff are selling, not just going through the motions of this vital part of growing a successful business. If your business has maintained a sustained period of non-growth, chances are realistic that you and your employees have fallen out of the habit of asking for the sale.

Don't forget to subscribe to my free

monthly auto recycling Enewsletter, with news and tips. Register at www.autosalvageconsultant.com

Remember, only you can make BUSINESS GREAT!

On a general note, we have found that although the economy seems to be recovering, more and more recyclers seem to be struggling, especially the very small ones (sales below \$40,000 monthly). Mike Gibson, with autosalvageconsultant.com reports that requests for help are up considerably over the last few months, with many concerned that they have waited for an upturn in profits, but conceding they need help. Most are considering pay for performance, as they realize that they simply have too many employees, so they need more productivity from fewer employees, or lower labor costs.

AutoSalvageconsultant.com was formed in 2001 to help recyclers improve their businesses. With over fifty years of experience in three staff members, the group is THE definitive source for recyclers' management and training needs. The founder, Ron Sturgeon is past owner of AAA Small Car World. In 1999, he sold his six Texas locations, with 140 employees, to Greenleaf. In 2001, he founded North Texas Insurance Auction, which he sold to Copart in 2002. In 2002, his book Salvaging Millions was published to help small business owners achieve significant success, and was recently reprinted. In June 2003, he joined the new ownership and management team of GreenLeaf. He also manages his real estate holdings and investments. You can learn more about how to help your business at www.autosalvageconsultant.com. You can reach us at 5940 Eden, Haltom City, TX 76117, (preferably) rons@rdsinvestments.com, or 817-834-3625 ext 6#.