

ShopTalk



www.autotraining.net

8611 Larkin Road, Suite 200, Savage, MD 20763 • 1.888.471.5800

December 2011

A Lesson From Landscaping: Prune Your Business for Faster Growth

I used to try to solve my business problems by working harder, putting in more hours and adding more projects. A few years ago, I started taking a different approach, and it started with my front yard.

I like attractive landscaping, but I hate to do actual yard work. I've done plenty of it over the years, but no more dirt and sweat for me. Now I point out what I want to the landscaper, and his people get it done. You might say I have "pruned" yard work out of my "landscape of responsibilities."

That's one of the most amazing landscaping observations I've made: the rejuvenation power of pruning. If you leave a plant alone, it will grow ragged over time. It will have shoots that split off, and soon its growth will slow down. When you prune a plant, it takes on a more attractive shape, and it grows a lot stronger. The new growth on pruned branches is greener than the plant's original branches, and the rate of growth is three times faster.

Meanwhile, at work, I was always adding new projects and work—new improvements, new marketing tactics to implement—and pursuing new program ideas. This year, rather than add, add, add, I've done a lot of pruning in my life. It's always painful to be on the receiving end of a good pruning; however, this process has created a lot of new growth for me, even though it's tough to do.

I've gone through the pruning process several times in my life. It's often painful and scary. Also, there were times when I didn't realize it was necessary until I saw the benefits that came from doing it. Here are some lessons learned:

Never Prune the Roots

While it's self-evident with landscaping that you don't uproot your plant to make it healthier, I see too many shop owners uproot

their lives when simple pruning would have been sufficient.

Fertilize to Encourage Growth

After you prune a bush, you give it fertilizer to spur new growth. The same goes for pruning your shop. You have to give yourself the fertilizer you need to grow.

My fertilizer is reading. I'm always sad when I hear people tell me they are too busy to read. I totally understand their sentiment. I have a mail bin full of reading materials right now. When I look at it, I feel overwhelmed. I know it would be a lot easier to cancel the subscriptions. However, if I cancel those

subscriptions, I will have cut myself off from the source of the breakthroughs I need to solve tomorrow's challenges. When I don't read, I am busier and more overwhelmed than when I do.

Pruning Often Hurts

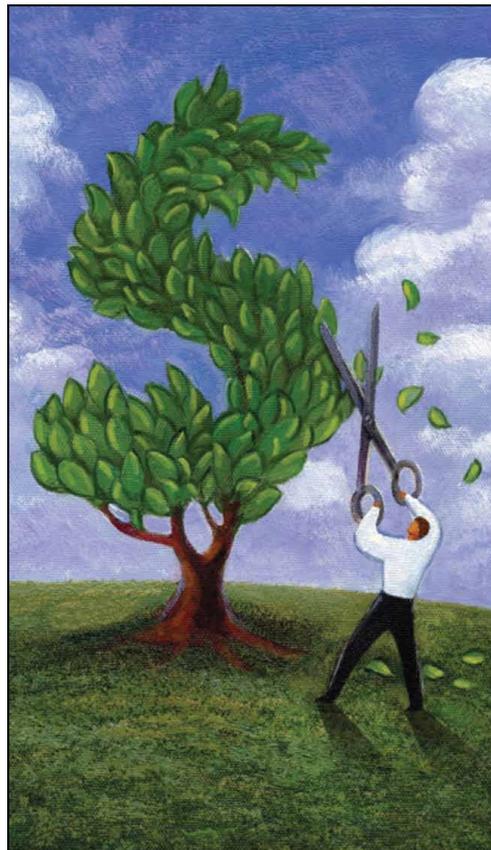
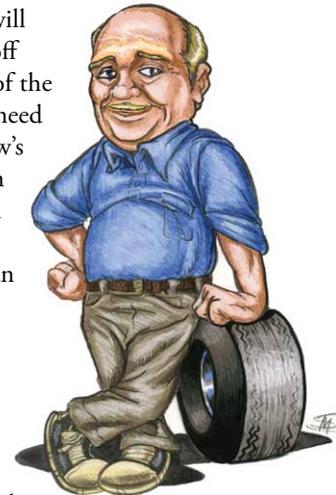
The emotional part of pruning is the most difficult.

Sometimes when I've cut back on my work, I've had to cut staff or vendors that had come to rely on those projects right along with me. I spend a lot of time worrying about those repercussions, and I do the best I can to ease the transition. So far, it's never been as bad as I feared, and the beneficial results have always exceeded my expectations.

When you prune a plant, you don't worry about where the new growth is going to come from. With a lifetime of pruning experience, you know new growth will flourish, and the plant will grow stronger.

So, as you consider the projects you need to undertake to accomplish your goals for the rest of the year, consider cutting back rather than only adding.

While it's important to be persistent, it's also important to know when you need to move on and make yourself ready for something else. Pruning the underperforming customers, marketing strategies and projects in your auto repair shop will open you up to take advantage of the faster and stronger opportunity just around the next corner. **ATI**



When Less Is More

Chris Cotton is a believer in the old saying “less is more.” But this owner of GK Tire & Auto in Ponca City, Okla., didn’t necessarily start out that way. Chris says he learned how to scale back and do fewer things more profitably after he discovered ATI ... quite a few years into his career.

After 16 years in the auto repair business with Goodyear, Chris became the service advisor at GK Tire and worked his way up to store manager. About six years ago, he bought the store—and a few surprises.

“There’s always a lot of surprises,” Chris admits. “Some days I wished that I just worked front counter and didn’t have all the other ownership headaches and things like that. And sometimes it’s good to be me.”

The good began to outweigh the headaches when Chris picked up a binder the previous owners had left at his store and began reading about ATI.

“When they left, I found a bunch of binders that had ATI class material in it,” Chris explains.

“I kind of read through it and tried to follow it, but there’s a lot of stuff in there that if you’ve never been to class, you don’t understand. A couple of years ago, ATI called and wanted me to come to a Boot Camp. I had already decided before I went to the Boot Camp to go ahead and sign up.”

Chris says he has learned a lot about how to own and run a business from ATI.

“Most people can stand at the counter and sell service and tires and things like that,” he says, “but I know so much more now about the ownership aspect of it and why we set our pricing, how we set our pricing, how we pay our employees, everything like that. Stuff that I didn’t even have a clue about really. That’s the biggest thing—how to interact with my employees about things like that.”

And then there’s that “less is more” thing.

“Before ATI, we were doing a lot of different things,” Chris says. “We had two service trucks.

We did semi tires, tractor tires, earth mover tires and all kinds of stuff like that, and I didn’t really want to be in that end of the business. I just wanted more in the auto repair, auto and light truck tires and things like that. It’s helped me to scale that stuff back and go into more of the type of business I want to be in instead of doing everything and doing none of it well.”

With the help of his ATI coach, Chris analyzed his business to see where his profits truly were: “I had so many people and so much overhead to run this extra side business that back then I made money just by sheer force. We had such a huge dollar turnover that we looked like we had all this cash all the time, but really, it was just money changing hands. I actually make just as much profit now as I did then with half the work and half the stress.”

Chris can charge more for his services by offering a better value to his customers. The centerpiece of that value is his warranty program.

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Sam’s Corner

Should You Help a Competitor?



Should you help a competitor? Your first reaction might be NO, but many smart shop owners have used ATI Boot Camps to get their competitors’ pricing more in line with their pricing. If you

think about it, wouldn’t you prefer to compete on quality and relationships rather than on price? You might think you don’t want the kind of customer that your competitors have now, but I bet a lot of their customers were not necessarily price shoppers but were referred there by a price shopper. Sometimes price is the only thing consumers know to ask you.

If you are an active ATI Re-Engineering or Alumni client, we want to thank you for bringing a friend or a competitor to an ATI Boot Camp when we are near your shop. We know many of you have been great references when we send clients to you, but our biggest challenge is getting potential clients to the Boot Camp. If you were to attend, you may be able to get four or five friends to come with you! As many of you shared with me when you joined ATI, you attended many Boot Camps before you decided to invest in ATI. You were all surprised by how content-rich our introductory Boot Camps were, and everyone who has ever attended implemented something

from every Boot Camp. Your shop owner friends may be afraid for a host of reasons, but you could help them understand we are the real deal if the time is right for them to invest in themselves with a Re-Engineering program.

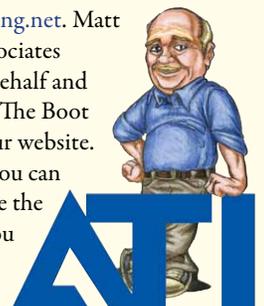
So, why would you want to help a friend? We have learned from our eleven 20 Groups that being able to talk to other owners who are at your level in business is critical to obtaining good advice. Things change in your area and we can’t always stay up on every regional opportunity or challenge. Plus, the only way to have friends is to take the step to help out others who might not be as knowledgeable about the automotive service industry as you are in your business after being an ATI member.

Why would you want to attend another Boot Camp? You will be recognized as a successful ATI client and asked to tell your story to encourage other owners to drop their misguided belief systems and encourage them to change. Also, I have talked to many of you that went back to a Boot Camp for a tune-up and a reinforcement of your original mission to increase your free time and improve profits! The current Boot Camp, “Think Like a CEO,” has received extremely high satisfaction ratings from the AMI surveys, and it is worth seven AMI credits toward your

AAM designation. Since we are always improving and learning new techniques ourselves, you will probably see some new techniques and tips for improving your business since you were at The Institute last.

So, how do you get the fat boy to send you a check? Bring enough friends or referrals so one of them joins the Re-Engineering program. All it takes is four shop owners and one of them will join right away. The rest may have to attend several Boot Camps before they see the value, but we will track them for you! Your Boot Camp fee will be 100 percent rebated after your referral attends the class and spends time with an ATI Management Consultant doing a shop operations analysis in their shop.

So, send your four referrals’ names and phone numbers to Matt Anderson at manderson@autotraining.net. Matt will have one of our associates contact them on your behalf and handle the reservation. The Boot Camp schedule is on our website. Also, let Matt know if you can attend so we can prepare the instructor and thank you for this WIN/WIN experience!



If I Could Only Start Over, I'd Do It Differently!

By George Zeeks and Mike Haley



I get it: you're running around making sure you have all the right presents, but your shop is at one of its slow points of the year. If that's the case and you wish you had started your marketing earlier, then a whole new year is coming, and let's look at what you can do. Think of it like Santa's list, but different. Here's some of Chubby's checklist. Are you going to be Naughty or Nice?

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First on Chubby's list is your Goals. Have you set your goals? Do you have some visual reference to keep you focused on your goals? It is a proven fact that people who use a reticular activating system achieve their goals more often. Sorry, I couldn't help myself—it just means to make your goals visible, like a Goal Poster. Keep them in front of you and make sure you share your goals with your team. Sharing your goals with your team at the shop and getting their buy-in will make sure that you all work together and stay focused. Finally, do you have a timeline? Goals are great but without a timeline you may still feel the way you do now, next December.

Most shops open their doors at the first of the year just hoping that they will do better than in the previous year. Sorry, that just doesn't work. One of the biggest things you need is a Budget. You need a Sales Budget so you and your staff know what you want to achieve. Along with that comes an Expense Budget. Way too often you are so caught up with where you are going that you forget the

cost along the way. The expense budget will keep you from overspending and will keep the expenses in line with the sales. If your sales are lower than expected, then you need to make sure you make adjustments to your expenses to stay on track. Writing it down is a big first step. Then just follow it.

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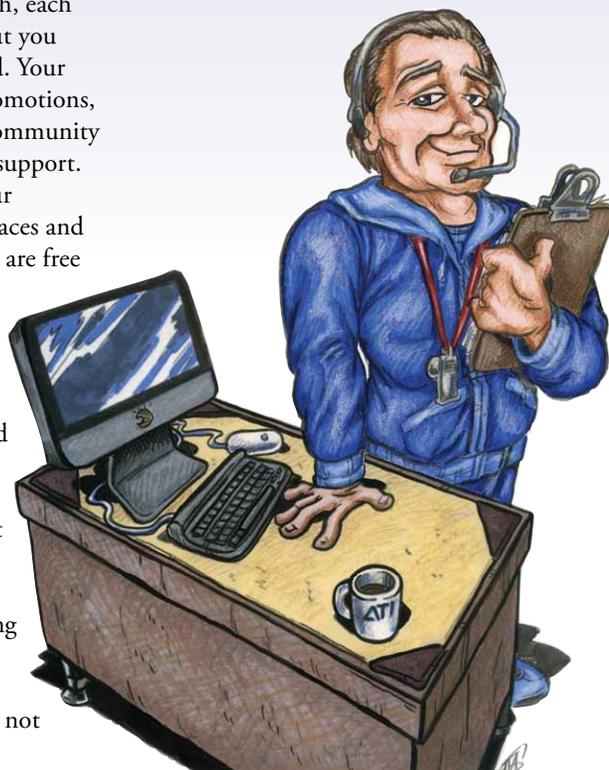
We have our goals written down, the budgets in place, the kids are nestled in their beds for a long winter... Sorry, wrong story. All right, now that you have your goals and your budget, what are you doing to make sure the cars and customers come through the door? What tool are you using to make sure that this all comes together? That tool should be your Marketing Budget and your Marketing Calendar. Santa won't bring this but your coach can help. Do you realize that it could take up to 29 offerings to get a new customer to come in once? Do you know what you are going to do and spend on marketing each week, each month, each quarter? Most shop owners don't, but you can and it's easy once you get started. Your calendar should include seasonal promotions, holiday promotions and all of the community activities that your shop is going to support. You need to make sure you have your reminders to update your Google Places and all of your social media. These items are free but do take time to keep current.

A big step toward knowing what to do is to make sure you have a Frequency Report so you know where your customer acquisition and retention numbers stand. Now you know where you need to spend your time and money. Not sure what that report is? Ask your coach and he can help you. This will help you create a much more focused marketing plan. Keep in mind that not all marketing costs money; there is the cheap but not easy, and the easy but not

cheap. We strongly suggest a healthy mix. This is an ongoing process that will require your constant attention throughout the year.

One of the big things we like about the new year is “Out with the old and in with the new.” With that being said, take a look at your physical surroundings. Everything from the parking lot, signage, write-up area, your bay areas, your office and most importantly your bathrooms. Our motto is, if you haven't used it then lose it. Less is more when it comes to physical appearance. All of these things are a great start and you haven't made any mistakes in 2012, yet. Don't find yourself saying, next December, “If I had only...” Make the changes and do the work now so you will have a great new year. **ATI**

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Your Available Training Programs for December 2011 and January 2012

December 2011

Monday Tuesday Wednesday Thursday Friday Saturday/Sunday

			1	2	3/4
5 Service Advisor 3 of 4	6 Service Advisor 4 of 4	7 Shop Owner 1 of 9	8 Shop Owner 2 of 9	9 Shop Owner 3 of 9	10/11
12 Service Advisor 1 of 4	13 Service Advisor 2 of 4	14	15	16	17/18
19	20	21 Hanukkah	22	23	24/25 Christmas
26	27	28	29	30	31

January 2012

Monday Tuesday Wednesday Thursday Friday Saturday/Sunday

					1 New Year
2	3	4	5	6	7/8
9 Service Advisor 1 of 4	10 Service Advisor 2 of 4	11 Shop Owner 1 of 9	12 Shop Owner 2 of 9	13 Shop Owner 3 of 9	14/15
16 Service Advisor 3 of 4 M.L. King Day	17 Service Advisor 4 of 4	18	19 MasterMind Birmingham California S.A. 1 of 4	20 MasterMind Birmingham California S.A. 2 of 4	21/22
23 Shop Owner 4 of 9	24 Shop Owner 5 of 9	25 Shop Owner 6 of 9	26	27	28/29
30 Service Advisor 1 of 4	31 Service Advisor 2 of 4				

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“Before ATI, we pretty much had a standard warranty, just like everybody else in town,” Chris says, “but now we go above and beyond with a lifetime parts warranty and a three-year, 36,000 mile labor warranty. It’s part of the value and the service of the business. Anybody can sell a part. We all buy from the same three or four parts houses. But when somebody calls and I tell them about the warranty, they’re like, ‘Oh, well, that is more money, but the warranty’s a lot better.’ Once we show them what we’re doing, we tend to keep them as customers.”

One of the ways Chris keeps his customers coming into the store is with an email club: “We have about 600 customers that have signed up for the email program. Once a month I send out an oil change offer or some other offer that I don’t advertise anywhere else. Doesn’t cost me a penny! And we get a lot of good inspections from that. It’s a good opportunity to keep in front of my customers.”

With a streamlined and more profitable business, Chris says his home life also took a turn for the better.

“ATI coaching has helped a lot,” he says. “My wife was able to stay at home with our daughter before she started school, good things like that.”

And Chris continues to learn how to do less and earn more, even when implementing the many new things he learns from ATI.

“Going to the ATI classes in Baltimore helps me to schedule and manage my time,” he says. “A lot of times it’s overwhelming, and my coach says you feel like you’re eating an elephant, but how do you eat an elephant? You eat it one bite at a time. So you pick a couple of smaller things that you can do and handle, and then once you get those done, you go on to something else.” 



8611 Larkin Road, Suite 200
Savage, MD 20763