Summer 19

The RIMROCK RESORT HOTEL
BANFF, ALBERTA CANADA
SEPTEMBER 14-18, 2019
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LETTER FROM THE PRESIDENT

ANDY ROBBLEE
President of Six Robblees’ Inc
CVSN President

Are you coming to Banff? There is no better place to network with friends and colleagues in the truck parts industry than at the CVSN Aftermarket Distribution Summit this September 14-18 in Banff, AB. Nestled in the Canadian Rockies, the Rimrock Resort will be hopping with industry professionals learning from established business leaders, networking and gaining insight from fellow aftermarket distributors and suppliers and enjoying the majestic surrounding scenery.

If the locale isn’t enough to get your attention, the Monday and Tuesday program speakers will. Any projects that seem overwhelming in your business that could use major improvement quickly? Vince Poscente, Canadian speed skiing record holder, will certainly inspire and provide insight on how he went from recreational skier to Olympian in just four years. Maybe something will spark an idea for you to bring back and start real change.

Bernard Baumohl has an uncanny knack for seeing the direction the economy is headed. I’ll be very interested in hearing his thoughts this upcoming September. Ford Saeks will have a great message on business growth. If you’re struggling to justify the time and expense to attend the CVSN Summit, this session alone should more than pay for any sacrifice. And finally, Robert Wendover, has a great presentation on making smart decisions – something I always want my employees doing. If I can come home with any insights on how to communicate that message, I’ll be one happy camper!

I think of CVSN as a non-partisan industry advocate. They have been a tremendous resource to our company for many years. We’ve learned so much from fellow distributors we connect with at meetings, we’ve developed incredible partnerships with suppliers over golf, tours and dinners and we’ve seen industry advocacy at work on Capitol Hill. As business gets more challenging each day, I’m so thankful for CVSN in all they do to keep us one step ahead!
As we head into the fall, there is a lot going on and the tendency is to hunker down and get busy. The CVSN Summit is a fabulous opportunity to grab a quick breather and get a better understanding of the lay of the land. I didn’t realize how much of a refresher I needed. I’ve come back recharged, energized and ready to start implementing some of the ideas I brought back. I hope you have as well!

ANDY ROBBLEE
President of Six Robblees’ Inc
CVSN President
GenNext’s Recruitment committee is developing an industry job board. The committee is working on a recruitment video for the industry with the HD Group that will be used to promote the job board and aftermarket industry when the formal site is released later in 2019.

The Recruitment committee also was instrumental in April’s industry panel discussion at the 2019 HDA Truck Pride Annual Meeting in Orlando. Featuring John Bzeta, president, Fleet Brake; Dominic Grote, president and CEO, Grote Industries; Paige Petroni, executive vice president, Fontaine Fifth Wheel; and Tina Hubbard, vice president of marketing and program management, HDA Truck Pride; the panel focused primarily on what led these successful professionals into the aftermarket and the reasons why they remain engaged.

For a complete recap of the panel discussion, please see https://www.truckpartsandservice.com/feature-autoscroller/hda-truck-pride-annual-meeting-kicks-off-with-gennext-panel-discussion-on-hiring-employment/

Work on a future GenNext pod cast series has been started by the Education committee. Like the job board, the committee says the pod cast is on track for a late 2019 introduction.

Additionally, the Education committee is working to schedule a third-quarter webinar in July. The committee says the webinar will provide an overview of the GenNext HD organization for new members. Future webinars also are in development for September and December and will be announced when confirmed. The committee says it is open to any webinar suggestions, and requests members submit their webinar ideas at info@gennexthd.com.

Finally, GenNext is thrilled by the success of its fourth annual Distributor Training Expo (DTE), held with CVSN in April. The event was attended by 200 distributor sales associates and featured high-value product training from more than two dozen industry suppliers, as well as keynote presentation regarding distribution pricing by Dr. Al Bates.

A post-event survey revealed 94 percent of attendees approved of the experience (58 percent were very satisfied and 36 percent were somewhat satisfied).

More information regarding this year’s event can be found at https://www.truckpartsandservice.com/aftermarket-truck-parts-service-news/high-event-satisfaction-support-for-growth-key-message-during-another-successful-distributor-training-expo/
All CVSN members have full access to GenNext with no additional cost. We highly encourage you and your staff to sign up for GenNext. Please visit https://gennexthd.com/join/ and get signed up!
CVSN initiated its legislative activates over ten years ago with the right to repair effort. We started this effort because we had the conviction that the truck manufacturers were going to use every tool they could to eliminate the independent heavy-duty aftermarket. In the seventies and eighties, they used their large size to garner favorable pricing, but the advent of the marketing groups somewhat neutralized that advantage. In the nineties, the OE’s started to restrict parts availability by requiring suppliers to make the parts they provide proprietary and unavailable to independent distribution. But new suppliers and alternate sourcing minimized the impact of this issue. After the turn of the century, technology gave the OE’s another arrow in their quiver. They could restrict access to the diagnostic data and information.

This is where CVSN began to get engaged. We worked with AutoCare on getting a law passed somewhere so the OE’s would be blocked from limiting access. We even hired a lobbyist to make sure heavy-duty commercial vehicles would be included in any legislation. We finally were successful in Massachusetts in 2013 with the Right to Repair Act. This led to the Commercial Vehicle Memorandum of Understanding on Right to Repair. But like every law, it was not perfect and required input from independent service shops on areas of non-compliance. In order to report the non-compliance, you had to buy the software and many shops did not purchase the software. We still were able to fix some issues as a result of those who did buy the software and reports problems. This effort is ongoing.

But there are still battles to be fought. The OE’s are not going to give up on their effort to put independent distribution out of business. Thankfully, CVSN is working on preventing this. The next battle is about telematics. Telematics is a way for the OE’s to monitor performance of critical components on a truck and report the impending failure before it occurs. The problem, is that the only entities that will receive these reports is the dealers and truck owners will be encouraged to go to dealers.
CVSN is working to get a law passed in Massachusetts that would require truck manufacturers and make telematic data available to independent sources. This legislation is critical to prevent the OE’s to use telematics to drive customers back to dealers. If unchecked, this activity could drive customers and parts business back to dealers. As with the right to repair effort, CVSN has employed a lobbyist to help with this legislation.

In July, Dave Willis (President/CEO CRW parts) and I attended a meeting at the Federal Trade Commission in Washington DC. The purpose of the meeting was to report on issues still facing the independent aftermarket that affect competition on all products. Obviously, right to repair is the primary issue in most industries. But I believe that warranty policies exploited by truck manufacturers will be a growing problem for the parts side of the business in the future.

The Magnussen Moss Act is a Federal law that prevents manufacturers of consumer goods to void a warranty just because the owner used an aftermarket part. The warranty can only be disapproved if the manufacturer can prove that the aftermarket part caused the failure. There is one major deficiency in this legislation. It references consumer parts and seems to exclude commercial parts. Some heavy-duty manufacturers are defining “consumer” as non-commercial and denying warranties. Dealers are threatening customers that they will void their engine warranties if they use filters sold from distributors. I believe this will be the next big challenge to our businesses. Since getting anything done in Washington is very difficult in today’s environment, we are looking at state legislatures. Connecticut has already passed a law the brings commercial parts under a state version of Magnussen Moss.

So, lend your voice to our effort to block the OE’s. We need all hands on deck. Our small industry is a bit of a challenge when we discuss our needs with legislators. In this case, size matters. Support CVSN.
As the speed of the commercial service business gets faster and faster, how is your organization going to get ahead?

Speed itself can be your greatest ally.

Our natural instinct when we feel we are going too fast is we need to slow down. But by harnessing the power of speed you will find the solution to less stress, less busyness and more balance.

The continued acceleration of business and life is inevitable. If we cannot stop it, perhaps we should consider putting it to work for us. On a mass scale, we have developed a peculiar love-hate relationship with speed: though we want more, faster, now, we have adopted a mindset that speed is corrosive. In effect, we have decided that though we want speed, we do not like it.

In my upcoming speech in Banff, I outline for you a way to turn this perspective upside down and challenge you not to resist acceleration, but instead, turn the momentum of this inevitable rush to your advantage.

We will cover three tools where you can thrive as a leader in the commercial services world.
1. Alignment – engaging all employees.
2. Agility – learning how everyone can “Do what the competition is not willing to do.”
3. Adaptability – ensuring everyone is performing at the highest level of excellence.

Most of all, we will have fun. As a proud Canadian, now living in Texas (as an equally proud American), I’m excited to share with you my story of “recreational skier to Olympian in just four years.” Banff is the location of my ski training days. It will be the backdrop for my Full Speed Ahead keynote surrounding Climbing Business Obstacles.

We are going to have a blast and I look forward to meeting you!

See you soon,

Vince Poscente
Olympian and NY Times Bestselling Author of The Age of Speed, Learning to Thrive in a More-Faster-Now World
We are excited to announce that on January 27-30, 2020, HDAW is moving to Grapevine, Texas - where the learning is bigger than ever, the products are bolder than ever, and the opportunities to make business-boosting connections are broader than ever. Mark your calendar now for the biggest event of the year for professionals in the heavy duty aftermarket industry.
I’m so excited to be joining you at the 2019 Aftermarket Distribution Summit in Banff on Tuesday, September 17th. Here are a few more details about my presentation:

Business Growth Innovation: Improving the Customer Journey to Gain a Competitive Edge and Increase Profitability!

It’s no secret that everyone is tasked with doing more with fewer resources. I understand that leading and managing growth can be challenging, especially when faced with increased competition, changing buying behaviors, and multi-generational workforces. In addition, your customers are bombarded with marketing messages, influenced by social proof and impacted by industry and economic conditions every day. That means it’s more important than ever to unleash innovation, gain top-of-mind awareness and get relevant ideas you can implement—even with limited resources or within a tight budget. You’ll discover how to improve your customer experiences, insights for building stronger relationships, and getting more high-value customers for life! See you there! – Ford Saeks
How can you recruit the next generation of warehouse and counter staff and get them to make good decisions? With a tight labor supply, the over-dependence on digital technology and a lack of critical thinking skills among many workers, this is one of today’s top business challenges. Join workforce trends expert, Bob Wendover, for a session full of practical ideas for filling your front line and getting them to think and work independently. Walk away with tactics you and your team can put to use immediately. Add to your bottom line and reduce your stress by implementing these simple, but powerful strategies.

Check out what we will be talking about here- https://vimeo.com/354049555

See you in Banff. Regards,

Bob
Rarely have business leaders and consumers confronted so much uncertainty about the future. Simply put, we live in a crisis-prone global economy. There is political paralysis in Washington, an on-going trade war, supply chain disruptions, economic distress in Europe, and a multitude of threats that span across Asia, the Persian Gulf and South America. You can almost hear the geopolitical pot boiling furiously. Yet the sobering fact is business leaders must still make important decisions about their company—and be able to justify them! However that task hasn’t been easy lately because the drumbeats warning of recession have been getting louder.

Manufacturing activity has slowed markedly, along with industrial output. The trade conflict has disrupted economic growth and strained relationships with foreign suppliers. The US housing market is under-performing and farmers have had to struggle with floods, heat waves and canceled orders from Asia. As a result, fewer goods are now being transported to factories, ports and construction sites around the country and this has battered the trucking industry.

So we can’t avoid the obvious question? Is the record long business cycle finally coming to an end? Will the US suffer the same fate as Japan, Germany, UK, Brazil, Mexico and Argentina, countries that are now near, or in recession?

Given the recent downward spiral in stock prices and bond yields, it would seem to many the decade-long economic party is shutting down.
I have a different take on the outlook, however. A lot of the doom and gloom we hear tends to obscure the most crucial source of strength in the economy, the consumer.

Americans are still actively spending---and why not? The unemployment rate is the lowest in half a century. Wages have been rising. Inflation remains tame. There’s been a surge in home re-financings, which puts even more money in the pocket of shoppers. Finally, let’s not forget that companies are still desperate to fill 7.3 million job openings. All of these factors suggest households will continue to spend enough to keep the economy out of any real danger.

While the trade dispute with China has undoubtedly sucked some oxygen out of the US business sector, another important trade deal---the USMCA agreement---is expected to be ratified by Congress either late this year or early in 2020. This will further help lift economic growth next year.

So as you can see, I am not in the recession camp. Our analysis shows the odds of one happening before 2021 is no greater than 30%. The US economy remains extraordinarily resilient and it will successfully navigate past the hazards ahead.

(Bernard Baumohl, Chief Global Economist, The Economic Outlook Group, LLC)
CVSN Aftermarket Distribution Summit
September 14-18 2019
The RimRock Resort
Banff Alberta Canada

VIPAR Annual Business Conference
October 20-25, 2019
JW Marriott San Antonio Hill Country
San Antonio, Texas

HDAW 2020
January 27-30, 2020
The Gaylord Texan Resort
Grapevine, Texas

HDA Truck Pride Annual Meeting
April 29-May 3, 2020
Gaylord Rockies Convention Center
Denver, Colorado
AFTERMARKET DISTRIBUTION SUMMIT

The RimRock Resort Hotel Banff
Alberta Canada

September 14-18 2019

See You There