

How's

Your

Business?

2014

A Report of ASA Member-Shops in 2014

Welcome to the 2014 “How's Your Business?” survey report! Using the most current figures available from the United States Bureau of Labor Statistics in 2012, the number of general automotive repair locations was 79,760 with 323,674 employees. The number of automotive body repair locations (not including dealership body shop locations) for 2012 was 33,763 facilities with 209,868 employees. ASA is taking a conservative approach in estimating the number of shop locations for 2014 based on overall economic conditions (3 percent growth rate for mechanical shops and 1 percent for collision shops).

Survey Methodology

The 2014 “How's Your Business?” survey was offered through a third-party online survey service to all regular members via ASA newsletters. Regular members are automotive service businesses that provide automotive repairs/services. Overall, the membership response rate was 6 percent and included both mechanical division and collision division members.

The following report is developed and presented from mechanical and collision classification perspectives.

General Automotive Repair Locations

2012	79,760
2013 Estimated	82,153
2014 Estimated	84,618

Automotive Body Repair Locations

2012	33,763
2013 Estimated	34,100
2014 Estimated	34,441

*Source: U.S. County Business Patterns

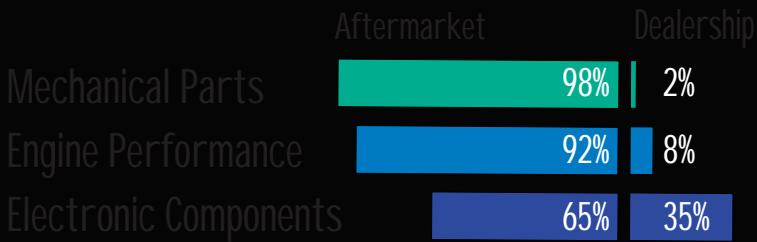


Editor's Note: Due to rounding, some percentages may not add up to 100 percent. In other cases, percentages greater than 100 percent may result if respondents were able to select more than one answer to a particular question.



Parts Profile

Primary source for parts



82

Percent of members who would use a universal part tracking return form if one was available.



MECHANICAL

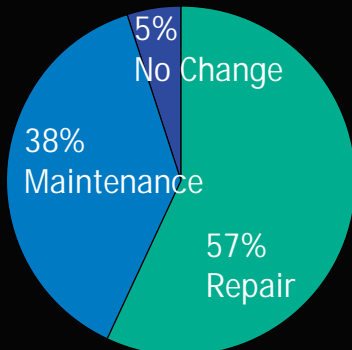
In Your Own Words ...

'How's Your Business?' survey participants share how business has been for them during 2014.

"Our shop guarantees 100 percent customer satisfaction and prides itself in customer service and customer perks. Our best advertising is customer advertising – word of mouth. This has helped our shop in multiplying last year's sales by four already this year. Our goal is to continue to grow our business by providing honest auto repair with excellent customer service at reasonable rates and we are proud to say we are achieving this!"

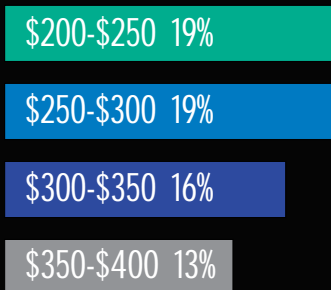
To hear from more ASA member-shops on how their businesses have performed in 2014, please see page 18.

Percentage of Work

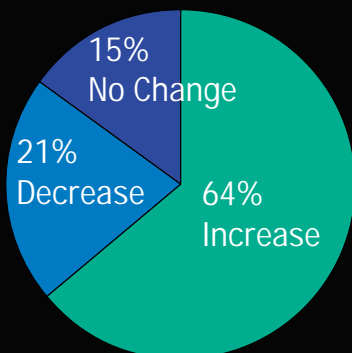


Average Ticket

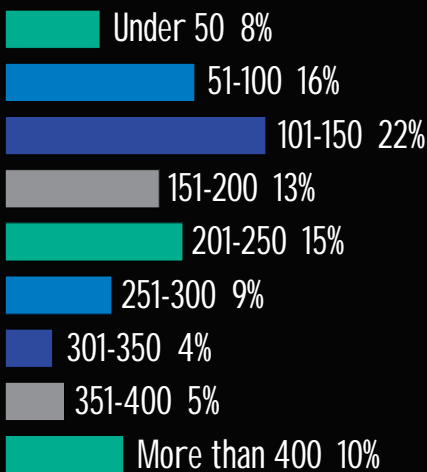
(Top 4 Responses)



Compared to 2013, how have sales been so far in 2014?



Average number of vehicles serviced per month



Member Profile

94

Percent who said "owner" or "manager" was their current position.

53

Average age of respondents.

33

Average years in automotive industry.

Survey Respondents Share Their Thoughts



Mechanical & Collision

Many participants in the “How’s Your Business?” survey shared their thoughts as to how business has been for them in 2014. We especially liked the following:

• “We are up a little more than 10 percent where we were this time last year. My techs are happy and well compensated, 90 percent of our customers are a pleasure to deal with, and my son is taking over the business Jan. 1. What could be better?”

Sales are up
• “My sales are up 30 percent through September in a transmission franchise with total auto care about 18 percent. Consumers are willing to have major repairs done but there is a sense that people have driven their cars too many miles; it is time to get something newer.”

Business is good.
• “Business is good; would still like to grow it another 20 percent.”

• “We have been focusing hard on improving our efficiency and increasing our average RO. Our current 2014 YTD gross sales are 22 percent higher than 2013 YTD. Our average RO for YTD 2013 was \$330. For 2014 YTD we have increased our average RO to \$405. We’ve also implemented a digital inspection system and several other improvements. Our biggest challenge is finding quality technicians. Our second biggest challenge is health insurance costs and other overbearing government fees and regulations.”

• “Our business has almost doubled in the past two years due to relocation, a growing population and incredible talent in our shop and office.”

• “With aggressive, ongoing marketing and promotion, our business has on average increased more than 10 percent with a solid bottom line. Couple this with high-quality customer service and a state-of-the-art reception area, we should continue this growth curve for 2015 and 2016.”

• Hiring the right people made all the difference in my business. When I decided to offer competitive wages and benefits, I was able to hire the top techs away from local dealerships. Now I have factory-trained technicians and am making the profits I need to keep them trained and to make the equipment purchases to stay current and competitive with both dealerships and independent shops in my area.”

• “We are seeing more people keeping their older vehicles and choosing to spend almost any amount for repair. Both shops are up for the year more than 18 percent.”

We are growing.
• “Our business is growing. I find more and more people are seeing the value in repairing their known problems instead of running from a big repair. I feel my shop’s issues are getting better. ASA has been a huge help in my learning the business and handling the struggles all new shop owners go through. Training is key. Thank you!”

• “We have experienced double-digit sales increases each month in 2014.”

• “Business is up and we are making more profit because of the experience level of the technicians. We also have a larger and more loyal customer base.”

Continue to grow
• “We continue to grow and are building a new on-site building to add 12 more bays. We have also purchased two high-production machines. As we continue to grow, we continue enhancing the quality of our products. We have programs that actively promote our online community presence.”

• “Business is great. Through vendor partnerships that develop incentive plans for early pay, amount spent, etc., ongoing training, managing fixed expenses, watching the numbers on a daily basis and an excellent relationship with our AAA towing services, we are able to stay ahead of the trends rather than playing ‘catch up.’ The biggest challenge is finding qualified techs that will fit our program and want to be a part of a team.”

• “2014 has been a great year. We are up about 4.5 percent over last year and that was our previous best year. We are looking forward to growing every year.”

