

## 2/21/2012

## **Dealer Perspective**

Commentary by Deborah Lockridge, Editor in Chief

Each year, I spend some time chatting with some of the nation's top truck dealers, those nominated for the Truck Dealer of the Year award from American Truck Dealers association and sister publication *Heavy Duty Trucking*. One of the things I ask about is dealers' increasing role in aftermarket parts and service.

Trey J. Mytty, president & CEO of Omaha Truck Center, Omaha, Neb., says he believes there will always be aftermarket parts producers "that present opportunities for many people to sell the products."

On the other hand, he says, there are a number of trends that are giving dealers a bigger part of the market. One is the more high-tech, more sophisticated trucks. He says dealers "in many cases are ahead of the curve in technology."

Dealer groups are getting larger, Mytty says, so they can buy in more volume and offer better prices than in the past. And he says, "the dealer can offer the full package," from sales to part sales to repair and warrantly. "I don't think independents are able to do that."

Omaha Truck Center has set up a live parts chat line that is always staffed, and if parts aren't in stock, it offers free overnight freight for the first \$100. They're also working on implementing daily parts delivery.

John D. Arscott, president and CEO of The Pete Store, based in Baltimore, MD., admits that "in the past, an aftermarket WD would know a lot more about brakes, for instance, than my staff. But that has changed," as Paccar Parts has stepped up and focused on dealer training and going after that business. "I truly believe dealer staff are far more qualified today," Arscott says. "In fact, I would say they've actually surpassed the WD, because they have a service network. If we hand a part on your truck in Knoxville, it's going to get warranty in Texas."

I also ask them about the "right to repair" movement, also known as "access to information," where independents believe the OEMs should be required to provide information needed to fix customers' vehicles - the same information most dealers believe should be theirs alone.

The nominees voiced concerns that independents simply aren't qualified to make those type of repairs.

"Our concern, frankly, is for our customers," says Steve Bassett, president of General Truck Sales in Muncie, Ind. "OEM dealerships invest tens of thousands of dollars in trianing in our technicians every year. Simply buying this computer-based training from the OEM isn't going to guarantee the customer gets a good repair experience if you don't have the required training. Can you get ten same quality repair if you spend \$2,000 for a tool but don't purchase the training to go with it? I understand the desire the have that out there, but dealerships have invested an awful lot to provide a quality repair experience."

The amount invested was a common theme.

"It's very capital-cost-intensive for someone who's not a dealership to try to get fitted up to be able to handle all those components," says Brent Leach, president of Custom Truck Sales, Regina, Saskatchewan, Canada.

Even for a dealer, he says, training employees to be proficient, not only in OEM engines and components, but also in all third-party parts and components, is difficult and very costly.

Mytty had similar thoughts: "We're spending three-quarters of a million a year on training to keep up with this technology and make sure we can fix a customer's truck correctly. I don't think just by having a sign saying 'I fix trucks' means it's justified to expect them to have the knowledge to repair it correctly.

"Signing up to be a truck dealer with new sales comes at a hefty price," Mytty says. "It's not a free-entry market."

You can email Deborah Lockridge at dlockridge @truckinginfo.com. You can also gind her online at LinkedIn at <a href="https://www.linkedin.com/in/deborahlockrdige">www.linkedin.com/in/deborahlockrdige</a>.

From the Jan/Feb 2012 issue of HDAJ.