IS **MY** STORY **YOUR** STORY?

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An Update for 2020

I wrote this book ten years ago to let my fellow shop owners know that they weren't alone. Running a successful repair shop is difficult when the economy is booming, and is full of sacrifices, and heartache, and frustration that can be difficult to share even with those close to us.

In the ten years since I first published this, we've seen the systematic destruction of the automotive technician as a career, and an impending technician shortage. We've seen technology change in predictable and unpredictable ways, changing the way that we reach customers, fix cars, and maintain certification.

And here, in 2020, perhaps the hardest challenge yet for shop owners, in the form of lockdowns and social distancing, courtesy of Coronavirus, or COVID-19.

The reason why I'm updating the text here is because the core message is as true now as it was back in 2010: you can take control, lead your business through hard times, and make it out more successful.

You may have read this book before, but I hope you'll read it again with fresh eyes.

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The Beginning…

I started out on the evening shift as an apprentice mechanic and gas pump jockey in a little 2-bay gas station in Littleton, Colorado. I went to automotive trade school in the mornings and had to work nights to support my wife and child. I loved working on cars and learning. As my skills grew so did my confidence and value to the business.

After a few months I found a better job near our apartment. It was a 3- bay service station in a growing area. I worked there as a mechanic until I finished school, then went into the U.S. Marine Corps. Upon my return I worked for two more years as the head tech and then bought the business from my retiring boss.

Over the next ten years I learned many great lessons – many of them hard. My inexperience and young age led to mistakes. Being an overly trusting and naïve person didn't help either. I was full of energy and optimism but didn't have the wisdom to channel or bridle my direction or drive. I knew I needed better management skills so I hired "professional experts" to help me. I also tried to tap into a few reputable trainers. These people then began to "advise" me on how to grow and expand my business and investments.

Whether it was regarding my shop, or my other business endeavors and assets, every time I was ready to make the next move, the consultants, bankers, accountants, and attorneys were all there cheering me on and telling me how smart I was. I made some amazing money in the late '70s.

However, in the early '80s I learned some things I was not prepared for.

The Downfall…

After amassing a small fortune in assets, 1981 brought a recession, high interest rates and other trauma. It was more like the Great Depression for me. One by one, I lost my holdings. Finally, it came down to losing our home, then the cars, then my ownership in the original service station. My wife was able to retain her ownership, but I had to sell my 50% to our manager.

I ended up losing everything: my empire, my toys and my pride. I really didn't want to live. I was so depressed I couldn't work. I nearly lost my family – my beautiful wife and two children.

As much as I was suffering, it was even worse for them. Fear of the unknown and the loss of trust in me was devastating to them. I believed they would be better off getting away from a loser like me. But for some reason they stuck with me.

Finally, I cranked up my guts and went back to work turning wrenches for my wife and my former employee. Over time I got some drive and discipline back. However, the hole I had dug was so deep it took me more than ten years just to start seeing daylight.

I had plenty of time to analyze and see what had happened. I took full responsibility for my stupid decisions.

I also learned a critical lesson: all those so called professional consultants – the business advisors, the CPAs, the attorneys, the brokers, the bankers – all got paid whenever I made that next move, that next investment in improving my businesses or assets. They got paid whether I made any money or not! They got paid even though none of them had EVER actually DONE what I was doing. And they certainly did not have their own butts on the line, nor were they in my BUSINESS helping us then!

The hard lesson was that all THOSE CONSULTANTS WERE ON THE SIDELINES!

They weren't taking risks, they were just being parasites – benefitting from my risk taking and drive, while having no risk or involvement themselves. They did not have their own money in the game, *so they really never had to make sure that their advice to me was correct*. When it came time to reap the consequences of my bad decisions and their bad advice, they all but disappeared! Where was the ***INTEGRITY****?*

The sheer weight of my business failure, the loss of resources, the gossip about my failed enterprise, the fall from social grace…it was enough to choke anyone out.

Added to all of this we now had 4 children to take care of with new-born twins.

We rented a home, drove old cars, and had to bite and scratch our way along just to put food on the table.

I used to be a very good, very fast tech. Of course, I was much younger then and hadn't had a butt-kicking that left me exhausted, ashamed and beaten. Because of all those distractions, fatigue and inefficiencies, I had to work 75 hours a week just to make ends meet.

Somehow, we made it through those hard years. Eventually we bought out our partner. Things began to improve some.

The Search…

Even though I thought I had learned my lesson about parasitic consultants and advisors, I knew I lacked the management skills to really take the shop to the next level. So, I continued to seek help. At one point, I was so desperate I took a chance and hired a well-known and supposedly "reputable" business management consultant for my repair shop.

As it turned out, that accomplished two things:

> **It drained my bank account** - and when I realized they gave me nothing that helped me sustain improvement, I fired them.
>
> **It reconfirmed previous lessons about parasitic consultants.** I thought, "Never again would I trust anyone who did not have their own money in the game – who had nothing to lose if their advice did not work."

I continued to search and attended many industry classes. Some suggested valuable ideas and principles. These were mostly taught by current shop owners who were in the trenches everyday just like me. However, most of the others were a waste of my time and money. These were taught by so-called gurus who had no skin in the game.

Again and again I found out: THEY HADN'T OWNED AND RUN A SUCCESSFUL SHOP in decades – IF EVER!

They were selling their "theories" and had ulterior motives for posturing themselves as "professional experts". This is not uncommon…for individuals or companies to PURCHASE posture FROM industry associations, publications, and other powerful entities within an industry!

I'd been to *that* rodeo before!

I also tried collaborating with a few other shop owners around the country with 20 Groups and so on. Some of this interaction was helpful, but *most* of it was not applicable to finding the solutions I was seeking…and it was expensive and experimental at best. This is because **they were struggling in most of the same ways I was*, or they didn't believe in the same ethics*** I was trying to follow.

It just didn't make sense to duplicate something a shop owner was doing that wasn't any more successful than what I was already doing.

When we computerized the shop a whole new world opened up to me. For years I had used simple hand-written grid sheets to track my numbers. Now I had reports I could study. The reports did not show all the numbers I wanted to see or display them in a way that helped me really "see" what was going on because they were written by some software developer or bean counter who had never run a shop and simply didn't know what was important and what was just useless fluff.

Soon I was using Excel and displaying and analyzing the important numbers in the shop on a daily basis. From the time I was a young technician in 1970, I understood the importance of measuring the right things and measuring them accurately. I also understood the process of comparing those measurements to a spec. or standard in order to determine what was wrong. That process was simple.

What I had been searching for was a set of repair shop benchmarks and the proper processes to meet those standards. **No one out there had this information readily available or deliverable in a way that could be trained in and sustained by my staff!** But that did not deter me from continuing to establish my own specs and systems and seek to verify those standards with someone WHO **KNEW** WHAT THEY WERE **DOING** out there. Over the next few years, I built a dozen spreadsheets that helped me track and measure the shop in very valuable ways.

Understanding historical trends and future projections became a way of life.

In 1994, we moved from the 3-bay shop to an 11-bay shop – not because I wanted to, but because we lost our lease. This proved to be a huge challenge that almost ended in disaster. Because of the larger size, the increased overhead and more employees we almost sank the ship. *Most of the systems that worked in the 3-bay bogged us down or broke down completely in the larger shop*. Cash flow problems were exaggerated.

Customer service suffered. **My personnel management skills were inadequate** for the larger crew we now had.

By now, I had made about every mistake you could make in a shop. I kept thinking, "When is all this trouble going to end…will it EVER end?"

The Solution…

Then, by sheer circumstance, we hired a 29 year old kid as a service writer who was different than any employee I had ever seen. He immediately took responsibility for everything in his department and for his customers. Wow! That was new! 99% of the employees or hired professionals I had seen made a point to avoid personal responsibility and accountability when things got tough or went wrong. Only when things turned out perfect did they jump at the chance to take full credit.

Soon this kid, David, was making things run much smoother. He had a knack for understanding how people felt and what they wanted. He was great with the customers. Some of my techs really resisted his approach with them at first. Most of them quickly developed respect for him because of his willingness to help them get their jobs done and make some money. They became willing to follow him because they came to trust him. There were a couple of hard-nosed techs that didn't make it, but that turned out to be okay. We hired new ones that fit better into the new system David was training into our team.

He continued to demonstrate loyalty to the company, the highest level of ethics and a willingness to sacrifice for his customers and his co-workers. In a short period of time, the business was finally making some money.

Because of the larger overhead and shop size we knew we needed to grow sales. *I was on my third high-powered advertising agency within the last year*.

As it turned out, **none of them knew how to bring in the right customers** – ones who were **ready to buy and who wanted to be loyal.**

Again, the lesson of the parasitic consultant played out. Those three ad agencies and all our advertising vendors got paid on the money I spent, not on the effectiveness of their advertising. In fact, they all misled me about the definition of "effective" advertising.

I discovered after wasting a lot of money that "RESPONSE" AND EVEN "MORE CARS" DOES NOT NECESSARILY MEAN IT WAS EFFECTIVE OR PROFITABLE!

If you've read this story before, you know what happened next…

David suggested that he take a shot at creating and managing our advertising, and since he had done such a great job with our customer service, I let him go for it. I **built good incentives into his pay plan to ensure the business grew, was profitable and sustainable**.

In other words, HE HAD SKIN IN THE GAME!

Sales grew, profits grew, confidence grew, customer satisfaction grew and employee morale grew.

WITHIN 3 1/2 YEARS, HE NEARLY TRIPLED THE REVENUES OF MY SHOP!

That's not the end of the story, of course. It's been 23 years since the events retold here, and we've been able to SUSTAIN that growth because we created and held to processes and procedures that ENSURED our success.

We still own and run our shop. We still know what it's like to have 30+ employees' families depend on us. We still feel the pressure of having thousands of customers' families depend on us, and hundreds of clients and their employees' families depending on us. Having our butts on the line makes us very careful and very sure of every move we make.

But here's where this stops being **my story**, and becomes **our story**.

These are uncertain times. The threat of Coronavirus (or COVID-19) has gripped the country. Unemployment has started to skyrocket. I've lived through seven recessions, about to be eight.

We fully intend to survive and thrive through this period, just as we have the last several recessions. Our goal has to be to go from VICTIMHOOD to VICTOR.

Here are the things we can do – and encourage each other to do – to become victors through this (and any) crisis:

1) Do an honest assessment of what you can control and what you can't

Only focus on what you can control. When we panic and focus on things we can't control, it leads us to being paralyzed by fear. This is the time to act and control what you can.

Here's the truth: fear and faith cannot exist in an individual at the same time.

If you're going to have faith that your shop is going to survive, you have to rid yourself of fear. It's the only way that you'll be able to take the actions necessary to protect your business and your family.

Fear and paralysis always disappear. Giving into them now will just slow you down.

2) Develop a plan of action

Now that you're focused on what you can control, you need to act.

Part of this depends on you having access to relevant information and individuals that will guide you. If you have people in your life that have guided a shop through times of panic or recession, now is the time to turn to them for solutions that are proved to work in downturns.

If you don't have that person in your circle, David and I can be that for you. We're not only navigating this current crisis in real time in our shop, but we've lived through downturns and crises before.

You also need to create a plan and then act on it when it comes to communicating with your customer base. During downturns, most businesses stop marketing. Right NOW is when you should be communicating with your customers MORE – showing confidence, communicating a sense of calm, and reassuring your customers that you can take care of them.

If you need help with that kind of marketing, David and I can help. We're marketing to our shop's customers right now and can help with your messaging.

And finally, you need to be unafraid to see things as they really are through the right metrics. Measuring right now -- when car count has dropped off and your bays are empty -- might seem insane, but you can't control what you're blind to.

Benchmarking is more critical than ever right now, because you have less margin of error. Every action you take right now has to improve your business now, in the short term, and the only way to know for sure is to measure.

This goes for marketing, and understanding the kinds of customers you're reaching.

It goes for profitability and changes you make to your labor rate and parts matrix.

And it goes for processes and procedures, and knowing that you're being as efficient as possible in your shop.

If you are willing to leave no stone unturned, and to look at every performance number and tightening up in every area possible, you can produce the vital short-term effects you need to survive right now, AS WELL AS long-term benefits that will help you thrive for years to come.

If you need help understanding your metrics, benchmarking your business, and creating a plan to survive and grow, David and I can help. We created the RPM ToolKit and then Shop4D to give shops exactly this kind of control.

I've felt hopeless and alone, defeated and afraid. Right now, I feel confident. I know what I can control, and I'm working to control it.

Is my story your story? It doesn't have to be. You can skip the fear and paralysis and go right to taking action. I believe in you.

And if you want a helping hand, just ask. My life's mission is to help shop owners skip the 30 hard years I went through. David and I are here to help.

Wishing you the best of luck,



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