

UTA INDUSTRY WATCH

Volume 6, Issue 6

Contact the UTA @ 1-877-GETS-UTA or www.uta.org

June 2004

President's Message...

According to the latest reports from Ethan Nadolson and the UTA's membership committee that he chairs, we now have 381 members. Fifty of these have not renewed for this year but we believe that the majority of them will. Eight of these were signed up at the ATD meeting and 16 were signed up at the recent *Truck Paper* Forum. If you are one of 50 members who haven't yet renewed, please do so soon. The rest of us will certainly appreciate it.

Ethan and his committee get an "attaboy," as do all of the members who joined or helped to sign someone up. Five hundred members is our magic number to reach before this year's annual convention. And I'm happy to report that everyone seems to be working hard to achieve that goal.

The UTA has hired its first administrative assistant. She is Terry Lassinger from Saxonburg, PA, just north of Pittsburgh. She came highly recommended by Tom Horn, a board member. Terry's first duties will be to work with our membership body in getting acquainted and making sure all of you have everything you are supposed to, and that members have a contact person who can handle any situation that might arise.

Terry is a welcome addition to our association and will give many of us a little relief in doing some of the tasks that must be done within the organization. Be expecting a call or email from her. Give her an e-mail at lassinger@uta.org and welcome her aboard.

Once again, the convention is shaping up to be one of our best. As you may know by now, our keynote speaker will be Vince Lombardi Jr. The overall program is going to be exciting. Justina Faulkner and her

committee have done well. For all the golfers, don't forget the Second Annual Charity Golf Tournament, scheduled for Saturday, Nov. 6.

I would like to challenge everyone to make a donation to our endowment fund. It is 100% tax deductible. Just drop a check in the mail to our UTA address. Be sure to note on it UTA/Jerry Nerman Endowment Fund. Your donation would be greatly appreciated. Just a small amount will make a difference for the future generations of used truck professionals.

Congratulations to Paul Spokas' group of graduates. Paul and his HDMA Academy do a great job with the UTA educational programs. If you have not taken advantage of any of them, you're missing something very valuable. Training is the key to success in this industry. For information on the educational programs, visit www.UTA.org or www.HDMAinc.com.

I'd also recommend that you look at the partnerships and benefits available for our members. It actually costs you money if you're not a member of the UTA. If you haven't checked out the newest partner, National Truck Protection, it's costing you money. (A Big Thank You to Vince Anselmo of NTP). Add its incentive to what we already have and you're going to be surprised. CHECK IT OUT!

A little about our used truck industry: As we all know, fuel is still inching up but, I am hearing fuel surcharges

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How are **YOU** supporting the UTA?

SHARE YOUR NEWS

UTA Industry Watch is published monthly. Submissions, ideas and comments are most welcome. Contact:

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INDUSTRY NEWS BRIEFS

Dana's new **Spicer** 130 single-drive axles, engineered for Class 5 and 6 trucks, have been designed to provide "the longer life cycles characteristically seen in heavy trucks." The axles carry a maximum GVW rating of 26,400 pounds and a maximum GCW rating of 40,000 pounds with ratio coverage of 3.07 to 6.50.

Dick Ryan, Carolina International Trucks, Columbia, SC, has been named International Truck and Engine Corp.'s 2003 International Dealer of the Year.

Increases in Class 8 truck sales in this year's first quarter, compared to the same period in 2003, can be attributed to truck replacement needs and fleet expansions, not a feared "pre-buy" effort to avoid 2007 engine technology. So says financial advising firm Bear, Stearns & Co. However, industry analyst Martin Labbe has said there is a pre-buy trend, as the normal replacement cycles of fleets "is being accelerated - that is pre-buy. The uncertainty of dealing with 2007, as well as the experience with the recent 2002 equipment, is causing carriers to be cautious about problems that may or may not occur."

International Truck and Engine Corp. is now offering the Eaton Fuller UltraShift automated transmission in its 8600 and 9000i Series tractors. The transmission - Eaton's first, fully automated, two-pedal transmission - offers fully automatic shifting with the Eaton Fuller 10-speed transmission. The UltraShift features an automatic start with no clutch pedal and computer-controlled shifts at ideal engine speeds for improved fuel efficiency and performance. In addition, the 8600 and 9000i Series vehicles will now be available with a Cummins ISM engine rated 410 hp, while International's 5000i Series trucks will be offered with Cummins' new ISM 425V HP (vocational rating). The ISM engines are equipped with Load-Based Speed Control, a feature designed to optimize shifting by managing engine rpm according to changing operating conditions.

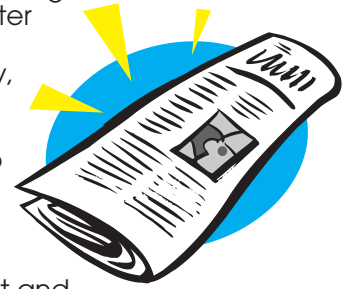
Kenworth has opened a factory branch in Pasco, WA, giving it nearly 300 sales locations.

Navistar International has announced plans to develop a new Class 8 linehaul truck, to be introduced in 2007 or 2008. The new model will leverage the same high-performance vehicle technologies used in the company's bus, medium, severe-service and regional-haul Class 8 trucks.

Pilot Travel Centers plans to add 100-150 maintenance shops to its existing truckstops; about one shop per month, starting in West Memphis, AR. The Pilot Truck Care Centers will each be equipped with four repair bays open 24/7 and offer maintenance, lubrication, automated washes and oil and tire changes.

Repossessions of trucks and trailers in the first quarter of this year decreased 61% over the same period last year, according to Nassau Asset Management's *NasTrac Quarterly Index (NQI)*. The drop is consistent with positive 2004 financial projections of various companies involved in the industry, noted the company.

Toyota is considering expanding into the heavier three-quarter and one-ton pickup class markets in the U.S. Currently, half of its sales come from its half-ton V6- and V8-powered Tundra pickup truck line.



U.S. EPA and International Truck and Engine

have formed a partnership to test and develop the EPA's clean diesel combustion (CDC) technology for low-emission diesel engines. The new technology uses in-cylinder control of NOx emissions to reduce or eliminate the need for after-treatment related to NOx. International is evaluating CDC for use in its product line, starting with its V-6 diesel sized for SUVs and pickup trucks, which is currently being tested at EPA labs. Through the partnership, both organizations will seek to incorporate environmentally sound technologies in an economical package.

Western Star Trucks has expanded its dealer network with eight new locations: Western Star of Southern Alabama, Tallahassee, FL; Boyer Trucks, Lauderdale, MN; Agar Truck Sales, Yonkers, NY; Fyda Pittsburgh, Canonsburg, PA; Greenville Truck Center, Greenville, SC; Dunlop Western Star Truck Centre, Lethbridge, Alberta, Canada; Universal Sales, Moncton, New Brunswick, Canada; Western Star of Vancouver, Surrey, British Columbia, Canada.

Supporting the UTA



Supporting the UTA can lead to great things. But, being supportive and advocating the standards of the UTA can lead to grand things while increasing your professionalism and industry image. A few more suggestions:

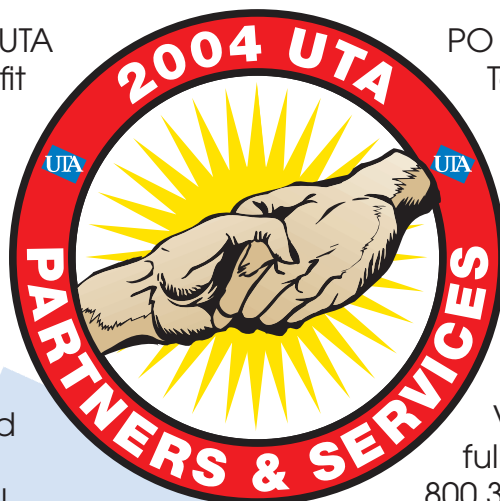
- Volunteer to serve on a committee.
- Place a UTA decal on your personal or business vehicle.
- Host an open house for local or regional UTA members.
- Keep in touch with industry retirees that were active. Pick their brains for ideas every once in a while.
- Let your family know how important your commitment to the UTA is, and include your family in UTA activities when possible (like having your spouse join you for the upcoming UTA Convention).



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The Truck Blue Book
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2004 UTA Partners & Services

Following is a highlight of the UTA partner's list. Due to the Benefit Committees incredible work in 2004, the partnerships are becoming too numerous to have a full list in each newsletter. In just six months, Hertz, NTP, National Seminars, Premium 2000 and more have seen the benefit of partnering with the UTA and its members. Please visit our website www.uta.org for a full partnership listing, new ones are added each month.



PO Box 126, Carlstadt, NJ 07072.
To receive the claim form or ask any questions please contact Rick Clark, NTP at 800.950.3377.

National Seminars -

Discounts of 25% off all training seminars. Several to choose from in your area.

Visit www.natsem.com for a full listing and to register call 800.344.4613, x3051.



New Partnership Spotlight - National Truck Protection.

NTP is the largest independent used truck warranty provider in North America. In addition to standard plans, NTP will create custom warranty programs to fit your needs. They also administer warranties for several engine and chassis OEMs - controlling repairs and costs. NTP will perform trade term inspections as well.

NTP Program: Effective May 1, 2004, and continuing through the remainder of 2004, NTP will offer your dealership an opportunity to earn monthly co-op advertising reimbursement of \$100. To qualify for an NTP co-op advertising reimbursement you must be a member of the UTA, a truck dealer and the offer is valid to one corporate store and not multiple locations.

The qualifying publications for reimbursement are *American Trucker* and *The Truck Paper*. You must advertise the UTA and NTP logos in the advertisement's masthead and the ad must run for a full month in either publication. To receive reimbursement, complete the claim form, attach the actual ad and invoice from qualifying publications and submit on a monthly basis to NTP, c/o Accounts Payable

Hertz - 10% discount, plus a one car class upgrade on Hertz's Standard Daily, Weekend, Weekly and Monthly Rates (all car classes). Discounts apply in the U.S. and Canada. (CDP number required.)

PREMIUM 2000 Warranties - \$50 discount off the rate for any PREMIUM 2000 Warranty submitted.

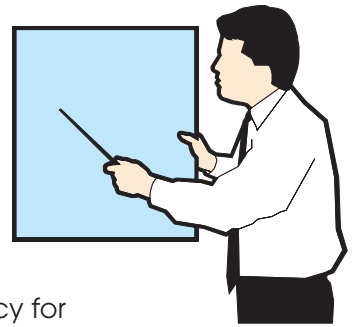
HTAEW.com - 10% discount on monthly membership fee.

Manheim Heavy Duty Auctions - \$25 refund on posted buy and/or sale fees for corporate UTA members and additional savings during UTA membership drives.

SOARR.com (Interstate Online Software) - Up to \$500 in free options at time of sale on SOARR software. Additional discounts on other products and services.

Please note that partnerships do not constitute an endorsement of the products or services by the UTA. UTA benefits are not valid with any other offer unless specified by participating partner.

Getting the Most from Your Telephone Cold Calls



Telephone cold calls can be more rewarding and fun if you approach them with the right frame of mind and follow some successful tactics. To begin with, put things in perspective and keep a positive mental attitude. Remember that the prospect was most likely fully engaged in another activity before you called, and you're an uninvited guest in their "house." You only have a few seconds to capture their attention and earn the right to carry the conversation further so you have to do the right things to make the most of your cold call opportunities.

Following are several suggestions you can try to improve your cold call performance.

1. Be enthusiastic and upbeat. Your prospect will usually mirror your attitude. If you're friendly and enthusiastic, your prospect will normally catch your feelings. If you're lackluster and monotonous, you'll get the same response. You get what you give.
2. Get a telephone headset so you can sit up straight or stand when you're calling. Your voice will be stronger and you'll have more energy in your voice.
3. Work at a clean orderly desk. Paperwork clutter is often unfinished work. If you can see it when you're calling, you'll be tempted to work on it or think about it while you're calling. Your attention will be blurred and you'll miss opportunities or clues from your prospects.
4. Answer the four key questions that come to mind when anyone takes a call from someone they don't know. These four key questions are:



- Who are you?
- Who are you with?
- Why are you calling me?
- What's in it for me?

Answering these four questions in the first few seconds of a cold call will usually earn you the opportunity to carry the call further:

- Who are you: satisfies normal curiosity.

- Who are you with: establishes legitimacy for you by telling them that you're with a reputable organization.
- Why are you calling: lays out the purpose, your prospects deserve an answer to the "why" question.
- And most important, what's in it for me: presents a benefit statement, here's how they're going to benefit from listening a little more.

5. Write out a script that clearly and quickly answers the four important questions. Practice your script until it becomes second nature. You'll find that you'll get much better reception and fewer excuses when you follow a successful format.
6. Have clear objectives in mind when you're calling. Know exactly what it is that you want to accomplish when you're making telephone cold calls. Your primary objective can often be contained in your benefit statement.
7. Keep the prospect's account profile in front of you when you're on the phone. Every blank space offers an opportunity to learn more about your prospect.
8. Work to get a "Next Step" commitment. What is it that you're going to do next? Call back at a more convenient time, e-mail, mail or fax something, set up an appointment, follow up in 60-90 days. The important thing is to get to a next step.
9. Do what you say you will. If you promised to e-mail specs to a specific truck later today, DO IT. Whatever it is you said you were going to do for the next step, make sure you do it and do it when you promised. Many buyers are suspect of sales reps because so many don't follow through.
10. Send a thank you note. Follow up your call with a simple Thank You note expressing your appreciation for taking the time to talk with you. It will make a positive impression.

Good luck and good selling.

Paul Spokas
UTA Board Member
Heavy Duty Marketing Associates
Phone: (336) 643-1961
E-mail: hdmainc@earthlink.net

UTA's 5th Annual Convention

Mark
Your
Calendar

NOVEMBER 2004						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

UTA NOV. 3-6, 2004 UTA
Scottsdale, Arizona

For information and sponsorship
opportunities contact
Sue Dorso at (941) 492-2429
or dorso@verizon.net

Vince Lombardi Jr. Keynote Speaker for UTA's Annual Convention

Vince Lombardi has a clean and inspiring message to share about the qualities found in winners and high performance people and organizations. And he will share that message as the keynote speaker for the UTA's 5th Annual Convention Nov. 3-6, 2004, Scottsdale, AZ.



Vince Lombardi Jr.

As the son of the late Vincent T. Lombardi, one of the greatest football coaches in the history of the sport, Vince Jr.'s early years were spent in an atmosphere full of personal power and achievement. As a young man, Vince earned a law degree and maintained a private practice while serving in the Minnesota Legislature.

In 1975, Vince made the jump from law and politics to professional football when he joined the Seattle Seahawks as assistant to the general manager. He went on to become the assistant executive director of the NFL Management Council and later, led two United States Football League Teams as president and general manager.

Vince is an author, having written the book: *Coaching for Teamwork; Winning Concepts for Business in the Twenty-First Century.*

Vince's enthusiasm for growth, change and improved performance, blended with his strong personality and first-hand knowledge of his legendary father's leadership and team and teambuilding techniques, make for a dynamic presentation.

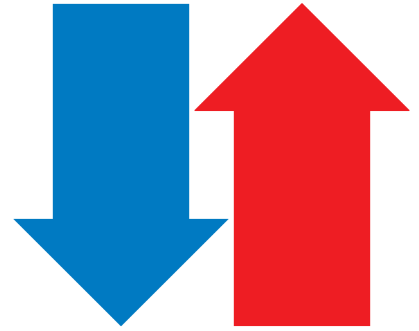
UTA 2004 Convention Sponsors



The following companies have already committed to sponsoring the UTA's 2004 Convention. Their participation is sincerely appreciated.

AMERICAN TRUCKER
BEST USED TRUCKS
ATD/NADA COMMERCIAL TRUCK GUIDE
BLACK BOOK - NATIONAL AUTO RESEARCH
CATERPILLAR
COBALT FINANCING
FASTLINE PUBLICATIONS
FREIGHTLINER
HEAVY DUTY MARKETING ASSOCIATES
HIGHLINE CAPITAL TRANSPORTATION
HTAEW.COM
INTERNATIONAL TRUCK & ENGINE
INTERSAFE
MACK TRUCKS
MANHEIM HEAVY DUTY AUCTIONS
NATIONAL TRUCK PROTECTION
PAYLOAD MAGAZINE
PETERBILT MOTORS COMPANY
PREMIUM 2000 PLUS WARRANITES
ROADRANGER - EATON & DANA
SOARR - INTERSTATE ONLINE SOFTWARE
TRUCK BLUE BOOK
TRUCK PAPER
TRUCKMOVERS.COM
WHOLESALE TRUCKS OF AMERICA

What Is Normal?



Normal times, unusual times, exceptional times; which one are we in?
What is normal?

I became a used truck Manager in 1993. It was hard to do anything wrong in used trucks in the mid-1990s partly because when "0 down" came out, the playing field changed. The focus changed from the "price" or the "quality" of the trucks, to what it cost to drive the truck off the lot. When we got on that "0 down" train, we all began selling the same thing: finance, not trucks.

Many customers did not care what brand truck or engine they bought as long as they could finance no money down. Those of us who are still here know that what happened next was both wonderful and disastrous. We sold a lot of trucks in the late 1990s and we repossessed a lot of trucks in the early 2000s. We rode the market up and were there when it crashed!

After enjoying the "yes" financing and a good supply of trucks in the late 1990s, we endured the "no" financing and excess of trucks over the past three years.

Prices in the late nineties were too high and prices in the last three years have been too low. Prices are shooting up so fast now that it's hard to keep up. Some of the things affecting the price of used trucks are supply and demand, "book value" and the pricing and availability of new trucks. We cannot control these things. What we can do is be aware of these conditions so we can relay them honestly and on a timely basis to our customers.

We're seeing an increase in new truck prices, which have remained virtually unchanged for a decade. This, along with shortages of certain models, has brought the price of used trucks up dramatically.

In the late 1990s, we allowed advertising to replace prospecting, cold calls and just plain old selling. Don't get me wrong, I'm a strong believer in advertising, however, this often causes salesmen to wait for the phone to ring or for someone to come by their lot. Some salespeople basically quit prospecting and making cold sales calls.

In my opinion, prospecting is the existence of our sales force and cold calls are the growth of our businesses. Paul Spokas of Heavy Duty Marketing Associates wrote an excellent article titled, *Sales Prospecting At Truck Dealerships*, which appeared in the April edition of *Successful Dealer Magazine*. This article should be required reading for all truck salespeople. Prospecting is the key to truck sales, new or used. In this day and age of online bidding and e-mails, people still want to deal with people.

So what is normal? I think it is normal for salespeople to call on their customers at their locations. It is normal for good low mileage trucks to be hard to find. It is normal for customers to be able to trade their three- and four-year-old trucks for new ones. It is normal for successful trucking companies to be able to finance additional trucks to expand their business. It is normal for the OEM's to need their dealers. It is normal for customers to need their dealers. And it is normal for used truck dealers to make a profit.

So, let's get back to normal!

Marty Crawford
UTA Treasurer
Peach State Truck Centers
e-mail: mcrawford@peachstatetrucks.com
phone: (770) 449-5300

2004 Spring Session of 'Deal Winning Selling Skills'



Shown here are the salespeople who attended the UTA's latest session of *Deal Winning Used Truck Selling Skills*. From left: Smokey McGill, Five Star International, Erie, PA; Andy Fornsel, Hallahan Truck Sales, Long Island, NY; David Spangler, TranSource, Kernersville, NC; Tony Demitras, Five Star International, Erie, PA; Randy Leighton, Five Star International, Erie, PA; Janne Surbanovski, Hallahan Truck Sales, Long Island, NY; Ed Swartz, Pittsburgh Truck Center, Pittsburgh, PA. Good Luck to these salespeople from the UTA, and our best wishes as they begin to implement the sales strategies and techniques discussed at this program in their daily sales activities.

Educational Endowment Fund



The rumor or cliché is more deals are done on the golf course than in the boardroom in business today. Should the UTA fight this trend? No! We embrace it and invite you to play in one of the few stroke play

tournaments in our industry; the annual UTA-Jerome Nerman Family Foundation Fund Golf Tournament. While attending the 2004 UTA Convention, you can register to play in this tournament to help raise funds for this educational endowment. As the funds grow,

a scholarship will be award to a UTA members' child to continue his or her education past high school.

The committee is also seeking additional ideas to raise funds and please feel free to be creative. To discuss your ideas, register for the golf tournament or make a tax-free donation contact Terry Williams at 913.967.7507.



UTA Education Update



Course:
Twenty-first Century Sales Prospecting

Location & Date:

- **Orlando, FL**, June 16, 2004 (day before the *Truck Blue Book Seminar*)
- **Baltimore, MD**, August 9, 2004

This one-day workshop will assist all dealership salespeople improve the volume and consistency of their sales production.

Course Objectives:

- To assist salespeople in building their business through increased sales consistency in sales commissions.
- To increase sales volume and profitability through applying proven prospecting strategies and tactics.

For more information or to register, www.UTA.org or www.HDMAinc.com, or call the HDMA Academy at (336) 643-1961. Space is limited to 20 people for each session.

UTA Accepting Nominations for its 6th Annual Lifetime Achievement Award

Do you know someone who you think should be recognized for his or her contribution to the Used Truck Industry and his or her community? If you do, go to the UTA Website www.uta.org and download a nomination form for the UTA Lifetime Achievement Award. Follow the instructions on the nomination form and submit your completed nomination before the deadline date of July 15, 2004.

An independent committee of business college professors selects the award winner. Nominees will be notified this fall in time to attend the UTA Convention, November 4-6, 2004, in Scottsdale, Arizona. This year's award winner will be announced at the convention's award dinner on Friday, November 5th.

USED TRUCK REGISTRATIONS

First Quarter 2004

Class	Used Trucks
3	23,949
4	7,873
5	3,811
6	9,763
7	8,947
8	49,983

Statistics provided by R.L. Polk & Co. based on their Used Truck Indicator. Republication, duplication or entry into a computer data base in whole or in part is prohibited without written consent from R.L. Polk & Co.

For more information about Polk's Used Truck Indicator, please contact Polk at 1-800-GO-4-POLK or truckteam@polk.com.

President's Message...

(continued from page 1)

for the truckers are going up also. It is never enough but every little bit helps.

Used trucks have definitely taken a rise in price, and a few models are still hard to find. This seems to be the same situation every month. Retail sales are up while wholesale is down a fraction but that is due to a shortage of equipment. May is showing to be a good month and June looks to be even better.

A special thanks to the UTA board for their hard work and participation. Their dedication sets the pace for the foundation and growth of the association.

Thanks also to you, the members, for responding to the challenge I made last year at our convention: GET INVOLVED AND MAKE A DIFFERENCE! You did, and it did.

The numbers are our report card and it shows we're making passing grades. Our organization is better because you became involved. Remember in the paths of life, "When people start off on the right foot, there's a better chance they'll get in step sooner."

*-- Eddie Walker
UTA President*

- Quintessential Quote -

"The only way to succeed beyond your wildest expectations is to have wild expectations." *Anonymous*