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Don Belisle, Sr. Owner of Recore Trading Company, L.L.C.

Converter Test Cells

By Don Belisle, Sr.

I recently had the opportunity to visit the research facility of one of the largest suppliers of catalytic converters to the auto industry in the world. I saw this as a tremendous chance to learn what goes on at the highest levels of converter technology and R&D. Although, for obvious reasons, most of what I saw must remain confidential,

I was granted permission to talk generally about the test cells. These were fascinating. Each cell (there were many.) contained a V8 engine attached to a dynamometer,



catalytic converters, several sensors and controls. The cells themselves were spotlessly clean and looked more like a laboratory than a car engine test stand. What I found most interesting was that everything was computer controlled. There were several tests being conducted simultaneously with engines running wide open and there was no operator in sight. These engines were run 24 hours a day and controlled solely by computers. The purpose of these tests was to evaluate the performance of the catalytic converters. The computer program was designed to simulate over 100,000 miles in a relatively short amount of time. The RPM's and load on the engines would vary in a way that replicated years of use in just days! Although the exact parameters were confidential, I could see how hard these engines were working by observing the cast iron exhaust manifolds glowing bright red. I was told that these

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engines worked so hard that they had to be completely rebuilt every every 6-9 months. Being an old gear head, I found this whole experience extremely interesting. What was most impressive was the company's dedication to produce the best product that could possibly be done. Their attention to quality and accuracy were at a level that was the highest I have ever seen. This commitment to build the finest product possible guarantees that future generations will benefit from cleaner air which we can all breath.

Size Doesn't Matter!

I was noticing the vast array of different converters lined up in our individual cat assay room. Any time we see a converter that we have not seen before we do an individual assay on it to get a value and elemental makeup of the

unit. With over 20,000 different converters out in the field and more being built every day, this is a never ending task. It seems that a month ago we were doing a lot of converters from hybrids. As you know, most



hybrid converters are relatively small. This month we seem to have a lot of late model diesel converter systems. If you handle late model diesels, you know what I mean by converter systems. These units can be 6 to 8 feet long, a foot in diameter, and have 2 or 3

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or 4 components in them. These units take quite a bit of time to decan and assay accurately. So I took a look at the results of both types of converters and compared them. The vast majority of the hybrid units had great value, especially considering how relatively small they are. This makes perfect sense when you consider that a hybrid engine shuts off and restarts often. For any converter to work effectively,



it must be hot. When the hybrid converter cools (when the engine shuts off), it is less effective. So to meet emission standards, hybrid converters must contain greater concentration of precious metals. On the other hand, the diesels were all over the map. Some of the units were real good and had values in the several hundred dollar range. And some of the units had some of the lowest precious metal content we have ever seen. In many instances the high and low dollar

diesel converters looked exactly alike. In one instance on an import vehicle, we saw two identical converters on the same pipe but one converter was worth three times the value of the other. Overall, the newer converters had better value than the older ones. So in summary, if you have your choice of a truckload of hybrid converters and a truckload of diesels, take the hybrids. The value could be ten times as much! And remember - Most of all, size does not matter!

Trivia

Did you know that 90% of exhaust emissions occur in the first 20 seconds after you start the engine?

Did you know that cars 19 years old and older are not allowed to operate in Paris between 8:00 AM and 8:00 PM?

Importance of Painting a Picture in Sales By D.J. Harrington



A couple of months ago, I discussed the importance of using "bridges" in day-to-day selling. As you'll remember, bridge words can literally be used in every part of our lives. If we use them appropriately, these bridges can take our sales miles down the road.

In this issue, I would like to discuss the importance of painting a picture in your customer's mind. If they're really convinced by your words, actions or emotions that they need your product, they'll probably buy from you. However, if they can't mentally see themselves using your product, needing it, enjoying it, and benefiting from the results of your product, they may not buy it at all. If that's the case, what do you do? Simple! Sometimes, you must create a desire in the mind of the prospect by appealing to their emotions. Paint a picture!

An industry that does this quite well is the movie industry. They spend countless hours writing a script and creating scenes. When the filming is finished, the creators of the movie trailers start to work. Through the years, they've mastered their craft quite well. They've learned to clip and paste scenes from a particular movie, throw in some swelling music that's spruced up with special affects and

emotions. All of this is done to prompt your interest in seeing their movie. As you watch the trailer in the theater, you lean over to your friend and whisper, "We HAVE to



see that movie". You made a decision. An emotional decision! The movie trailer worked. You bought!

We can use the same technique in sales. Creating an emotional decision means you create desire within a prospect that they're sufficiently disturbed by their problem. Being able to do this without a second thought is a powerful selling bridge that can drive you miles ahead in sales

If a customer doesn't take an emotional step toward your inventory, then you <u>must create emotion</u> for them to consider it anyway. Really, there are basically two reasons why customers don't buy a part from you anyway. Either they aren't aware they have a need or they aren't sufficiently disturbed about the need. All of it comes down to emotion. At this point, we must use "WORD PICTURES" to create customer desire. We have to paint pictures in their minds that they need what we have and can't do without it.

Normally, sales language appeals to all five senses: *sight, hearing, smell, touch* and *taste*. Its different using word pictures. With word pictures, we have to appeal to the prospect's emotions. To appeal to a buyer's emotions, we have to put the prospect in present time; literally they

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finished product to an automobile manufacturer. Call us today and get MORE at RECORE!



Tools for Success – Technology May Not Have the Answer You Are Looking For By Ron Sturgeon



As a busy auto salvage consultant, I get many questions from operators. One that I hear nearly every day is "Tell me about the latest technology that yards like mine are using to improve profits?"

Everyone wants to know where to find the technological Holy Grail that will slay their dragons and lead them to the promised land of higher profits, better cash flow, or higher sales.

I get that call from operators that are super tech savvy and have the latest tools. I also get that call from yards that have only recently computerized their inventory.

I've had so many calls from yards that are failing. They are out of ideas to fix a rising tide of red ink and wonder if a new technology might help them make their money-losing yard profitable.



In most cases, technology is not the main answer to improving profits, sales, or cash flow. Technology can make us more efficient, of course. It can help a procrastinator move more quickly. It can improve the attention to detail by standardizing a process. Will it make you more organized? Maybe, but it won't solve a major disorganization process. (For instance if your yard and warehouse doesn't have locations, it won't help that at all).

However, the new technology is rarely the savior that yard owners expect it will be because the real key to moving profit, revenue, and cash flow is dong the fundamentals of auto salvage exceptionally well.

There is no substitute for "blocking and tackling". Here are a few fundamentals that should be in place before you go looking for the next big technology:

• Have you put your sales staff on commission? This single change can easily lift sales 25% by itself. I have helped many yards make the shift from salaried to commissioned sales people and owners are al-



ways astonished by how much more productive their sales people become.

 Have you completely revamped the way that you buy cars so that you have a ridiculous amount of detail about which parts are selling and which are not? This is an area where technology can help you ensure that you have enough of the right inventory to make sales. You should know exactly what you can pay for every car before you bid on it because you can project exactly how quickly the parts on that car will sell. The biggest contributor to poor sales and cash flow and consequently poor profits is yards being unable to buy enough of the right parts. Technology can help here. Are you using a tool like "Bid Buddy" to buy?

- Have you done all you can to improve quality of your parts and how you handle them at every step of your process?
- Is your dismantling operation super-efficient? Does it run like a well-oiled machine?
- Does your delivery department run at peak efficiency? Are your delivery drivers on incentive pay?
- Are you holding weekly meetings with key staff members? Are you training and retraining to ensure your people execute the fundamentals really well? Are you a boss or a leader?
- Can you inventory cars and have them in the system within a few days of when the car gets to your yard?
 Do you know where the parts are at all times? Are the parts from newly arrived cars priced properly in the system?

If you are not doing the fundamentals right, a new technology will not help you because you have a deeper problem with a fundamental process that drives sales, revenue, profit, and cash flow. A fresh look at the fundamentals could help you more than a piece of technology that won't be the latest thing for long.

Remember only you can make business great!

Ron Sturgeon, Mr. Mission Possible, has been a successful business owner for more than 35 years. As a small business consultant, he can wisdom and advice gleaned from an enviable business career that started when he opened a VW repair business as a homeless 17-year-old and culminated in the sale of several businesses he built to Fortune 500 companies.

Ron has helped bankers, lawyers, insurance agents, restaurant

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Tools for Success Continued from Page 3

owners, and body shop owners, as well as countless salvage yard owners to become more successful business people. He is an expert in helping small business owners set the right business strategies, implement pay-for- performance, and find new customers on the web.

As a consultant, Ron shares his expertise in strategic planning, capitalization, compensation, growing market share, and more

Painting a Picture Continued from Page 2

must see themselves inside the picture we're creating for them. How can we get them inside that picture? Words! However, we must first determine why the prospect needs a particular item.

There are 3 steps to putting them emotionally inside the picture. The steps are actually 3 small words. *Point, Tell* and *Paint*! First, *Point – point out the primary interest* which is *what they said they wanted or needed when they came into the store*. Second, *Tell* or *remind them of the key issue*. *Identify your idea or solution to their need*. Third, *Paint a word picture*. It's *WHY* they want the item.

Let's say you have a customer in your parts store and he's looking for a recycled part for his F-150. It's about hubcaps. You have your 3 words, **Point, Tell** and **Paint** to rely on. Pay attention to my underlined words because this is where you insert any necessary words to create this customer's desire for your hubcaps. When this customer tells you that his F-150 isn't new but he is missing some hubcaps on this truck, you need to move the conversation to **Point, Tell** and **Paint**.

Point: You state "John, "You want a <u>matching set of hub caps that will fit and update your 2 year old F-150 truck</u>, is that correct?" You are looking for an affirmative response. You figure he wants to replace only what's missing but you may not have the exact match in stock. You're getting the customer to reiterate what he needs or wants but at the same time you're also making sure you understand his need too. Get ready for **Tel**l.

Tell: "John, our <u>inventory doesn't indicate that I have 2 hubcaps exactly like the ones on your truck. However our <u>line of custom hubcaps</u> right over here will do that for you." "This special set can create a fresh and radical look for your truck that will bring you a 2016 look." Now get ready to add **Paint.**</u>

WE WILL GO THE EXTRA MILE

Because Recore Trading Company treats others how we want to be treated, we are known for our prompt, courteous and friendly service with immediate cash payment. And most of

our customers are not only our suppliers, they are our neighbors and have become long lasting friends. You get MORE at RECORE!



in his signature plainspoken style, providing field-proven, and high-profit best practices well ahead of the business news curve. Ron is the author of nine books, including *How to Salvage More Millions from Your Small Business*.

To inquire about consulting or keynote speaking, contact Ron at 817-834-3625, ext. 232, rons@MrMissionPossible.com, 5940 Eden, Haltom City, TX 76117.

Paint: "John, You could easily own this new "head-turning" look and be the envy of everyone you pass while traveling along Route 66". Then you ask John, "Is this really what you want?" You've painted his emotional picture! John is now seeing himself in his 2 year old F-150 which originally had a couple missing hubcaps now sporting a matching set of RAD hubcaps. He's also seeing heads turn while he's driving down the highway and he likes how he looks. By the way, it isn't necessary to use the customer's name through each step of Point, Tell and Paint. Personally, I feel using their name increases their trust in you because you care enough about them to use their name. Customers as a whole like to hear their names. However, if you do use a customer's name at every step, make sure you're pronouncing it correctly.

At this point, when the customer answers that he's interested in that set of hubcaps for this F-150, he's really saying that he likes and trusts your opinion. He definitely likes the picture you painted for him. He wants to hear more from you, and if the price is right, he'll probably buy those special hubcaps without too much apprehension to cost.

In our recycling business, sometimes we have what a customer needs and sometimes we don't. Like the movie trailer business, recyclers can also paint pictures in the minds of customers so they see their need for our product. Using Point, Tell and Paint more and more in our business might bring us more consistent part sales. As you continue using this painting technique in your store, the process will become easier and easier each time you use it. Soon you'll be painting without thinking about it. Let me know if this technique helps you.

Another thing, I've used the Point, Tell and Paint technique on my grandchildren when they're doing something that could result in an injury. I have found if I paint a picture of them falling, bleeding and going to doctor to get x-rays and shots, they will sometimes stop doing what they're doing to avoid the picture I just painted for them. Try it. It might work on your grandchildren too.

See you next time.

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D. J. Harrington is an author, journalist, seminar leader, international trainer, and marketing consultant. He works primarily with customer service personnel, and his clients include such world-class companies as General Motors, DuPont, Caterpillar and Damon Corporation.

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Exhibiting at the ARA 73rd Annual Convention and Exposition



Recore Trading Company will be exhibiting at the ARA 73rd Annual Convention and Exposition at the beautiful Inner Harbor in Baltimore, MD, October 26-October 29, 2016.

It's a perfect opportunity to check out old and new products/services within the automotive recycling industry. There will be over 100 exhibitors and ARA is expecting record turnout of attendees. In addition to learning a lot from the keynote speakers and seminars, you will enjoy the camaraderie, great food and beverages and so much more. There are people who attend every year and now with it being held in the northeast many more people from our area will go because it's so close to home.

If you do make it to the show and we hope you do, please come by Booth #524 to say hello to us.

For more information on the show, visit www.araexpo.org.



Emotions Affect Why People Do or Don't Buy! Part 1By Mike French

It's hard to believe how many years it has been since the infamous September 11 attack on the World Trade Center. Still, strong emotional images of jets crashing into the twin towers remain in

most of our minds. The attack had an immediate negative effect on many businesses across the country. But there was one HUGE exception. The sale of anything patriotic, especially the American flag, skyrocketed. Supply could not keep up with the demand. That's because sales were driven by strong emotions!

This came as no surprise to those of us in marketing. The fact is, all buying decisions are emotional decisions at a very basic level. Professional marketers understand this truth and work hard to include emotional triggers in the ads they create so the ads will drive sales.

Unfortunately, many people seem unaware of the emotional factor when they try to create successful ads. A lot of their ads are bland and boring with no emotional triggers at all. Have you looked at the ads in your own yellow pages? I travel regularly from coast to coast and look at the yellow pages in hotel rooms wherever I am. Most yellow page ads look like enlarged business cards and have zero emotional impact. It's getting worse with the arrival of easy-to-use graphic design programs. They



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Recore Trading Company has spent years analyzing 1,000's of cats in their lab and have proven time and time again that no grading system will maximize a customer's profits.

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make it possible for anyone to design their own ads. When a person doesn't know about emotional advertising, they come up with very bland stuff. Sad to say, most of their efforts will bring them disappointing results.

Consider this as a "crash course" on emotional modifiers that affect why people do or don't buy. Study these little gems to learn to create emotional ads that will generate the response you need.

Emotional reasons people don't buy:

No Interest. It's hard to sell to someone who's not interested in your products or services. You need to create emotional interest by pointing out and solving problems for them.

No Desire. You can't cause desire unless you have interest. But once you have interest, desire is easy to create. You create desire when you help people understand how the product or service will actually satisfy their dominant emotional buying motive.

No Hurry. Procrastination is a killer. You must create a sense of emotional urgency to get them to buy now.

No Need. You must create an emotional need in the mind of your prospect.

No Trust. Lack of credibility or lack of respect is an emotional deterrent to response. You gain trust with sincerity and knowledge. You build confidence by positive testimonials from other people whom your prospects already trust and respect.

No Money. This is rarely true: People can get money for what they emotionally want. You must create value so it can emotionally overcome the money issue.

Next month, emotional reasons people do buy.

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ARA's 73rd Annual Convention By Jim Jennings

"We are excited about the possibilities that the Baltimore from Car-Part.com, discussing the use location provides for automotive recyclers up and down of their toolbox such as adding images the East Coast," said Michael E. Wilson, CEO of Automotive Recyclers Association, speaking about this organization's 73rd annual Convention. The Convention and Exposition will be October 26-29, 2016 in Baltimore's inner harbor. The exposition is expected to be sold out with over 100 vendors.

The highlight of both the convention and the exposition will be the Saturday session on Using Technology to Stay Competitive in the Auto Recycling Business. This full day series of meetings will bring automotive recyclers together with Hollander to discuss Inventory Management using the Powerlink System Management tool. They also will hear

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As the ferrous and nonferrous markets change, we will keep you informed via a blind group email. Most yard owners are way too busy running their business to watch the markets all day. How many times have you said I wish I knew the market was dropping/climbing I would have sold or held? We keep an eye on the markets all



day and when there is a significant change, up or down, we will let you know. This information can have a direct impact on your bottom line, so sign up today. It is absolutely free and there is no obligation. To get on our list, send your email to Pat at: sales@recoretrading.com. Get MORE at RECORE!

to help boost sales, new approaches to using eBay listings that may improve the efficiency of their business and, in these tight economic times, help boost sales. Other featured speakers



Monotive Recyclers Associa

will include Crush, an automotive recycling management system as well as Power-DB productivity suite.

The annual convention and exposition is an ideal opportunity for ARA members and non-members to network with fellow recyclers, gain more insight into what works and what doesn't work in some businesses, and perhaps find out why. It also allows recyclers the opportunity to open up and speak about their wish list, what they would like to see explained or introduced. It also gives those members who may not participate in some of ARA's committees the opportunity to sit in on committee meetings and possibly find an opportunity to join one of the committees. During the three days of the event ARA conducts many educational programs and also features a special Ladies of Automotive Recycling Association (LARA) meeting where women who either run a recycling business or are very involved in the business can network with other women in the same business.

Wilson noted that as it becomes harder and harder to compete in today's market, the ARA Convention and Expo is an opportunity to learn about and secure the tools and

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ARA's 73rd Annual Convention Continued from Page 7

services you need to succeed.

Also during the program the Presidency of ARA is handed over to the incoming president. ARA's structure is such that members of the Executive Committee are in line to succeed outgoing officers, from the Secretary, to a vice president/treasurer, and first vice—president. This succession

planning allows members to gain a first-hand education and knowledge of working with and for the association and gaining a deeper understanding of the goals, the difficulties and the challenges facing the industry and the association.

For more information go to www.araexpo.org/2016/

Laughter is the Best Medicine

First Football Game

A guy took his blonde girlfriend to her first football game. They had great seats right behind their team's bench. After the game, he asked her how she liked the experience. "Oh, I really liked it," she replied, "especially

the tight pants and all the big muscles, but I just couldn't understand why they were killing each other over 25 cents." Dumbfounded, her date asked, "What do you mean?" "Well, they flipped a coin, one team got it, and then for the rest of the game, all they kept screaming was, 'Get the quarterback! Get the quarterback!' I'm like, hello? It's only 25 cents!"

The Blonde and the Shepherd

Tired of constant blonde jokes, a blonde dyes her hair brown. She then goes for a drive in the country and sees a

WE WANT TO EARN YOUR BUSINESS!

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shepherd herding his sheep across the road.

"Hey, shepherd, if I guess how many sheep are here, can I keep one?"

The shepherd is puzzled but agrees. She blurts out "352!" He is stunned but keeps his word and allows her to pick a sheep.

"I'll take this one," she says proudly. "It's the cutest!"
"Hey lady," says the shepherd, "If I guess your real hair

color, can I have my dog back?"

The Affair

A married man was having an affair with his secretary. One day, their passions overcame them in the office and they took off for her house. Exhausted from the afternoon's activities, they fell asleep and awoke at



around 8 p.m. As the man threw on his clothes, he told the woman to take his shoes outside and rub them through the grass and dirt. Confused, she nonetheless complied and he slipped into his shoes and drove home. "Where have you been?" demanded his wife when he entered the house. "Darling," replied the man, "I can't lie to you. I've been having an affair with my secretary. I fell asleep in her bed and didn't wake up until eight o'clock." The wife glanced down at his shoes and said, "You liar! You've been playing golf!"

Pretty Face or Sexy Body?

A wife asked her husband, "What do you like most in me, my pretty face or my sexy body?" He looked at her from head to toe and replied, "I like your sense of humor!"

















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