

RECORE *Newsletter*

TRADING COMPANY, L.L.C.

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

The Numbers Are Out

By Don Belisle, Sr.

July sales numbers on new cars are out and they are not pretty. GM is down 15%, Ford down 7.5% and other manufacturers are in similar situations. Manufacturers have had a pretty good run with great sales in the



recent past so this downturn is somewhat expected. There are as many theories as to why sales are down as there are “experts” to predict them. One of the more popular views out there is that buyers are waiting for the self driving cars, which they feel are right around the corner. Personally, I feel the sale of self drivers is decades away because even if the technology could be squared away in the near future, the legal/liability matters will take years or decades if ever to be settled. Others think buyers are waiting for electric cars to be more affordable with better battery life and reliability. There could be something to this theory. Some manufacturers are putting tremendous effort into electric car technology. Obviously, they feel there will be a market for their product. The Renault/Nissan electric car alliance builds more electric cars than anyone else worldwide. They claim to have a version in the near future with a very affordable price tag. This new inexpensive electron burner will be primarily targeted to China but will also be marketed worldwide. We’ll see!

I offer another opinion with regard to the US market. We sell way more new cars every year than we scrap. The only exception was the Cash for Clunker Program of 2009/2010. (See the chart below.)

There were millions more cars sold than scrapped.

Ever better technology has produced cars that last longer and break down less. Overall, this is progress and is a good thing; however, at some point the rate we scrap must at least equal the rate we sell. If not, where are we going to keep all these cars? I know all of us in the auto scrap industry are poised, ready and anxious for an influx of inventory. If

the ferrous scrap prices were a bit higher, it would certainly help get cars into the scrap yard. Obviously, we have no control over that but some (including me) predict better days to come.

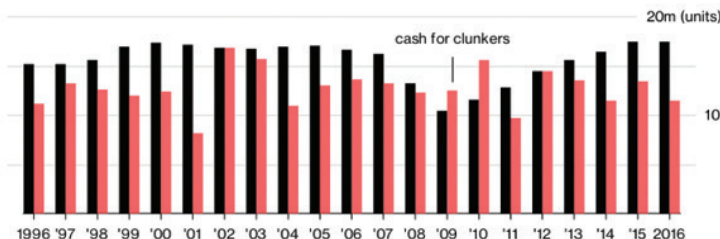
Palladium/Platinum Ratio

In the beginning of the catalytic converter industry pt (platinum) was the metal of choice. It was a well known

Underscrapped

For years, dealerships have been moving cars out much faster than junkyards are moving them in.

■ new vehicle sales ■ scrappage *



* (new vehicle sales - change in vehicles registered)
 Source: Bloomberg Intelligence

Bloomberg

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The Numbers Are Out *Continued from Page 1*

element with regard to chemical reaction with internal combustion exhaust gases. It has always done a good job converting harmful exhaust gases to non-harmful ones. As technology and research progressed, it was realized that pd (palladium) could have the same effect but do so more cost effectively. This trend has evolved and continues today. This is true in gas powered engines only. Pt is still the main element used in diesel engines. I have been saying for years to watch the price of pd to get an accurate guide to scrap converter pricing, more so than pt. In the converters coming in our door from all over North America, we currently see their content to have twice as much pd as pt! This is a complete reversal of the early days. Well, the markets are certainly paying attention to the supply/demand of the two metals. Auto converters are

the biggest consumers of pt and pd in the world. Five years ago the prices were pt \$1600.00 and pd \$600.00 per troy oz. The price pd/pt ratio was 38%. One year ago pt was \$1150.00 and pd was \$700.00 with a 61% ratio. Today pt is \$938.00 and pd is \$900.00 the ratio is 96%. It won't be long before pd passes pt. I had a large supplier call me this week saying that he knows the market is down but that he may be interested in selling his converters. This supplier holds his converters for years at a time and then sells many thousand pieces at once. Obviously, he was looking at pt pricing. I explained to his delight that pd pricing was up and his converters had twice as much of that as they did pt! Bottom line - When trying to get a feel on scrap converter pricing, look to pd first.

Thinking Outside the Box *By D.J. Harrington*



Having returned from NACE's Automechanika held in Chicago, Illinois, I have much to report. From my perspective, even though the McCormick Place Convention area housed lots of helpful and informative vendors, it seemed like there were less attendees

than last year. That's not good!

When fellow auto recyclers that come all this way to get to the convention, it amazes me why would they not want to visit as many exhibitors as they could. Why wouldn't they want to learn how someone could help improve their bottom line? If you did visit that area, you would have found me enrolling lots of businesses in Car-Part Pro. If you are a repair facility, there isn't any charge to enroll. One of my customers told me, "Car-Part Pro is like Car-Part.com on "Steroids." It is so fast. Think outside the box; check it out for yourself.

With our busy lives and schedules, we forget to stop and reflect. Therefore, right now, let's think outside the box together. These days, a few recyclers are indeed thinking outside the box. Some people trip over the box. Others

fall into the box. My prescription for you is to "Think Outside the Box".

All of us know Ricky Young, Past President of ARA. A few months ago, at a Buy Here, Pay Here Convention in Las Vegas, I turned around to find Ricky Young and four of his people standing there. That's right! Ricky has 5 Buy Here, Pay Here locations. Last year, we had 7 to 8 different recycler groups attend the Buy Here Pay Here training in

Las Vegas wanting to learn the business. The Fox family from Michigan came just to glean tips on running a successful Buy Here, Pay Here location. All of these dealers are *thinking outside the box* for their businesses.

There's a box full of money that a recycler could make for selling 5 to 12 cars per month if they learn and train outside the box that is. Did you know that joining the Buy Here Pay Here Association doesn't cost you anything? It's free to join! NABD is the National Alliance of Buy Here, Pay Here Dealers. For more information and learn much more from about

them, visit www.bhphinfo.com.

NABD is "thinking outside the box" too! I can help you save more money if you book your next NABD trip NOW. For anyone whose reading this column that wants to go to the next Buy Here, Pay Here conference, it's being held in sunny and relaxing Orlando, Florida on October 23rd – 25th. Perfect setting for "thinking outside the box"! Want to know if Ricky Young is going? Ricky's thinking outside the box and has already booked himself to attend and so have a bunch of other recyclers.

To receive your "Thinking Outside the Box" discount, call NABD now at 832.767.4759 and mention that you read this article. Use my name, *D.J. Harrington, "The Car-Diologist"*. If their phone rings busy because many of you are thinking outside the box at the same time, then call me on my mobile number at 770-301-4122. Early bird, "outside the box" thinkers will receive \$120 off the regular

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OUR DOCK IS OPEN MONDAY THROUGH FRIDAY

Recore Trading's dock is open Monday through Friday from 7:30 AM to 4:00 PM for drop off with professional buyers available for immediate cash payment.



Thinking Outside the Box *Continued from Page 2*

price for coming to the conference. This “outside the box” offer won’t last long.

Learning from experts in the business at the next conference could change your life forever. If you are a recycler with discipline, your future would be much brighter after coming to Orlando, Florida in October. Yes, Steve Siebold, the guru of Mental Toughness is one of many speakers presently holding a workshop at this upcoming NABD Conference. You’ve seen him on the Fox Business Channel many times in the last few years.

I love to see recyclers thinking outside the box who also strategize how they can take better care of their families for years down the road. If your business stays inside the box, then your future won’t be any brighter than it is right now. Attending Buy Here Pay Here conferences are excellent ways to think outside the box. If you have what it takes and can think outside the box, check it out now. Until then, see you next time.

D. J. Harrington can be reached at 800-352-5252, email: dj@djsays.com, website: www.djsays.com.

Find a Good Mentor – And be a Good Mentee **By Ron Sturgeon**



The first article in this series listed more than 25 tactics to increase your business success, all of them based on my experience. I started with nothing and didn’t get to college, so I know you can achieve maximum success, regardless of your education. E-mail me to get the first article (or any of the other articles) in the series. Each takes a closer look at one of the tactics listed in that first article.

Good mentees are very hard to find. I am asked a lot to be a mentor and usually decline. I only want to help someone I consider genuine, engaged, and capable of learning and being a good mentee. Many said they wanted to learn but really only wanted shortcuts to success. They weren’t fully engaged or capable of learning. Many millennials, frankly, just didn’t want to work hard enough. I am ok with that, so long as they don’t complain that they want more success or money.

One mentor I spoke to recently said he stopped looking for mentees. He’s found that the best ones come looking for him. They are hungry. He doesn’t have to ask if they want help. So don’t be afraid to ask someone to be your mentor. You might be surprised when they say YES!

What does it take to be a good mentee?

- A good mentee is hungry for knowledge; they are competitive and they don’t want to waste time reinventing the wheel; they want to learn fast and learn all the basic things from someone that’s done that, while benefiting from more advanced items like the strategies of success and leading people.
- Respect their time. Have scheduled meetings; once monthly is good.
- Come with a notepad, keep good notes. I require everyone to have a journal for meetings, with dates at the tops of pages, and numbered pages. The numbers make it easy for us to refer to items in the notes.
- If you had an assignment, report your progress on that item. Start by telling the mentor what you learned last month and how you’ve used it.
- Come with a list of meaningful questions to the meeting.
- Be prepared for the RAW truth. The world is a tough place; a good mentor is going to tell you the truth about what you

need, and when you aren’t doing the right thing. The absolute best mentors will push you to the breaking point; they are intuitive to know how much you can handle. Then they pull back slightly.

- If you aren’t prepared to work hard, and be honest with yourself about what you want to learn, then you won’t make a good mentee, and you will fire yourself or be dismissed. Good mentors don’t have time for slackers.

- When you have a track record of proven success delivering results and leading teams, coupled with good experience, you will hopefully become a mentor. Until then, listen and learn.

I’ve had a few over the last few years. One, who seemed particularly smart and aggressive, I gave 3 books to read, with instructions to read one monthly and

get back to me when they were ready for more. Remember, a goal without a date is a dream. A year later, and about a dozen meetings later, I asked him how he was doing on the books. He said he was still working on them. At that pace, that mentee will take 5 years to learn what he should have learned in one. Also, projects he was given went undone even though they also seemed enthusiastic about the project at the outset. I called it passive resistance. A lot of times, I believe it was because he simply didn’t work hard enough or prioritize his time properly, but some items, like putting salespersons on commissions instead of salary, were just plain hard to do, and he just didn’t have the strength to do them. This business of leading is hard, and it requires hard decisions. Many want it, but few are suited for it.

Remember only you can make business great!

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CATALYTIC CONVERTER EXPERTISE



Recore Trading

Company has been in the catalytic converter business since the very beginning of catalytic converter recycling. With over 28 years of precious metals experience, we have assay based knowledge to group similar metal content cats together and process them that way for maximum return.

Find a Good Mentor *Continued from Page 3*

Ron Sturgeon, Mr. Mission Possible, has been a successful business owner for more than 35 years. As a small business consultant, he can deliver 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 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 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.

Business Development Representative (Outside Sales)

By Jim Counts



The concept of a Business Development Representative (BDR), as I understand it, is the recycler hopes to get more sales and/or have better customer retention. I must say the goal is great but the implementation sometimes leaves a lot to be desired. The

reason I say this is a lot of recyclers have a lack of understanding of the key numbers they should measure and their affect on sales. All too often recyclers decide they need this position because sales are falling off or they can't seem to increase sales without realizing that what they buy or don't buy is the real reason.

Basically, for the BDR to be affective we have to have something to sell which you would not sell without having the outside salesperson (BDR). While this may seem like a redundant statement when we often have a warehouse full of parts we need to understand that measuring sellable inventory is about numbers and not how full the warehouse or yard is. Quite often, the warehouse is full because we pull more parts than we have demand for and/or we buy vehicles because they are cheap instead of what the customers are actually looking for.

Are you selling all you are buying? When you buy a vehicle you estimate what it will produce in sales in order to determine what to pay for it. Make sure this figure gets entered in your vehicle record. Every inventory management system has a



field in the main vehicle record for this figure. Then compare what you bought in total estimated sales during the last 120 days to what you sold from your entire inventory during the same period. Add the normal crush and core dollar value for the number of vehicle purchased to your in-stock sales during that period. Most of the time we discover we are selling everything we are buying! If so than the BDR has no chance of increasing sales and you need more sellable inventory, not another salesperson.

Another key number to consider is the average year of vehicle your company processes relative to the customer you are focusing on. In order to be a supplier of insurance companies and dealerships you need to be processing vehicles that have an average year of 7-8 years old or newer. If the average year of vehicles your company buys is older than this we need to realize this is not really a viable insurance product. Most older vehicles which are involved in a wreck are totaled and therefore more likely to be something you buy from the salvage pool than something you sell body parts to repair.

Another key factor in determining if soliciting business will be successful is management's attitude toward brokering parts. If you want to keep your current customers or acquire new ones you have to be in a position to say YES when they call. This means you either have to have the parts they need or get them from another recycler.

All this is said to point out that we need to evaluate what type, quantity and quality of vehicle our company buys and our attitude toward brokering parts before we determine if this position has a chance of being successful. Otherwise, we tend to blame the BDR for not increasing sales instead of realizing they had no chance of succeeding from the start.

Once you have determined that you have extra inventory to sell, have a good brokered parts program the salespeople utilize and the systems in place to buy and process extra sales then and only then you MAY be ready to have a BDR.

Once we have determined the need for a BDR let's discuss how they may be the most help to a *continued on page 5*

STATE-OF-THE-ART EQUIPMENT

Recore Trading Company is the only catalytic converter buyer throughout the Northeast and beyond with a state-of-the-art in house precious metals lab, milling and sampling line and de-canning stations. Selling to us cuts out all of the middlemen and you will maximize your bottom line.



recycler: For most recyclers our greatest potential for increased sales is not body shops, its garages. If you doubt that take a walk thru your warehouse and see how many engines, transmissions, differentials and high dollar mechanical parts you have and then look at what they average selling for. These are big ticket items and we have a lot of them, so why not go after that business as our primary focus?

To be effective remember that shops and garages are busy and usually have a negative attitude toward soliciting. Therefore, you need to come prepared to help them make more money, because they care about their profits and not yours. One way to do this is to come prepared to show them how you can help them make more money by purchasing your parts. An example of how to approach a garage might be to show them why they should buy your parts because you have extended parts and labor warranties on mechanical parts. These warranties help the garages win more bids because our parts are cheaper than remanufactured or new parts, even with the cost of the warranty, and you can usually match the new part warranties. An added benefit is our warrantied part relieves the garage of possible losses due to a part failing and allows them to offer a better warranty to their customers at no cost to the shop. This also produces a nice net profit for the recycler, if the program is set up correctly.

If you buy a lot of late model vehicles with good body parts go to the body shops that repair this type of vehicle. A lot of times they are able to influence the insurance companies as to who is a preferred supplier. The insurance companies are now using on-line sources to locate parts instead of calling a recycler as in the past. Therefore, the key to getting your name on an insurance quote is having what they are looking for and having the shop want to buy from you. Also, the

insurance companies are now REQUIRING body shops to use recycled parts so there is little benefit in trying to contact them directly.

Another way to recover former customers is to get a list of businesses that have previously purchased from your company but for some reason have stopped. Call or visit these places and try to get them back. You may find they had a bad experience and you can work out a resolution or give them a credit toward their next purchase.

Do some research and see which shop does the most business with you and then divide that volume by the number of bays they have. Use this dollar figure to determine the potential of other shops and focus on the ones that could be buying more from you.

Take a look at your delivery drivers and delivery vehicles. This is who the shops see and are often the real representative of your company and product. Do they look professional, is the delivery vehicle clean and the parts well protected when they are on the truck? Can the driver deliver any part without the shop having to stop what they are doing and help them?

Remember that our industry does not have what the customer needs about fifty percent of the time. That is why buying is the most important job in our industry and we need an effective brokering program. For a BDR to be successful they have to have something to sell. Otherwise, they make the phone ring but sales just get shifted from one customer to another instead of going up and staying up.

Jim Counts, Counts Consulting, Ltd., Providing Organizational and Financial Development for Dismantlers. Jim 817-929-3112, Email: Jimcounts@USA.com. Website www.CountsConsulting.com. Copyrighted information 2017. All rights reserved.

18th Annual Tony Leone CAR Golf Tournament

Recore Trading Company was happy to support the CAR (Connecticut Auto Recyclers) Association and their 18th

annual Tony Leone Golf Tournament with our golf cart and tee sponsorships.

Held on August 1 at the Chippabee Golf Club in Bristol, CT., the tournament is named after Tony Leone who was one of the founding members of the CAR association. Tony, an avid golfer thought it was a good idea to start a golf tournament. When Tony passed away



Two of the tournament organizers, Mike Bozzuto from Sim's Management and Diane Eitvydas from Tom's Foreign Auto Parts

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Recore Trading Company sponsored a golf cart and a tee for the tournament.

PLATINUM GROUP METALS KNOWLEDGE

Recore Trading Company has spent years analyzing 1000's of catalytic converters in our precious metals lab and have proven time and time again that no grading system will maximize a customer's profits. The value of just one cat from the same year, make and model vehicle can vary from \$70 to \$185 based on the precious metal content.



Cruising Downtown 2017, Saturday, September 2

Downtown Manchester, NH

Cruising Downtown 2015 welcomed and featured special guest, Dennis Gage, the host of the television show "My Classic Car". It was the biggest Cruising Downtown to date and work is underway to make this year's event bigger and better than ever.

Last year's event drew more than 850 classic cars and trucks to the streets of downtown Manchester up and down Elm St., along the side streets and in Veterans Park. More than just the numbers, we saw unique vehicles that even car enthusiasts don't see at the average show. People that have never been to the event before came and the feedback has been great. Many plan to make the trip again this year. Along with the cars, there will be food vendors, folks with classic memorabilia and so much more in Veterans Park. The cars and large crowds mean the world to the local non-profits who will end up benefiting from the proceeds of this event.

Live Entertainment Throughout the Day!

Permanent Vacation from 9 am to 11:30 am on the Mobile Stage! In front of 1000 Elm St. Permanent Vacation, from New Hampshire, plays a wide range of music from the Beatles, the Rolling Stones, the Marshall Tucker Band, Sugar Ray, Green Day and more.

Blacklight Band! from 9 am to 11:30 am on the Veterans Park Stage!

The BLACKLITE Band, is a Classic Rock cover band. If you grew up listening to the Beatles, The Kinks, The Doors, and more, then you'll love BLACKLITE! We'll transport you right



into the heart of the greatest era of rock music ever made!

SPEED TRAP! from 12:30 pm to 3:30 pm on the Mobile Stage! In front of 1000 Elm St

Pure Rock & Roll from the 60's & 70's

Nashville Rash! from 12:30 pm to 3:30 pm on the Veterans Park Stage!

Do you remember when country music actually sounded like country music?

Nashville Rash is a group of six seasoned musicians dedicated to the preservation of that true country sound. Powered by bass, drums, acoustic guitar, 2 electric guitars and pedal steel, Nashville Rash performs covers of legendary country music songwriters and artists such as Johnny Cash, Merle Haggard, Ray Price, Dwight Yoakam, George Strait, Johnny Paycheck and Dale Watson to name a few. Not to be limited by only hits of the past, many of our covers are current and played nightly in the clubs and honky tonks in Texas and throughout the west. They just don't fit the record company and radio station formula for "pop country." The overall result is a blend of traditional country music and western swing that can only be described as straight up "Texas Honky Tonk."

With today's "new country" becoming more like seventies rock n roll with cowboy hats, Nashville Rash remains true to our slogan "2 country 4 country" and we are proud to be known as the "honkiest tonkiest band around." Received well by young and old alike, Nashville Rash will have you toe tappin, foot stompin, line dancing, two stepping, or just plain dancing any ole way you want from the time the first note is played until the last note fades.

96.5 the Mill live radio remote broadcast with Loanis from 11 am – 1 pm.

Handicapped parking is available directly behind City Hall and along Franklin St.

For more information and for a complete list of sponsors and charities benefiting from the show, please visit www.cruisingdowntown.com.

Cruising Downtown is hosted by the Rotary Club of Manchester with all proceeds benefiting area non-profits.



WHAT ARE YOU WAITING FOR GIVE US A CALL TODAY!

The Recore Trading Company team is always looking for new, innovative ways to earn your business. Customer satisfaction is our utmost concern and we promise you prompt, courteous and friendly service based on our core values—honesty, trust and dependability. After all, most of our customers have become our long lasting friends. So if you've been thinking about calling us, give us a call today!



OVERBUILT HIGH SPEED CAR CRUSHERS

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CAR Golf Tournament

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Sara Bozzuto, the official photographer

in 2006, the C.A.R. association decided to rename the golf tournament in his honor. Every year the tournament raises money to donate to several children's hospitals, including Yale New Haven Children's Hospital and Toy Closet, Newington Children's Hospital and The Shiners' Children's Hospital.



Jim Eitvydas from Tom's Foreign Auto Parts, Mike Noddin from Founders Insurance, Don Mahony from Tom's Foreign Auto Parts and Bob Druan from Classic Tools, all had a great time!

ROLL OFF CONTAINER AND PICK UP SERVICE

Recore Trading Company offers roll off container and pick up service throughout the Northeast for all automotive scrap they purchase. They provide prompt, courteous service with immediate cash payment by some of the best people within the industry.



Laughter is the Best Medicine

Sorry, more blonde jokes:

A blonde pushes her BMW into a gas station.

She tells the mechanic it died.

After he works on it for a few minutes, it is idling smoothly.

She says, "What's the story?"

He replies, "Just crap in the carburetor."

She asks, "How often do I have to do that?"



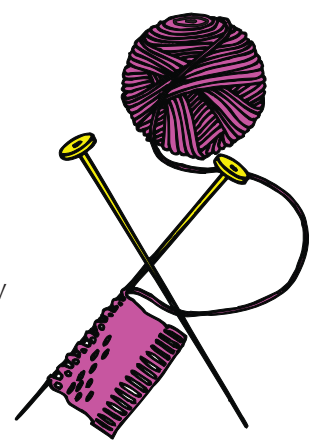
Two blondes were in a parking lot trying to unlock the door of their Mercedes with a coat hanger. They tried and tried to get the door open, but they just couldn't! The blonde with the coat hanger stopped for a moment to catch her breath. The other blonde said anxiously, "Hurry up! It's starting to rain and the top is down."

A Police car pulled alongside a speeding car on the motorway.

Glancing at the car he was astonished to see that the blond behind the wheel was knitting!

Realizing that she was oblivious to his flashing lights and siren, the cop rolled down his window and shouted "PULLOVER!"

The blonde rolled down her window and yelled back "NO, IT'S A SCARF!"



PROUD MEMBERS OF:



WE WELCOME YOUR COMMENTS Please know that any article or information in our newsletter is the expressed opinion of the writer. If you are enjoying our newsletter, we'd love to hear from you and if for any reason you are not, just let us know, and we will remove you from the mailing list. Contact us at sales@recoretrading.com.