

Roy Auto Parts Co. (2 stores)

Willimantic, CT

Jobber Retailer, 50% DIY

Bud McCallum - Owner, General Buyer

- Purchases from Warehouse Distributor: buys what's available, foreign or domestic (usually imported goods for imported cars, domestic goods for U.S. autos)
- There is a movement to lower margins. Sees Wal-Mart as a significant competitor.
- Although purchases on an as-needed basis (Warehouse has 1-2 day lead time only) from Distributor, he does like visits from manufacturer's (factory) reps. They are more knowledgeable about their products than Warehouse sales force or Rep firms. The factory reps come only infrequently, however.

Hot Products/Categories in '92

1. Accessories for 4WD vehicles : Rocker panels, roof racks, tire carriers
2. Spoilers
3. Replacement Convertible Tops
4. Sunroofs
5. Running Boards
6. Leather interiors
7. Graphics
8. Roof racks

Hottest Markets in '92

1. Utility Vehicles
2. Japanese Imports
3. Cadillac El Dorado & Seville

Central Auto Parts (3 stores)

Skowhegan, ME

Jobber Retailer

Dale Watson - GM, General Buyer

- Business in general is increasing. Exhaust Systems sell well. Spark Plugs/Points/Carburetors being phased out by technological change.
- Sells Imported/Domestic products interchangeably. He does not notice any differences in cost, packaging, or quality
- Retailer margins high in new chemicals until picked up by Discount Stores (Wal-Mart, etc.). Oil, routine chemicals (antifreeze, windshield washer fluid, etc.) all very low margin as discounted widely. General trend to lower margins, increase turns.
- Seasonality - Antifreeze and Windshield Washer Fluid are ordered and sold to Retailers starting in August for winter season. He sees little seasonality in general, as more cars have air conditioners and battery replacement is not only a winter experience.
- He is doing well selling car care products to Reconditioning Shops (has a truck just for this end of the business). Has to be careful about extending credit to these shops as they are often low investment, short-lived enterprises.
- He likes Reps that show product and pricing and tell him who else is buying the product. "Who's competing?" He will buy non-competing products.