As we label those file boxes 2014 and file last year away in the storage room, the board of directors, officers and staff of NYSAAA want to take this opportunity to thank you for all of your support in 2014. Your support made it possible for us to continue to bring programs and products which save our members money while promoting the interests of all of us in the automotive aftermarket. We saw a great reduction in the number of members selling or closing their businesses in 2014 and for that we are most grateful. We hope that there is some stability coming to our industry in New York State. We would like to welcome all our new members who joined in 2014. We hope you will find NYSAAA a rewarding experience as so many of our members have for decades.

Government regulations continue to influence our business. 2014 was a year when we all had to implement the new catalytic converter law and starting with 2015, we will all have to deal with the increase in the new minimum wage that New York has mandated. Usage of our website by members increased significantly in 2014. More members are finding the convenience of placing orders at our website, especially after normal business hours. Our business services grew significantly last year. We are grateful for those orders, but even more pleased that our members are saving more and more on these products.

We look forward to changes in 2015. A new Congress has the potential to do great things that hopefully will have positive effects on the economy. The lower prices on gas have already had a positive influence. If the prices continue to drop to below $2.00 a gallon, it most definitely will have a major impact on the economy, not to mention, save our members hundreds or even thousands of dollars every month. We are very optimistic that 2015 will bring positive changes to our country’s economy, our industry and most importantly our hard working members.

As we embark on 2015, we would like to reflect on all that we have to be thankful for. We are most thankful that we have so many members that are not only valuable business associates but long time dear friends. We look forward to growing those relationships in the year ahead. All of us at NYSAAA send our best wishes for a healthy, happy and prosperous year in 2015.
John J. Lorenzen and Debbie J. Tranello Memorial Scholarship Funds

**Fund purpose:** To financially assist those persons wishing to continue their education beyond the secondary level, in pursuit of a career in the automotive aftermarket industry.

**Who may apply:** Applications will be accepted from persons who have achieved one or more of the following requirements:

- High school seniors who have a good academic standing and are involved in a class which may be related to the automotive industry
- Persons who are enrolled or planning to enroll in an accredited college or university, and are working or planning to work toward an Associates or Bachelors degree
- Persons who are high school graduates or hold a GED certificate and are currently employed in the automotive aftermarket industry

The applicant must be committed to a career in the automotive aftermarket industry and enroll in a college or university that will prepare a student for such a career. Students may want to consider the Automotive Aftermarket Programs at Alfred State SUNY College of Technology, Morrisville State SUNY College of Agriculture and Technology and Northwood University in Midland, Michigan or West Palm Beach, Florida. The applicant must be a resident of New York State.

The Debbie J. Tranello Memorial Scholarship may be used for degrees other than automotive. The Board asks that you use good judgement and consider members and their families; we want to encourage women as well as men for either consideration.

**Number of awards:** There will be a minimum of one scholarship awarded each academic year, payable to the school. The student must complete the academic year or the school is responsible for returning the money to the New York State Automotive Aftermarket Association. Scholarship money may only be used for tuition. The dollar amount will be decided by the Board on a yearly basis. The Board of Directors and the Scholarship Committee have awarded one or two scholarships every year since 1990, for a total of twenty-five straight years.

Online Applications Now Available for 2015 GAAS Scholarships

Applications are now being accepted online for the 2015 Global Automotive Aftermarket Symposium (GAAS) Scholarship program. By completing a single online application, students will be considered for the GAAS Scholarships, other Industry partner Scholarships and the John J. Lorenzen and Debbie J. Tranello Memorial Scholarships awarded by the New York State Automotive Aftermarket Association.

The application process is now completed online through the GAAS Scholarship website at: www.automotivescholarships.com. New York State applicants can use the NYSAAA link on the website as listed above. The deadline to apply is March 31, 2015. Unsuccessful candidates may reapply for consideration the following year and any year thereafter.

The Scholarships are available to students attending Vocational schools, two year Technical college programs and four year college programs. To receive a GAAS Scholarship, applicants must be enrolled full time in a college level program or a (NATEF/ASE) National Automotive Technician Education Foundation certified Automotive Technical program. Graduate and part-time undergraduate programs do not qualify.
IRS Announces 2015 Standard Mileage Rates

The Internal Revenue Service has issued the optional 2015 standard mileage rates for taxpayers to use in computing the deductible costs of operating an automobile for business, charitable, medical or moving expenses. Beginning on January 1, 2015, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) will be:

- 57.5 cents per mile for all miles of business use
- 23.0 cents per mile for all miles of medical or moving purposes
- 14.0 cents per mile for all miles of service of charitable organizations

The business use rates are up from 56 cents a mile. The medical and moving rates are down from 23.5 cents per mile and the charitable rate remains the same. The rate for charitable rates driven has been fixed at 14 cents a mile since 1997, but the other rates are adjusted each year, taking into account all costs associated with owning a car, including insurance, repairs and oil and gas expenses.

Taxpayers always have the option of calculating the actual costs of using their vehicle, rather than using the standard mileage rates. A taxpayer may not use the business standard mileage rate for any vehicle, after using any depreciation method under the Modified Accelerated Cost Recovery System (MACRS) or after claiming a Section 179 deduction for that vehicle. In addition, the business standard mileage rate cannot be used for more than four vehicles simultaneously.

Have You Looked At Your Credit Card Rates Lately?

Each year, as you sit down to review your books and see how this year matches up to the year before, add in a review of your credit card processing merchant account. Take the December statements for 2013 and 2012, and do an apples-to-apples comparison on your rates, miscellaneous fees, and total sales reported for the year.

Why, you ask?

The short answer is, why not? It takes about 10 minutes in total, and if everything matches up, you’re all set and it’s back to business as usual. Chances are pretty high though that your rates will have gone up, there are new fees that you’ve never seen before, and you may have missed an important security update or new program announcement.

If you find that something has in fact changed, the question now becomes, what to do next? The short answer here is call Superior Financial Systems, regardless of who you process with. As a member of NYSSAA, you have access to a wealth of knowledge in the merchant services industry through experts ready and waiting to help you review your statements and make sure you’re getting the most bang for your buck, and show you ways to make sure it stays that way. To give you an idea of what SFS does during a review of your account, here are a few things we take into consideration, beyond the normal rate review:

- Have there been any major changes in your business in the last year? Things such as expansion for a new product line or location, upgrades to office hardware and systems, launched a new website?
- What growth are you envisioning for your business in the next six months? Twelve months? Five years?
- What type of customers do you accept credit cards from? Business clients? Consumers? Do you offer delivery or installation services?

We approach each merchant account review as a consultation; the focus of the review is your business, and making sure your merchant account best benefits you, in whatever capacity that may be. Even if you don’t want an independent review, we still strongly recommend every business owner take a few minutes to look over their statements and make sure everything makes sense, and the rates look reasonable. Ask yourself the questions above, and make sure your merchant account is growing along with you, not against you. In some cases, a simple phone call to your processor can result in hundreds of dollars of savings every year, and who couldn’t use a little extra padding in the coffers? And on the off chance your processor won’t work with you, we will.

And as always, Superior Financial Systems is here to help – whether you process with us or not, if you have any questions about credit cards, rates, or your account in general, we are here and ready to guide you. For further information, please call Todd Lazar at (888) 737-7762 or by e-mail todd@sfsprocessing.com.
Credit Card Fraud Liability Shifts to Merchants

In the coming months, most new credit and debit cards will come embedded with a microchip that helps prevent counterfeit fraud. Next year, some fraud liability will shift from issuers to merchants who haven’t upgraded their terminals.

Why are EMV chip cards the best option for businesses today?

Businesses that do upgrade their terminals are investing in security. Effective October 1, 2015 any business that is chip-enabled is protected from counterfeit fraud transactions affiliated with the major payment brands. If they choose not to invest in chip technology, the business will be financially responsible for counterfeit fraud conducted in their stores.

Chip technology generates a unique code with every transaction. This code makes it much more difficult for a criminal to use account information if stolen. All a business needs is a terminal that can communicate with the new chip cards. Many businesses may already have a terminal with a slot for credit card acceptance, but it may not be activated. In that scenario, the merchant will need a minor software download from its processor. Other businesses may need new terminals. Chip enablement could range in cost from nothing for software activation to a few hundred dollars for a new terminal.

For any questions in determining what course of action you need to take, Superior Financial Systems is here to help—whether you process with them or not. For further information, please call Todd Lazar at 888-737-7762 or by e-mail: todd@sfsprocessing.com.

EMV vs. Chargeback

Chargeback [chahrj-bak] noun: Ugly debits to the business bank account that come out of nowhere, and eat up profit that could be used to pad the coffers; buy more advertising, or better yet, more inventory; maybe pad the employee bonus fund for the upcoming holidays.

If you’ve been in business longer than two years, and have never once received a chargeback, consider yourself lucky; knock on wood, cross your fingers, rub a lucky rabbit’s foot. You’re a rare breed, and whatever it is you’re doing, keep on doing it.

In 2012, merchants absorbed 37% of the credit and debit card reported loss, meaning businesses around the world shared the burden of paying back 4.17 billion dollars globally. According to studies conducted in 2014, 17% of Americans have been victims of either credit card or debit card fraud.

How often have you asked yourself why the banks aren’t doing more to stop card fraud at the source? It makes sense, right? You do your due diligence at the counter – check the card for the signature, ask for a driver’s license to confirm identity, enter in the last four numbers of the card and the 3-digit security code on the back. Everything checks out, but a month later, your bank account gets hit with a chargeback debit for duplicate/stolen card, and there isn’t a thing you can do about it. If your hands are tied, then why isn’t the bank that issued the card doing more to help? Why aren’t Visa and MasterCard, for that matter?

Enter EMV. EMV, which stands for EuroPay. MasterCard, Visa, is a joint program created by the major card associations in an effort to combat stolen, duplicate cards at the Point of Sale. If you’ve ever been to Europe, you’re very familiar with this program; in some parts of Europe, if your card doesn’t have a chip in it, you can’t use it – not even by swiping the card through the reader.

EMV itself is not a technical device, but rather a set of standards drafted to ensure today’s technology is working as hard as it can to protect both merchants and cardholders. The planned roll out for the United States, coming late 2015, is targeted for the retail sector first – those businesses that deal primarily with face-to-face customers, and swipe the majority of their cards. By adopting both smart chip-cards and smart chip-capable terminals, duplicate card fraud should drastically decrease, a vital win in the fight against card fraud.
Most major banks in the U.S. have been issuing cards with EMV smart chips in them for the last two years; terminal vendors for merchant equipment have begun rolling out EMV-compliant terminals as well. Processors and platforms are pushing the updates this year to support the new security protocols. EMV is coming, and the more prepared businesses are, the easier this transition will be. Call your processor to verify the EMV-readiness of your merchant account and terminal; be aware that customers will start asking questions about EMV and how you intend to process EMV transactions. And as always, Superior Financial Systems is here to help – whether you process with us or not, if you have any questions about EMV and how to best ready your business, we are here and ready to guide you. For further information, please call Todd Lazar at (888) 737-7762 or by e-mail todd@sfsprocessing.com.

**ObamaCare Open Enrollment: What to Know**

On November 15, 2014 you’ll have the chance to shop for health insurance plans through “marketplaces” established by your state or the federal government, as the second year of the Affordable Care Act (ACA) or Obamacare begins. The decisions you make during open enrollment could save you money and make seeing the doctor easier in 2015, whether you are currently uninsured and need coverage, have coverage and want a change or even if you are satisfied with your current plan.

The initial Obamacare open enrollment period was rife with problems: website glitches, confusing navigation, canceled plans and affordability concerns. Some people chose to skip enrolling altogether, opting instead to face a penalty. Among those who are still uninsured, 59 percent plan on getting health insurance in the coming months—but some 89 percent of them don’t even know that open enrollment begins in November, according to a survey from the Kaiser Family Foundation.

With the Congressional Budget Office estimating 13 million people will sign up for ACA coverage on insurance exchanges for the 2015 coverage year, and many states making changes to their online portals for health coverage shopping, there are no guarantees this year’s open enrollment will go any more smoothly. But arming yourself with information in advance could save you some frustration when the time comes.

**Open Enrollment Basics**

Open enrollment begins on **November 15, 2014** and runs through **February 15, 2015**. The changes you make during this time will affect your health coverage in 2015. Barring a special enrollment period or qualifying life event (like marriage, job loss or the birth of a child), this is the only opportunity you’ll have to make changes to your 2015 health coverage.

Obamacare open enrollment affects those who are uninsured, who purchased their current plan through an ACA exchange last year, who work for small businesses that take part in the SHOP Marketplace and people interested in switching from their current insurance. If you’re satisfied with your current marketplace plan and take no action, you will automatically be re-enrolled in the same plan for 2015 (re-enrollment specifics vary on state exchanges). But even if you’re happy with your current ACA plan, potentially rising premiums and other policy changes could give you reason enough to comparison-shop.

**What’s Changing?**

On average, rates are expected to increase 6 percent, according to an analysis from Price Waterhouse Coopers Health Research Institute. But these premium changes vary widely from state to state and plan to plan, some will see decreases of up to 22 percent, or increases as much as 35 percent.

Even if your current carrier doesn’t plan on raising rates, you could end up paying more. Premium tax credits created to make health insurance more affordable are based on the rate of silver benchmark, or mid-level plans, in your area. If new plans

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**EMV 101 - The Basics**

**WHAT IT IS**
1. EMV stands for Europay, Visa, Mastercard
2. A set of standards used to better protect BOTH businesses and consumers

**WHAT IT DOES**
1. Adds a smart chip to consumer cards to aid in duplicate card detection.
2. Shifts liability away from the business when the transaction is properly processed.

**HOW IT WORKS**
1. EMV cards can be either inserted into the terminal or swiped through the magnetic card reader.
2. When inserted, the terminal will hold the card for a brief duration, during which the new security protocols verify the card’s authenticity, and issue a unique transaction ID that cannot be reused
come into play, that benchmark plan rate could be lower, meaning your tax credit could be lower as well, even without a change in income, which leaves you with a bigger balance to pick up.

Your insurance plan may undergo additional changes, like additions or reductions in the doctors you can visit in-network, changes in co-pays and out-of-pocket expenses or changes in what prescription medications are covered. Further, any changes in your income could impact how much you pay in the coming year.

What You Should Do

If you already have a plan that you’re happy with, your first priority should be to determine what your carrier has planned for the coming year. If the differences are minimal from 2014 to 2015, sticking with the same plan may not be a bad idea. But you should update your information (including any changes to your address or contact information, new family members, etc.) and comparison-shop to ensure a better plan isn’t out there.

Regardless of Your Past Year’s Coverage, There are certain things everyone should do going into Open Enrollment:

- **Accurately report and update your income information.**
  You’ll want to take advantage of the premium tax credit and cost-sharing subsidies if possible, but underestimating your income could result in you having to pay back some of what you saved at tax time.

- **Estimate your health care expenses for 2015.**
  Though trying to determine next year’s health needs may be difficult, you should aim for a ballpark figure that includes regular doctor’s visits, prescription costs and any expected surgeries or treatments.

- **Study all of your options.**
  Don’t only compare your premiums, but also consider out-of-pocket expenses, network size and consequences of going out-of-network, covered services and prescription drug coverage.

- **Compare these coverage options with your estimated costs and expected credits.**
  This will help you determine how much your share of health care expenses would be under the plans you’re considering. Open enrollment and health coverage can be confusing, so don’t be afraid to ask for help. State Exchanges and the government marketplace offer assistance by e-mail and phone and some consumers find that talking with a real person about their options makes the process easier. Because the decisions you make now will last a year, it’s important to get them right. Ultimately, regardless of how you feel about Obamacare, your health coverage choices can affect both your physical and financial health.

Source: www.foxnews.com

**Do you have any Questions on Obamacare, Medicare or Health Insurance?**

The Aftermarket Association has a long standing partnership with Mr. Peter G. Carchedi, CLU as the endorsed Agent for all things related to Health Insurance. Peter is an Adjunct Professor at the Utica School of Commerce, teaching pre-licensing and continuing education to its students and he also teaches the Certification course for the New York State Health Exchange to Insurance Agents and Brokers throughout New York State.

For those members and their employees who are approaching age 65 or are 65 or older, and have any questions concerning Medicare or Medicare supplemental insurance, Mr. Carchedi can certainly help you out. Please contact Peter to answer any questions or concerns you may have, or you may also obtain a review of your existing Health plan. His expertise in the Health Insurance market is a great asset to our Association.

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E-mail: pcarchedi@leighbaldwin.com
Superintendent Lawsky announces setting of 2015 Health Insurance Rates for New York, including rates for Health Benefits Exchange

Benjamin M. Lawsky, Superintendent of Financial Services, announced on September 4, 2014 the setting of New York health insurance rates for 2015, including rates for the health benefits exchange (NY State of Health) established in 2013.

Rates for individuals will continue to be more than 50 percent lower than they were prior to the establishment of the exchange—even before adjusting for inflation or federal financial assistance that is available to many consumers purchasing insurance. A substantial influx of new, previously uninsured customers has helped drive down overall premium rates in this market significantly. Nearly one million New Yorkers enrolled in individual health insurance coverage through NY State of Health during its first open enrollment period, including approximately 330,000 who enrolled in private plans.

Overall, in both the individual and small group markets, Department of Financial Services, (DFS), cut by more than half the average proposed premium rate increases that health insurers requested for 2015. This action will save policyholders an estimated $1 billion next year.

Individual Market

On average, insurers requested a 12.5 percent increase in health insurance rates for 2015. DFS reduced that average increase more than in half to 5.7 percent—which is below the approximately 8 percent average in health care costs. Most of the average increase (4.5 percent) in individual rates is due to an expected reduction in a federal reinsurance program for insurers, which is provided through the federal Affordable Care Act. Without the impact of that ongoing phase out, the average increase would have been approximately 1.2 percent.

Many New Yorkers meeting certain income thresholds are also eligible for federal financial assistance when purchasing coverage on the NY State of Health, which would lower costs even further for them. Individuals with incomes below 400 percent of the federal poverty level ($46,680 for individuals and $95,400 for a family of four), can qualify for financial assistance that lowers the cost of coverage. These subsidies generally increase in line with premiums—offsetting the impact of rate increases for many consumers. Specific subsidy amounts are based on a consumer’s income level and other factors.

Small Group Market

On average, insurers requested a 13.9 percent increase in health insurance rates for 2015 in the small group market. DFS reduced that average increase more than in half to 6.7 percent—which is also below the approximately 8 percent increase in health care costs. Moreover, a number of small businesses will be eligible for tax credits that would lower those premium costs even further.

The following is a summary chart of some selected Health Insurance providers requested rates increases and the Department of Financial Services approved rates. These figures only pertain to the NY State of Health Exchange for the Individual and Small Business Marketplace. Health Insurance obtained directly with the Health Insurance provider will see a different rate increase than listed below:

<table>
<thead>
<tr>
<th></th>
<th>2015 Individual Rate</th>
<th>2015 Small Group Market Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Requested</td>
<td>Approved</td>
</tr>
<tr>
<td>CDPHP</td>
<td>6.69%</td>
<td>0.15%</td>
</tr>
<tr>
<td>Emblem-HIP</td>
<td>9.81%</td>
<td>6.72%</td>
</tr>
<tr>
<td>Excellus</td>
<td>19.59%</td>
<td>9.23%</td>
</tr>
<tr>
<td>MVP Health Care</td>
<td>18.31%</td>
<td>9.97%</td>
</tr>
<tr>
<td>Oxford Health</td>
<td>1.08%</td>
<td>-9.41%</td>
</tr>
<tr>
<td>United Healthcare</td>
<td>-5.85%</td>
<td>-15.32%</td>
</tr>
</tbody>
</table>

Source: Department of Financial Services
2015 Affordable Care Act Reminders

The Employer Mandate ("Pay or Play") begins for groups with 100 or more full-time equivalent employees (FTEs) as of 01/01/2015, upon groups' renewal.

Groups with 100 or more FTEs are required to offer coverage to at least 70% of their full-time employees, or pay a penalty. This increases to 95% in 2016.

- The coverage offered must be affordable (no greater than 9.5% of the employee's income), or pay a penalty.

Employers need to track the hours of non-full time employees (part-time, per diem employees) that they do not offer coverage to. If those employees end up working on average more than 30 hours per week, employers will need to offer them coverage on a go forward basis.

Groups with 50-99 FTEs will need to comply with the employer mandate starting in 2016.

30,000 Wal-Mart Part-Time Workers to Lose Health Benefits

The world's largest retailer and largest private employer announced recently that it would terminate health insurance coverage for employees who work fewer than an average of 30 hours a week. The move, which would affect 30,000 employees, or about 2% of the retailer's U.S. workforce of 1.4 million, follows similar decisions by Home Depot, Target and others to eliminate health insurance benefits for part-time employees in response to the Affordable Care Act.

The move comes as U.S. companies brace for a January 2015 deadline when companies with 50 or more employees will have to offer health insurance to those working at least 30 hours a week, a mandate that has drawn criticism from some companies worried about higher costs.

Employers shifting health-care costs to employees

Health insurance costs rose for both employers and their employees in 2014, according to a new analysis, but costs rose faster for employees, as employers shifted more of the burden in an attempt to combat ever increasing premiums.

A new study called the Milliman Medical Index, produced by Seattle based health care analytics company Milliman Inc., shows that employees' health insurance costs rose by 6 percent in 2014, while employers' cost rose by 5.4 percent.

At the same time, it costs more than twice as much to insure a family in 2014 as it did in 2004, according to the study. Then, it cost an average of $11,192 to insure one employee and their dependents, compared with $23,215 in 2014. “Even if we are bending the cost curve, there are few other household expenses that increase at four figures a year”, said Chris Girod, co-author of the index. This marks the ninth year in a row in which insurance costs for the average American family have increased by more than $1,100.

The reason for the shift in costs from employer to employee is simple, as premiums go up, employers can only handle so much, so the cost increase is passed along to the employees. Some employers have stopped providing benefits altogether, especially small businesses with less money to spend. While others weigh the importance of providing benefits to attract or retain talent.

The only solution to the problem, is to reduce the cost of health care, which will in turn bring down the cost of health insurance. Some of the increase in cost can be attributed to expanded access to care as a result of more people being covered under the Affordable Care Act, but the increases also can be attributed to higher costs at the provider's office. Experts predict that the increases will continue.

Source: BizWest
5 Social Security changes coming in 2015

Social Security recipients will receive a 1.7 percent cost-of-living adjustment in their checks for 2015. Social Security payments are automatically adjusted each year to keep up with inflation as measured by the Consumer Price Index. Other changes are:

- **Higher tax cap**: Most workers pay 6.2 percent of every paycheck into the Social Security system until their earnings exceed the tax cap. The maximum taxable earnings will increase next year from $117,000 in 2014 to $118,500 in 2015.
- **Larger earnings limits**: Social Security beneficiaries who are under age 66 can earn as much as $15,720 in 2015, before $1 in benefits will be withheld for every $2 above the limit. Retirees who will turn 66 in 2015 can earn up to $41,880 before every $3 earned above the limit will result in one benefit dollar being withheld. However, once a retiree turns age 66, there is no limit on earnings and Social Security payments are recalculated to give the retiree credit for the withheld benefits.
- **The maximum benefit increases**: The maximum possible Social Security payment for a worker who signs up at full retirement age will be $2,663 per month in 2015, up from $2,642 in 2014.

To see how your Social Security benefits will be distributed; personalized accounts are available online at [www.socialsecurity.gov/myaccount](http://www.socialsecurity.gov/myaccount).

Source: Yahoo Finance

NHTSA Statement on Takata Air Bag Inflators

The National Highway Traffic Safety Administration received notification from BMW, Chrysler, Ford, Honda, Mazda, Mitsubishi, Nissan and Toyota that they are conducting limited regional recalls to address a possible safety defect involving Takata brand air bag inflators.

This action is influenced by a NHTSA investigation into six reports of air bag inflator ruptures, all of which occurred in Florida and Puerto Rico. Based on the limited data available at this time, NHTSA supports efforts by automakers to address the immediate risk in areas that have consistently hot, humid conditions over extended periods of time.

Consumers impacted by the recalls should have their vehicles serviced promptly once they receive notification from their vehicle manufacturer. NHTSA remains in close communication with the supplier and automakers to gather additional data and will take appropriate action based on their findings.

Takata Airbag Recall: Does your car have one of these dangerous airbags?

Takata Corp. (TYO:7312), the Japanese maker of vehicle safety parts used by auto manufacturers, is only now beginning to realize the immense cost it’s going to pay for selling faulty airbags to at least 10 different automakers, dating to at least as far back as 2001. These safety bags can rupture when they’re deployed and spray bits of metal into drivers and front-seat passengers, making worse whatever injuries the components were meant to avert.

Investigations are ongoing by the NHTSA, but Takata recently gave the public an idea of how much it’s expected to lose this year in costs linked to fixing the problem, saying it would likely lose a staggering $235 million dollars. It had previously forecasted a gain of $156 million and they have announced a one-time charge of $470.7 million to cover all costs associated with this recall.

Last month, Toyota Motor Corporation said it was recalling 3.6 million vehicles worldwide to repair faulty airbags. Honda Motor Co. followed Toyota’s announcement a week later saying about 2 million of its vehicles, about half of them in North America, need to be checked and in May, BMW said it was calling back about 220,000 vehicles globally for the same problem.

Critics argue that the NHTSA hasn’t gone far enough. For now, automakers are under so-called “limited regional recalls” based on the assumption that the risk of airbag over inflation and rupture is due to high humidity. Some automakers are taking their own no-risk action and recall all affected vehicle models.

To see if your vehicle is included in the recall, you can visit the Manufacturers website and put in the Vehicle ID number or VIN number, which is located in the bottom lower right portion of the windshield, just above the dashboard, as you are facing the car.

Source: NHTSA.gov; International Business Times
Hard Sell or Soft Sell?
by John Chapin

On the surface, this question may seem like a no-brainer, so let’s begin by defining both of these. When I talk about hard sell, I’m not talking about hammering someone into doing something that isn’t right for them. I’m talking about being direct and getting the prospect involved in what he needs, cutting through fear, denial and other roadblocks that can stop a sale. By soft sell, I’m not talking about using touchy-feely language and letting the prospect completely control the process. Rather, I’m talking about listening with empathy and truly understanding your prospect and his needs, putting yourself in his shoes, and sympathizing with him and his situation.

Keeping those definitions in mind, a fine line exists between soft sell and hard sell and you have to learn when to cross it. The problem with most sales people is that they are either hard sell or soft sell, iron fist or velvet glove, not both. You need to be able to use both approaches and you need to know when to use each one. Here are the rules for hard sell versus soft sell.

When to use hard sell and soft sell

As a general rule, you want to be soft in the beginning of the relationship. When you are getting to know the prospect and you’re building rapport, you want to be soft, slow and listen a lot. Once you have a full understanding of what the prospect needs, it is then time to be direct and make sure he gets what he needs. At this point, you need to cut through everything else and push, if necessary, to get the sale.

The type of person with whom you are dealing with will also dictate whether you are hard sell or soft sell and when to cross the line. With a hard-nosed, straightforward, no-fluff individual, you will go from soft sell to hard sell faster than you will with someone who is more laid-back, easygoing and slower in his approach.

In some cases, you never need to cross the line between soft sell and hard sell. You will have a great connection with certain people. They will see the opportunity, they will know what they have to do, you will be able to lead them directly down the path toward the sale and it will seem as natural as taking a walk on the beach. In other cases, you will need to go to hard sell. You may have someone who truly needs your product or service. She knows she needs it and yet fear is holding her back from doing what she knows she needs to do. At that point, you’ll skillfully push.

The other issue I see with sales people is that both hard sell only and soft sell only sales people vehemently defend their style and say it is the only way to go. To the hard sellers out there, while you may initially make more sales and have some level of success, to be hard sell all the time is tiring, will lead to cancelled sales and will hurt repeat and referral business. I also find that most people who are hard sell all the time, are focused on the sale first and the needs of the prospect second. Remember, the prospect always come first.

To the soft sellers out there, not only will you miss many more sales, you’ll also prevent people from enjoying the benefits of your product and depending upon your product, this could be devastating. For example, let’s say you’re talking to a married dad of two young children about life insurance. You know he needs it, he knows he needs it and yet, he’s uncomfortable and you don’t want to push, so he sells you on waiting and you in effect, let him off the hook. Three months later, he dies in a car accident and his family is unprotected. His widow has to sell the house, uproot the kids from their school and life and get three jobs to make ends meet. This is your fault for not pushing and not using or having the sales skills necessary to protect the family. While this example may seem extreme, if you sell something other than life insurance, assuming you are sold on your product and know people are better off with it, you still have an obligation to push when someone has a need, along with the means to buy your product.

Another area affected by selling style is follow-up. Most soft sell people will follow up once or twice, if they follow up at all. If you only follow up once or twice, you will not make the sale in most cases, as the average sale happens after the 5th contact. On the other hand, most hard sell sales people tend to follow up too much and too early. This approach will irritate most everyone and make selling more difficult.

All considered, it is better to follow up too early and too often and to push a bit too much, rather than not enough. The sales people who recently called me seven times in seven days, made a sale, while the person who only followed up once didn’t, even though I wanted his product more. And I think I am probably like most buyers.
The bottom line is: to be the best possible sales person, you have to develop both the hard and soft side of your selling approach. As with every other area in selling, only by practicing will you get good at using both approaches and knowing when to use which one.

John Chapin is a sales and motivational speaker and trainer, with over 26 years of sales experience as a number one sales rep and is the author of the 2010 sales book of the year: Sales Encyclopedia.

**New York State Minimum Wage Increases to $8.75 an hour**

The second stage of the three tiered increase in the hourly minimum wage for New York State will be $8.75 per hour and become effective December 31, 2014.

Thanks to the Assembly Majority’s long fought effort to provide a more livable wage for working families, tens of thousands of low wage workers dependent on the minimum wage have a little more money in their pockets. This second increase to the minimum wage is good news for businesses and our economy, because it will jumpstart consumer spending in our communities across the state. Minimum wage workers are also customers and are more likely to spend any income increase immediately and locally.

As the gap between the wealthy and poor grows wider, we must do everything we can to help those who work full time and yet struggle to maintain a household. That’s why the Assembly Majority is working to accelerate and expand the minimum wage increase schedule and why they are committed to ensuring that as the cost of living increases, so will New York’s minimum wage. They have fought hard to level the playing field for working families and will continue to fight to help families earn a little extra, providing them with a better quality of life.

*Source: New York State Assembly-Raise the Wage NY*

**Quality, Brand are Top Two Reasons Auto Techs Buy Parts**

Auto Technicians say that quality and brand are the two most important reasons they buy a particular aftermarket product, according to the 2014 Aftermarket Business World Technician Attitude Study. Warranty and availability were the third and fourth most important reasons behind their purchase and price was a distant fifth.

When it comes to sourcing parts, techs most often buy from auto parts retailers, followed by warehouse distributors, jobbers and dealerships. Buying direct from manufacturers was a distant fifth, according to the survey.

When asked what their preferred purchasing channel is, techs selected auto parts retailers first, jobbers second and warehouse distributors third. Dealerships were a distant fourth.

Despite the fourth-place showing, technicians who bought parts from dealers say the No. 1 reason they do so, is for OEM form/fit and function. Other frequent reasons they give is that is the only place the part is available, due to customer requests and for the OE brand name. Techs who do not buy parts from dealers most often said the reason was that the parts were too expensive, or that the aftermarket parts were as good as or better than OE.

The primary reason, technicians select a preferred supplier is overwhelmingly due to parts availability, which ranked No. 1 in 12 of the 13 product categories surveyed. Techs cited “good relationship” as the second most important reason they use a supplier. “Fast delivery, price and carries specific brands” were the third, fourth and fifth most cited reasons, respectively, that techs have for selecting a preferred supplier.

*Source: Aftermarket Business World*
From October 23, 2014, NYSAAA held their annual meeting at the Association offices in Syracuse. Part of the annual meeting is election of officers and directors for the new year. Those elections were held and all of the officers and directors for the 2013-2014 year were re-elected for 2014-2015. On behalf of all members of NYSAAA we want to thank all officers and directors for their service this past year and their dedication to serve another year in 2015. Many of these people having been serving on the board as either officers and/or directors for years, if not decades. We owe a debt of gratitude to these very special people who give unselfishly of their time.

**Newly Elected NYSAAA Officers and Directors for 2014-2015**

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**2014-2015 Officers and Directors**

- **President:** Mark Oswald (Standard Motor Products, Nassau)
- **Vice President:** Donald Derx (Henry H. Hill, Inc., Olean)
- **Secretary:** Rick Newvine (Newvine’s Auto Parts, LLC, Gouverneur)
- **Treasurer:** Fred Forsythe (Forsythe Motor Parts Inc., Syracuse)
- **Director:** Carm Capriotto (Carm Capriotto Success Partner, Buffalo)
- **Director:** Greg Riddle (Director of Sales, Mohawk)
- **Managing Director:** Fred Forsythe (NYSAAA, Syracuse)