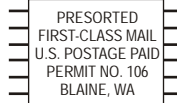




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Thanks to everyone who attended this year's conference and helped make it a huge success!

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Reaching New Heights!

Automotive Recycling Industry Leaders Reached New Heights

at the

2007 URG/Pinnacle Training Conference

Under the wide-open Colorado skies at the foot of the majestic Rocky Mountains, automotive recycling industry leaders and decision makers from across North America, Europe and Australia gathered together on March 23-24, 2007 for the 12th annual United Recyclers Group (URG) and Pinnacle Training Conference. Over 250 URG members and other Pinnacle users came to the spectacular Inverness Hotel and Conference Center in Englewood, Colorado to learn from each other and the experts. They gathered to learn about the latest developments in their fast paced industry, meet with vendors to see the latest products, and renew old acquaintances and make new ones.



"Our conference attendance this year broke the previous record by over 30%," says Michelle Alexander, URG executive director. She added that "we offered 36 extensive training sessions to attendees. This included a keynote panel with industry leaders from the estimating products and insurance providers. In addition, we announced new partnerships with Dahmer Powertrain Inc. and PROformance Powertrain Products; Frontier Logistic Program, a member rating page on the URG website, and a UPS shipping discount coming soon."

"URG has added some great business opportunities for members with these new partnerships," says URG manager John Fischl, president of Riteway Auto Parts

Continued Inside!

(Phoenix, AZ). "The keynote panel session featuring estimating system providers and State Farm Insurance really drove home the need for good clean and accurate data going out to the insurance industry. Because this data is used in their automatic part searches this message is very important." He also noted the growing importance of global business for the automotive recycling industry was addressed in a session on shipping parts in and out of the country.

URG partners with Actual Systems, creators of the Pinnacle, to plan and host the annual URG/pinnacle Training Conference each year. "This year's event went very well," says Peter Bishop, general manager of Actual Systems. "We had the biggest turnout ever for this annual conference, both in terms of domestic and international participation." Acknowledging the high interest among attendees in Pinnacle/Pinnacle Pro enhancements, including remanufactured engines and Hollander ID numbers, Bishop expressed excitement about the future. "We've got more Pinnacle and Pinnacle pro functionality coming down the line, and we're pleased to be working with URG to make this happen."

"This was the first URG Conference that I have ever attended and I loved it," said Greg Peck, general manager of Knox Auto Parts, a URG partner in Knoxville, Tennessee. "It was a good conference, very well put together. I enjoyed the camaraderie among attendees, and their openness and enthusiasm about the issues and trends in the automotive recycling industry." A Pinnacle user for over five years, Peck taught a 'Tips and Tricks of the Pinnacle Computer System' class.

A different perspective was provided by URG member Ken Hardison, general manager of Arizona Auto Parts, who has been to every URG Training Conference from year one. He says "Of all the new things I saw and heard about it was the reman engines addition to Pinnacle that most impressed me. It seems to me that the leadership of URG has stepped forward this year and brought a lot of new thinking to the table." In particular, he noted that "the things that Michelle Alexander is doing to get these relationships going are making a big difference."

During the conference URG announced a new partnership with Dahmer Powertrain Inc. (Lees Summit, MO) and PROformance Powertrain Products (Springfield, MO). This creates a strategic affiliation between two foremost American providers of

remanufactured and new automobile engines and URG. "This new alliance provides a great new benefit to URG members," says Michelle Alexander. "We are excited about the potential this alliance will give URG members to expand their businesses and increase their profits. We think it is going to help our independent automotive recyclers stay competitive in an increasingly sophisticated marketplace that has become national in scope."

John Fischl adds that "This new affiliation with PROformance and Dahmer represents an excellent opportunity for URG members to expand their product line

and enhance their market presence. URG is going to integrate this product data into the Pinnacle System, so the opportunity to sell more will become automatic. Using Pinnacle, salespeople will view these new and remanufactured engines from the vendors alongside their own inventory in URGNet. This provides an additional competitive advantage over what we have today."

Keynoting the conference was a session called 'Electronic Locating of Parts by the Insurance And Collision Industry...' featuring an industry panel with Don Porter (State Farm), Mary Lu Lubrano (CCC), Greg McDowell (Mitchell), Scott Westbrook (APU Solutions), and Avi Pelc (Audetex). A number of presentations provided expert tips on Pinnacle and Pinnacle Pro. Other sessions ranged from 'Dealing with Difficult Employees' to 'What You Must Know and do to Make Advertising Work,' to 'Getting Your Employees to Become Part of the Company Goal and Vision' and 'eBay Made Simple With Pinnacle.'

Other speakers included Robert Counts, president of Counts Consulting; Mike French, president of Mike French & Company; Mike "Bubba" Lambert, consultant; Kent Rothwell, sales manager of Weaver Automotive, and Kristi Suchy, eBay project coordinator at Actual Systems.

Michelle Alexander offered thanks to everyone who attended, spoke, or exhibited or otherwise helped make this years URG training conference so successful. "I want to thank my co-worker Julie Pythian and my board of directors. They make it all possible."

"Attending this year's conference was worthwhile," says Greg Peck. "I enjoyed the sessions, got to meet the vendors, and I'm coming again next year!"

Article by Richard Filley

"This was the BEST conference ever. I have attended all except one several years ago. Michelle & Julie are doing a great job. The URG Managers should be very proud of their efforts. I received value from each of the sessions I attended. Keep up the Good Work"

Michael Farlow
Denton County Auto Salvage, Denton, TX

"My whole experience has been top shelf. I learned more over the weekend, than I learned at all of the other industry trade shows in the last ten years."

Tom Bessler
Bessler Auto Parts, Hebron, KY

New URG Accreditation Program

URG, Dahmer Powertrain and PROformance Powertrain Announce New Partnership

Beginning January 1, 2007 the URG Accreditation Program will undergo some adjustments. These adjustments have been made in order to simplify the application and certification processes, and to reduce the cost and frequency of the certification review. Beginning the URG Application Process

All URG partners should contact Robert Counts at rcounts@sbcglobal.net, or by phone at 512-339-7671 in order to receive the documents required to complete the application process. This process will now be done in one step instead of the previous three (6000, 7000 and 8000). This will reduce the cost to a total of \$100, including review and processing of the documents. The new documentation is more focused on the inventory, storage, inspection and packaging with less emphasis placed on purchasing except for decisions on who to broker parts from. In order to complete the application process, evidence that the URG Partner is having customer surveys conducted by Customer Research (800-886-3472) must be submitted with the application.

Phases of Certification

The previous stages of 6000, 7000, 8000 and certification will be replaced with:

1. URG 7000 – the URG Partner requests the application package and will be placed into the application phase;
2. URG 8000 – enrollment is achieved when the application process is completed, which includes customer surveys conducted by Customer Research; and
3. URG 8000 Certification – certification will occur 6 months after enrollment in the program. Certification audits will be provided by one of the certified auditors.

If you are presently classified as 6000 or 7000 your designation will be changed to enrolled. If you choose to remain in the URG Accreditation Program you will be notified that an audit will be scheduled for you in the second half of this year. **Important: If you choose not to remain in the program please notify Robert Counts and he will remove you from the list.**

Scheduling an Audit

First time audit

Once an URG partner completes the application for URG Accreditation, an audit will be scheduled within 6 months. If the audit is successfully passed then the partner will not be scheduled for an audit for three years unless they fail to maintain their CSI scores. If the audit is not passed then a return audit will be scheduled within 180 days. Also, failure to maintain the CSI scores will result in suspension from the program. (see CSI monitoring below).

Quarterly review of CSI's

Once a URG Partner is enrolled his CSI quarterly scores will be monitored in order to assure that the surveys are done and that the partner maintains a minimum score of 8.6 on all of the survey items.

Each URG Accredited member must conduct a quarterly CSI. The results of the CSI's will be reviewed at the end of each quarter. Any failure to conduct the survey or a survey that falls below the level approved by URG in any two quarters of a continuous four quarter period will cause:

- Suspension of certification, and
- A new audit if either or a combination of both occurs in any two quarters of a twelve month period.

An annual CSI review fee of \$120 (\$30 per quarter) will be paid by the partner at the beginning of each program year to Robert Counts for the quarterly review of their CSI scores. Partners who join during the year will have this fee pro-rated. New enrollees must pay this at the same time they submit their application. The review of the CSI will entail:

- Reviewing each of the approximately 25 surveys completed that quarter;
- Review of overall scores; and
- Notification to the partner of any problem areas that could potentially cause the partners certification to be suspended.

URG will be notified each quarter about the status of each certified partner and will be responsible for notifying the partner in the event that they fail to conduct the survey or their scores fall below the level established by URG.

Follow-up audit

Follow-up audits will occur every three years. Partners will be notified at least 3 months prior to the expiration of the 3-year time period. For those who are presently certified or have an 8000 designation you will be notified based on the date of your last certification or date of your application.

The URG Accreditation Audit Report

A standardized auditing package will be used during each audit. Documentation provided in the application process will be reviewed along with employee interviews. There will be an increased review of job descriptions, procedures and training. There will be an increased review of knowledge of what quality means for each position and how it is demonstrated and documented. This review will focus on use and understanding of damage descriptions, handling, cleaning, packing, and shipping and/or delivery of parts. The actual certification audit will be completed in less than a day. The total cost to the URG partner will be \$850 plus the travel expenses of the auditor. Every attempt will be made to reduce the expenses where possible. Robert Counts will notify URG 90 days prior to the time a partner would need to schedule their certification audit. URG will notify the partner and provide them with the names and contact information of each of the certified auditors. Each auditor will receive and will use the audit material provided by Robert Counts. Once they complete the audit they will submit the documents to Robert for final review and approval. This is done in order to assure equity and fairness in this nationwide program.

Contact Information
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March 23, 2007 – Centennial, Colorado – United Recyclers Group (URG) today announced a new partnership with Dahmer Powertrain Inc. (Lees Summit, MO) and PROformance Powertrain Products (Springfield, MO). This creates a strategic affiliation between two foremost American providers of remanufactured and new automobile engines and URG, representing over 330 independent and industry leading automotive recycling firms.

"This new alliance with PROformance and Dahmer provides a great new benefit to URG members," says Michelle Alexander, executive director of the URG Advisory Board. "We are excited about the potential this alliance will give URG members to expand their businesses and increase their profits. We think it is going to help our independent automotive recyclers stay competitive in an increasingly sophisticated marketplace that has become national in scope."

URG Manager John Fischl points out that "This represents an excellent opportunity for URG members to expand their product line and enhance their market presence. URG is going to integrate this product data into the Pinnacle System, so the opportunity to sell more will become automatic. Using Pinnacle, salespeople will view these new and remanufactured engines from the vendors alongside their own inventory in URGNet. This provides an additional competitive advantage over what we have today." Fischl is the president of Riteway Auto Parts (Phoenix, AZ).

"This partnership is a great thing," says Greg Wilcox, owner of Midway Auto Parts (Kansas City, MO). "It will be a good deal for URG. We'll have an entire 'new to us' inventory from both reman companies listed on the Pinnacle system. An out-of-stock rate on engines of 40-60% is typical for our industry; now that percentage is going to drop dramatically and give us the chance to make extra sales by giving our customers more options with one stop shopping. We already have customer requests for engines, we already have the overhead costs covered and so with more engines available we can fill more orders with almost no additional expenses. With these increased sales will come increased profits." Wilcox is a URG manager.

"Engines are the number one seller for most recyclers," says Clint Georg, president and CEO of PROformance Powertrain. Having spent part of his career in the automotive recycling business, Georg knows both sides of the remanufactured engine business. "We're pleased because we can offer URG members an expanded inventory in their largest selling part. Remanufactured engines allow recyclers to be more competitive and fulfill their customer needs more often. URG is a great group and this alliance will create a significant new benefit to URG members. The possibilities for growth are exciting."



"URG is thinking outside the box," says David Dahmer, vice president of sales and marketing for Dahmer Powertrain. "We used to be competitors, and now we are partners. Everyone is going to benefit: URG, us, and most importantly, our customers, who will now have more options. By adding our new and (More) remanufactured engine inventory to that of URG members already on the Pinnacle System it will really beef up the available products that a recycler can offer to their customers. Having more options for customers will increase an automotive recycler's chances of making a sale."

"Both companies offer exceptional warranties, reasonable freight costs, and excellent nationwide distribution capabilities, which means quick delivery," notes John Fischl. "They also complement each other well, as one is focused on the 'Big Three' (GM, Ford, and Chrysler), and the other can provide engines for a broad range of domestic and import vehicles."

URG's Michelle Alexander says that launch plans for an enhancement of the Pinnacle Inventory Management System are underway. Once properly trained, salespeople using Pinnacle will

find a seamless interface on their computer screen between their existing engine inventories and the additional new and remanufactured engines from Dahmer and PROformance.

At Dahmer Powertrain, Inc., they operate with a very simple belief: Purchasing an engine, a transmission or whatever you need should be an enjoyable and professional experience. Founded in 1975, Dahmer Powertrain is recognized nationally as a leader in this industry. They stock over 3,000 engines and transmissions. Every item they sell is backed with a warranty that's unheard of in the industry. Competitive pricing and state of the art warranty is what makes Dahmer Powertrain one of a kind. Most of their products offer a three year unlimited mileage Parts and Labor nationwide warranty. For more information, visit their website at www.dahmerpower.com or call (800) 841-6060.

PROformance Technologies LLC is a leading producer of original equipment (OE) quality remanufactured automobile engines for the aftermarket. They are an ISO-9001 certified remanufacturer and veteran supplier of engines to Chrysler and are now making engines available to the aftermarket. The company's product line includes more than 30,000 vehicle applications produced in its 240,000 sq-ft manufacturing facility located in Springfield, MO and distributed nationally from centers across the country. Clint Georg, President and CEO, has more than 20 years of automotive aftermarket industry experience. For more information, go to their website at www.goppt.com or call (888) 595-2513.

United Recyclers Group, LLC is a partnership of over 330 industry leading auto recyclers that work together to improve and modernize the automotive recycling industry. Changes they have made include developing their own inventory management system, Pinnacle; creating a buying cooperative; offering group marketing options; and forming the Premium Recycled Parts Program. For more information, go to their website at www.u-r-g.com or call 303-367-4391.

"We used to be competitors, and now we are partners. Everyone is going to benefit: URG, us, and most importantly, our customers..."

David Dahmer
vice president of sales and marketing for Dahmer Powertrain