

BUSINESS DEVELOPMENT GROUP GOALS

The Purpose of a Business Development Group

This guide is provided to all NAPA AutoCare members, NAPA Distribution Centers, NAPA Stores and Districts to ensure the proper development of viable NAPA AutoCare Business Development Groups in as many markets as possible. The purpose of forming NAPA AutoCare Business Development Groups is to assist all NAPA AutoCare Program members to grow their business and strengthen relationships with their servicing NAPA stores. Some of the many other benefits to this end include:

- **Long-term partner commitment.** Forming a NAPA AutoCare Business Development Group will help each NAPA AutoCare partner operate their business better and contribute to their long-term market growth strategy. In the past, 'Ad Councils' were formed for one purpose: to get NAPA AutoCare Centers together to contribute to local advertising, whereas a Business Development Group focuses on business growth in all areas on behalf of its members.
- **Program implementation.** A group will help educate the NAPA AutoCare Center owners regarding how to use all of the NAPA AutoCare Program tools available and will provide the much-needed local support mechanism to review and implement the various programs.
- **Training.** A group will help enforce the value of the NAPA training programs and tools available. A group can provide the needed customer base to target specific training programs. In addition, a group will be more inclined to support available training since they'll already have a budget established or can plan for such training in the future.
- **Positive feedback.** A group setting provides an open platform to discuss various topics in a positive manner and provide feedback from participating NAPA AutoCare Center owners.
- **Suggestions.** A group provides an environment for suggestions on how to improve NAPA AutoCare Program implementation at the local level as well as certain support programs. It's also a great place for AutoCare members to contribute ideas for future programs.
- **Success stories.** A group can discuss individual success stories with the participating NAPA AutoCare Center owners. There's no greater testimony than having a NAPA AutoCare Center owner share his or her experiences with using a support program successfully.
- **Volume Rebate utilization.** A group can help ensure that all participating NAPA AutoCare Centers thoroughly understand and properly utilize the NAPA AutoCare Volume Rebate in the growth of their business. Earning a rebate on parts purchases should be considered found money rather than relying on it for profit. In a group setting, it can be properly leveraged to contribute to further business growth.

Develop a Better Partnership

NAPA sells parts and our competitors sell parts. So it's natural to ask what sets NAPA apart and above. NAPA helps its AutoCare partners become more successful, which has mutual advantages.

- By helping NAPA AutoCare partners sell more needed work, NAPA helps them become more profitable. And the more work those partners sell, the more parts they will need to buy from their servicing NAPA stores.

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You're Not Alone!

"Being independent doesn't mean standing alone" or "The road to success doesn't have to be traveled alone." These phrases have been used for many years in our NAPA AutoCare recruitment literature. But have you ever thought about their complete meaning?

- NAPA understands the day-to-day challenges of an independent repair business owner. Talented technicians desiring to get out on their own start the majority of automotive repair businesses – it's their American dream (and likely was yours) and it's the foundation on which NAPA has built our business. However, while some technicians are successful (and hopefully you are), many still feel very much alone in their business. Most of them are not with a national brand (usually) because they don't want to be part of a franchise or, of course, pay the associated franchise fees.
- They might even feel alone when they join the NAPA AutoCare Program, especially if the NAPA AUTO PARTS Storeowner and / or Store Manager is less than interested in taking active ownership of the program in their market. Establishing local NAPA AutoCare Business Development Groups will go a long way toward helping all NAPA AutoCare partners (and the stores that service them) feel like a major part of a national team. They'll begin to see that they are part of a bigger picture and will start thinking bigger as a result. Simply put, they will feel empowered to make things happen.

Fighting Your Competition

Businesses can do more together than they can alone. This is especially true when competing with national chains.

- The challenge in today's marketplace is that an independent repair facility is at a distinct disadvantage in some areas of the automotive aftermarket industry. In some cases, national chains may have four, five or more locations within a given market, which tends to increase top-of-mind awareness to consumers locally. For example, with four locations a national chain can leverage its marketing dollars, with each location effectively only having a 25% share in the expense of any advertising, sponsorship or local event as opposed to one location having 100% of the expense.
- Another way to look at it is that a four-location business could get four times the amount of advertising, in essence spending four times the amount that a single location would spend. In short, the more a consumer sees a particular brand in their area, regardless of the venue, the more they will tend to remember the brand when it comes to deciding where to take their vehicle for repairs and service. One NAPA AutoCare Center in a market can't achieve this kind of awareness individually, but a NAPA AutoCare Business Development Group can.

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Getting Everyone to Come Together

As you probably know, getting NAPA AutoCare Centers to get together, contribute to a monthly budget and agree on advertising or a common focus can be a challenge. In addition, some markets with existing Ad Councils and monthly budgets tend to inhibit the growth of new NAPA AutoCare Center partners since many independent repair businesses are not accustomed to contributing to a monthly budget.

- Remember that technicians start the majority of independent repair businesses today, and each facility is in various stages of its business development. While a newly established repair business may qualify for the NAPA AutoCare Program, the business may not yet be in a position to contribute to a monthly budget or contribute the full amount agreed upon by the group (see “Establishing a Group Budget” section within the Financial Considerations of the Group tab for more information). Certain options should be considered to not only entice new NAPA AutoCare partners, but also contribute to the expansion and benefit of an established group and the NAPA stores servicing their NAPA AutoCare partners.

OK, We Need to Form a Group – How and by Whom?

A number of tasks need to be performed in order to set up a successful meeting and form a group. The following outline defines duties for various individuals:

- DC Wholesale Manager Responsibilities
 - Takes the lead in establishing each group, both for the Distribution Center and District
 - Initiates interest and gains support in markets where groups make sense
 - Is the point person for the team effort of working with stores, coordinating with other key managers assigned to make calls to invite NAPA AutoCare partners in the area where a group is being formed, as well as making calls him/her self
 - Compiles information learned during initial calls on partners for the first group meeting
 - Facilitates the first meeting and presents the group concept
 - Coordinates any guest speakers that each group desires
 - Attends all group meetings whenever possible
 - Secures time during group meetings to present new NAPA AutoCare program enhancements
 - Assists in coordination of group activities whenever possible

While the Wholesale Manager should take the lead in developing all NAPA AutoCare Business Development Groups, it should be a team effort. Therefore, the following managers should likewise be involved where specific groups are formed within their area ...

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OK, We Need to Form a Group – How and by Whom? (Continued)

- Territory Sales Manager, District and / or Area Manager Responsibilities
 - Works with the Wholesale Manager where a group is being formed to support any store for which they are responsible in all areas of the development and ongoing maintenance of a group
 - Attends all group meetings with his/her stores and secures attendance by store personnel
 - 'Pinch hits' for the Wholesale Manager whenever he or she cannot attend a particular group meeting
 - Assists in coordination of group activities whenever possible
- Storeowner / Manager
 - Helps determine first meeting date, location and time that is convenient for the majority of NAPA AutoCare partners
 - Covers expenses of first few group meetings until a group budget is established
 - Works with the Wholesale Manager in all areas of the development and ongoing maintenance of a group
 - Attends all group meetings
 - Contributes matching funds to the group budget
 - Assists in coordination of group activities whenever possible
- Outside Sales Professional
 - Works with the Wholesale Manager where a group is being formed for his/her store and assists in all areas of the development of and ongoing maintenance of the group
 - Attends all group meetings with his/her stores and secures attendance by NAPA AutoCare partners associated with the group
 - Assists in coordination of group activities whenever possible

Preparation

The Wholesale Manager should determine markets in which a group could be developed. **As a general rule, the NAPA team is encouraged to focus on market areas where ten or more NAPA AutoCare Centers could form a group. This could include two or more different NAPA Storeowners that can work together, but all markets will be considered where NAPA AutoCare Centers desire to form a group.**

- Once this is completed, an appointment should be made with each storeowner and store manager in the target area in order to gain support to establish a group. The Wholesale Manager will solicit support from the appropriate managers listed above based upon their area of responsibility. At most, a few days calling on the NAPA AutoCare partners regarding the first meeting will be necessary. For smaller groups, it will likely only take a day to personally contact the partners in the area.
- A firm date should be established prior to calling on the partners and inviting them to their first meeting. The meeting should be determined by the storeowner or store manager and should be scheduled at a time convenient for the partners and the store team (morning, mid-day or evening). In the case of larger groups, it is suggested that an additional or alternate date and time be made available just in case the partners cannot all attend the first date and time. This additional date should be within the same week if at all possible.

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Preparation (Continued)

- With the meeting date and time established, the Wholesale Manager and the managers providing assistance should call on the partners in the area to explain the purpose of the first meeting and gain the commitment to attend. These calls should be divided equally between everyone involved in this process.
- During the calls, all managers involved in calling on the partners in the area where a group is being established should find out what possible advertising, training or local events each partner is currently supporting or has supported in the past, as well as estimated expenses. More importantly, which of these have been successful for the partners in their market? This information can be a point of discussion during the first meeting in order to open up a good dialogue among the NAPA AutoCare Center partners in attendance.
- Preparation is critical to the establishment of any group and the Wholesale Manager should be adequately prepared to conduct the first meeting. The appropriate managers and store staff need to be in attendance as well. The Wholesale Manager should be aware of all information gathered during the initial calls to determine if any common link exists between the NAPA AutoCare partners in terms of advertising, training or support of local events. A special PowerPoint presentation and video have been specifically designed to help facilitate the first meeting. Therefore, a laptop computer, LCD and screen will need to be made available. In addition, the Wholesale Manager should order enough copies of the NAPA AutoCare Center version of the NAPA AutoCare Business Development Group Guidelines to distribute during the first meeting. These can be ordered by calling 800-845-6272.

Expenses for the First Few Meetings

Since the servicing store(s) will benefit the most from forming a group, the store(s) should pick up the expense initially for the first few meetings (more discussion on this later). With multiple stores involved, this expense should be divided by the total number of NAPA AutoCare partners attending, and then apportioned to each store based upon its number of partners.

- For the first three meetings (until a group budget is established), the NAPA store(s) is commonly expected to pick up expenses. By the third group meeting, a group budget should be established, and all future meeting expenses should then come out of the group budget (meals, room charges, advertising, training, local events, etc.). It is suggested that no alcoholic beverages be funded by the group budget (for obvious reasons). If a member desires an alcoholic beverage, he or she should purchase it on his or her own.
- While some NAPA storeowners may desire to pick up these meeting expenses, it should certainly not be expected – especially within the partnership that is being developed. A good suggestion would be that, since these meetings really are not considered a promotional meeting by NAPA, each partner could pick up his or her own cost of meals and so on until the group establishes a budget.

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Suggested Meeting Locations

- Most group meetings should be held at a centralized location. Most hotels have meeting rooms available for a small charge. In many cases, hotels will waive any room charges if the group has dinner. Another choice could be a restaurant that has a room separated from its main dining area. While some group meetings can be conducted at the NAPA store, it is recommended that the first few meetings, as well as the majority of future meetings, be held at the locations indicated above.

Possible Meal Considerations

- It's best to select menu items prior to the meeting and have the hotel or restaurant print a short menu for the group. This will speed up the order process, as well as help to control the expenses. A beef, chicken and fish selection is best to accommodate most tastes. If available, a buffet is also an excellent consideration.

Anticipated Meeting Expenses

- While expenses vary depending on the location selection, a good average range to target is about \$15.00 to \$20.00 per attendee (in many cases, including the meeting room). Again, it all depends on the location of the meeting, the market area and the type of meal selection available.

CONDUCTING GROUP MEETINGS

The First Meeting – Establishing a Group

The goal of the first meeting is to establish a NAPA AutoCare Business Development Group. It is recommended that the Wholesale Manager use the PowerPoint presentation prepared especially for this meeting by NAPA Headquarters (file name is First Meeting – Establishing a Group – <latest date>.ppt). The Wholesale Manager should assign someone to take brief notes of this first meeting and provide them to the individual appointed within the group to handle this responsibility. Using this presentation and the bullet points below will give you your discussion points.

This first meeting (including meals) should take no more than one and a half hours and should cover the following topics:

- Welcome and introductions – viewing of video20 Minutes

The first order of business during this meeting is for the NAPA Storeowner or the NAPA Store Manager to thank the partners for taking time away from their families to attend. It is then suggested that each partner and all attendees introduce themselves and provide a brief history. After these introductions, the Wholesale Manager invites all attendees to view the special video designed for this first meeting.

- Goal of the meeting – what can be accomplished together as a group5 Minutes

The Wholesale Manager should outline the goal of the meeting and what can be accomplished together as a group as indicated within the presentation material.

- Teleconferencing introduction by NAPA Headquarters5 Minutes

Prior to this first meeting, the Wholesale Manager could arrange for a teleconferencing session with the appropriate individual within the NAPA AutoCare department at NAPA Headquarters. This will be a brief session to welcome the potential new group and stress the importance of the members desiring to get together within their local community.

- Open discussion / questions7 Minutes

An open discussion of some common links in advertising, training and community events and/or sponsorships should take place, indicating what the group could consider for their local market.

- Distribute Guidelines Booklet / overview2 Minutes

The Wholesale Manager provides a copy of the Guidelines Booklet to each attendee (or should have each partner bring their copy that was included within the NAPA AutoCare Business Plan Binder) and highlights the contents. All attendees are then encouraged to review the guidelines prior to the second group meeting.



CONDUCTING GROUP MEETINGS

The First Meeting – Establishing a Group (Continued)

- Voting on the decision to establish the group.....2 Minutes

The Wholesale Manager now requests a vote on establishing the group. Establishing a group budget (see information within the Financial Considerations of the Group tab under Establishing a Group Budget) during this meeting is not necessary, but will need to be decided upon during the third group meeting. It should be emphasized that a group budget is established by the group and not by anyone from NAPA and that a budget can be decided upon that will work for all partners, even if it's only a small one to get started. The Wholesale Manager should then request a vote from all partners in attendance. A simple majority vote by the partners in attendance will decide that a group be established (NAPA store, DC and District personnel do not vote on any issue at any group meetings). The new group automatically adopts the group guidelines as written.

- Nomination / appointment of certain responsibilities depending on size of group8 Minutes

The first order of business is the appointment of certain individuals to handle various responsibilities on behalf of the group. For all groups, a chairman must be nominated. From there, depending on the number of members within the group, there will be other appointments to consider.

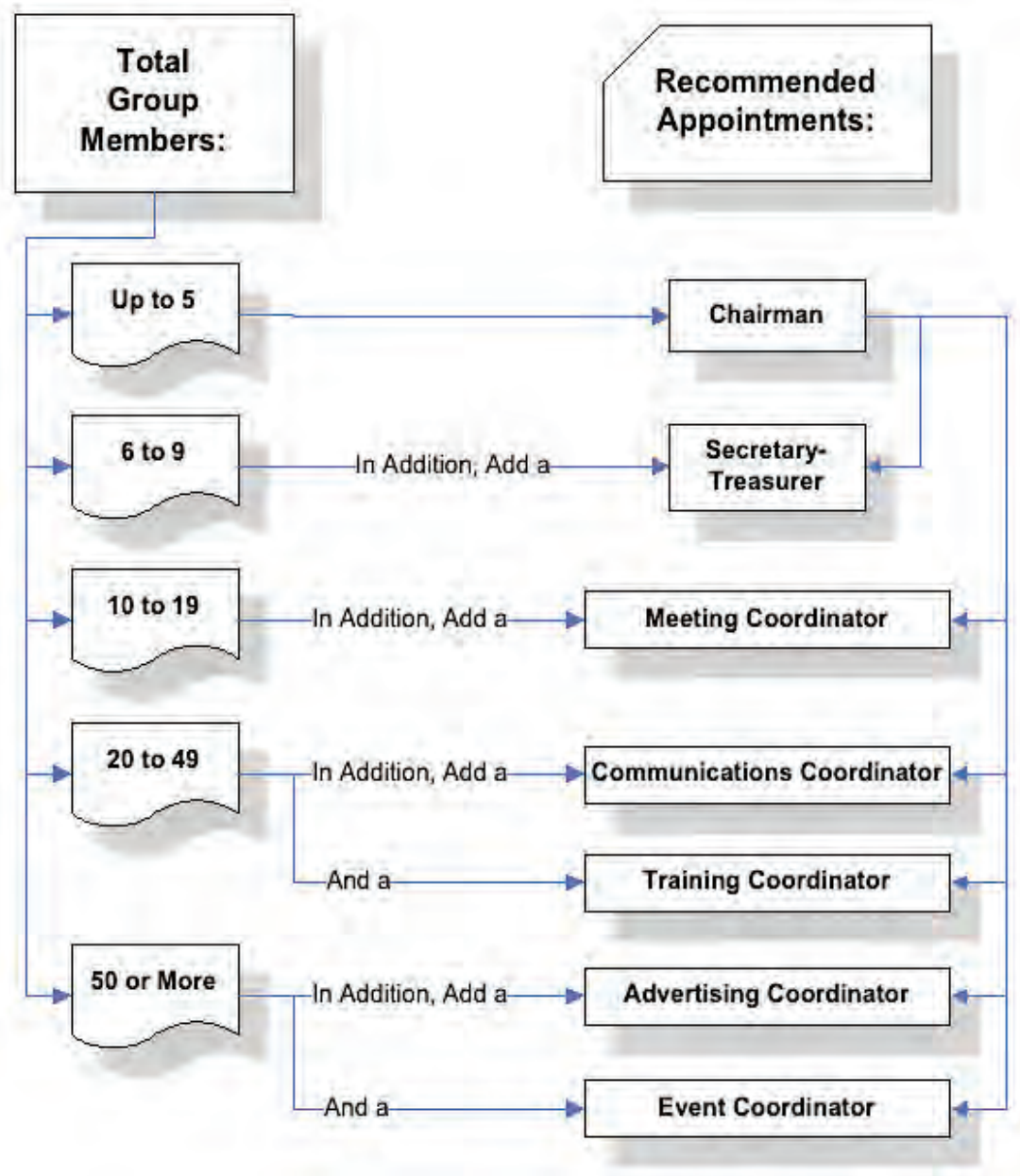
On the following page, an organizational chart has been created to help determine what appointments could be made for each group.



CONDUCTING GROUP MEETINGS

The First Meeting – Establishing a Group (Continued)

Depending on the size of the group, it is recommended to have the group consider the following appointments:



CONDUCTING GROUP MEETINGS

The First Meeting – Establishing a Group (Continued)

- Nomination / appointment of certain responsibilities depending on size of group (continued)

Again, the above are only suggestions and any size group can have any of the above appointments mentioned should the group deem them necessary. Appointments will assist with spreading out the various group responsibilities so that no one individual has too much to accomplish. In all cases, members appointed to areas of responsibilities form the steering committee of the group, acting as the main communication arm for all group members.

Since the meeting is drawing to a close, the most appointments that the group should consider during this meeting would be a chairman and a secretary-treasurer. The Wholesale Manager should review the terms of service for all areas of responsibilities with the group for these two appointments. It is recommended that the group members nominate their choice for these appointments rather than anyone from NAPA, although the Wholesale Manager can facilitate the appointments (i.e., 'who would the group like to be nominated for chairman?' and so on). More than one individual can be nominated for an appointment. In this case, the group must vote on each individual. A simple majority appoints the individual for the nomination.

With the nominations complete, then a motion to confirm the appointment of each specific individual is called. With each motion, someone within the group must second the motion. With that completed, a call for 'all those in favor' and 'all those opposed' must be performed. A simple majority carries the nomination and appoints each individual.

The new chairman (and if appointed, the secretary-treasurer) will begin their responsibilities during the second group meeting (they'll need time to prepare).

- Submit group for registration from NAPA Headquarters.....3 Minutes

With the decision to move forward as a group, the Wholesale Manager will communicate to the group that he/she will complete the 'Group Registration Request Form' on the new group's behalf and submit it to NAPA Headquarters for registration. The Wholesale Manager should complete the 'Group Registration Request Form' as soon as possible after this meeting and forward it to NAPA Headquarters for review. (A copy of this form is included within the 'Group Resources' tab.) A copy of this form should be provided to the chairman, as it will contain all group member contact information for the new group.

NAPA Headquarters will send a Welcome Letter to the newly appointed chairman, as well as a copy to the NAPA Storeowner or Store Manager and the Wholesale Manager. This letter should be read during the second meeting.

- Next meeting topics, confirm date, time and location, Q & A, close.....8 Minutes

The Wholesale Manager provides an overview of what the group will need to accomplish during their next meeting, including additional appointments as determined by the group. The chairman will preside during the second meeting. The next meeting date, time and location should be determined and all members should be encouraged to review the guidelines, as well as remind each member to bring their Business Plan Binders with them for the next meeting.

The group then discusses any other questions and answers. The Wholesale Manager and chairman should note any topics requiring follow-up. The meeting is adjourned.



CONDUCTING GROUP MEETINGS

The Second Meeting – Determine Group Direction

The goal of the second meeting is to help the new group establish their goals and determine their initial direction. The chairman should preside over all group meetings, beginning with this one. It is recommended that the Wholesale Manager work closely with the newly appointed chairman regarding preparation for this meeting (since it will be his or her first meeting in which they preside). A PowerPoint presentation has been prepared for assistance (file name is Second Meeting – Determine Group Direction – <latest date>.ppt). Using this presentation and the bullet points below will give you your discussion points.

Preparation for this second group meeting should include a number of topics. Prior to this meeting, the chairman and/or secretary-treasurer should contact all the group members and remind them of the meeting date, time and location. In addition, members should be reminded to review their copy of the guidelines, as well as bring their Business Plan Binder.

Depending on the size of the group, additional appointments may need to be made during this meeting. The chairman and secretary-treasurer should discuss what appointments are needed, as well as possible nominees. Nominees can be contacted prior to the meeting to solicit their thoughts and gain their commitment. An easel should be available during this meeting for use by the chairman.

This second meeting (including meals) should take no more than two hours (one and a half hours of dedicated meeting time) and should cover the following topics:

- Welcome / reading of NAPA Headquarters greeting (if received prior to this meeting).....5 Minutes

The chairman opens the meeting by welcoming the group members, as well as recognizing any NAPA visitors. A reading of the NAPA Headquarters welcome letter should take place. This letter will also include the assigned Chapter Number for the established group.

The secretary-treasurer (if appointed) should begin taking minutes of the meeting; otherwise the chairman should assign a group member to take notes on behalf of the group. Copies of each meeting minutes should be provided to all members of the group shortly after the conclusion of each meeting (usually within 48 hours). They can be emailed to the group members if so desired. Beginning with the third meeting, the secretary-treasurer (or designated group member) should provide a brief overview of the previous meeting minutes.

- Teleconferencing introduction by NAPA Headquarters5 Minutes

If this did not occur during the first meeting, the Wholesale Manager should arrange for a teleconferencing session with the appropriate individual within the NAPA AutoCare department at NAPA Headquarters.

- Additional appointments.....5 Minutes

The chairman should discuss any additional appointments needed for the group, as well as the possible nominees. Any additional members desiring to serve for those specific appointments should be solicited. With the nominations complete, the appointment process and group vote should be performed for each individual. A simple majority carries the nomination and appoints each individual.



CONDUCTING GROUP MEETINGS

The Second Meeting – Determine Group Direction (Continued)

- Establishing group goals25 Minutes

The chairman should engage the group in a discussion about what the group would like to accomplish together during the balance of the year and possibly the following year (especially if the group has formed late in the current year).

The chairman should lead the group toward what they would like to accomplish together locally, whether it's to advertise, support a local event or charity or to have their own training district and so on. The chairman should use an easel to write down all suggestions, categorizing each idea and taping these sheets on the walls within the room (if allowed at the meeting location).

After this exercise, the chairman should engage the members in a discussion of which ideas matter most to the members. Where necessary, the chairman may ask for a vote on some suggestions in order to prioritize the most important needs of the group. Once this has taken place, the chairman should assign certain members to research what would be involved with each area of focus, as well as the associated expenses.

- Establish regular meeting dates and times10 Minutes

The chairman should now establish a regular meeting schedule for the group. It is recommended that the group try to meet on a monthly basis, although initially it might be appropriate to meet every other month, but not less than quarterly. The remaining current year of meeting dates and times should be established and voted on by the group. Once these dates are agreed upon, they are motioned and seconded, with a vote for all in favor. As with all votes, a simple majority passes the motion.

Regardless of how often the entire group has decided to meet together, it is recommended that the steering committee (all appointed members) meet together at least once a month, possibly over lunch to discuss any topics that need follow-up on behalf of the group. These lunches can be expensed out of the group budget (established during the third meeting), as long as they are voted on and approved by the group and that official group business was the primary discussion.

- Review of Business Plan Binder contents or selected program element(s)25 Minutes

The chairman should then ask the Wholesale Manager to provide either an overview (30,000-foot level) of the Business Plan Binder and the many benefits included and available through the NAPA AutoCare Program – or selected program elements as requested by the group during the meeting. The Wholesale Manager should be prepared to review at least the key benefits of the NAPA AutoCare Program (i.e., Peace of Mind Warranty, CSI program, Preventive Maintenance, etc.). Should any questions arise that the Wholesale Manager cannot answer, the Wholesale Manager will follow up and address these during the next meeting. The meeting is then turned back to the chairman.



CONDUCTING GROUP MEETINGS

The Second Meeting – Determine Group Direction (Continued)

- Additional open discussions, Q & A10 Minutes

At this point the chairman asks if there are any other issues that the group should discuss. Should any additional assignments need to be made, the chairman can ask for volunteers or can assign certain tasks to the steering committee members for follow-up during the next meeting.

- Determine next meeting topics, guest speaker(s) for next / future meeting(s), confirm date, time and location of next group meeting, Q & A, close5 Minutes

The chairman now requests any group topics the members would like to discuss during their next meeting or future meetings. Any suggestions should be defined to make sure that everyone feels the suggested topics would benefit the group and these topics would then be put on the agenda for the next meeting. The chairman then solicits suggestions for guest speakers the group would like to see, either at the next meeting or in future meetings. A member of the steering committee or an assigned group member would follow up all suggestions. The chairman would then verify the next meeting date and time for the group. The chairman should then thank the group members for their attendance and participation during the meeting, as well as those who attended from NAPA and any guest speakers. The chairman then adjourns the meeting.

CONDUCTING GROUP MEETINGS

The Third Meeting – Determine Group Budget

The goal of third meeting is for the group to determine their budget. It is recommended that the Wholesale Manager work closely with the chairman regarding preparation for this meeting. A PowerPoint presentation has been prepared for assistance (file name is Third Meeting – Determine Group Budget – <latest date>.ppt). Using this presentation and the bullet points below will give you your discussion points.

Preparation for this third group meeting should include information regarding the expenses associated with the areas of focus determined under the direction of the group. With all meetings moving forward, all group members should be contacted as a reminder of the meeting date, time and location. In addition, members should be reminded to review their copy of the guidelines, as well as any other requested materials in support of the meeting.

This third meeting (not including any meals) should take no more than two hours and should cover the following topics:

- Welcome and introductions5 Minutes

The chairman opens the meeting by welcoming the group members, as well as recognizing any NAPA visitors. It's always a good idea to have members reintroduce themselves until everyone is familiar with one another. Should there be any new NAPA AutoCare members in attendance that are joining the group for the first time or any new dealers considering joining the NAPA AutoCare Program, they should likewise be allowed to introduce themselves.

- Brief review of last meeting minutes by secretary-treasurer5 Minutes

A brief review of the last meeting minutes should be read by the secretary-treasurer. Any open items from the previous meeting should be highlighted, as well as any assignments given to members to research on behalf of the group.

- Follow-up on previous meeting discussion / assignments5 Minutes

Any assignments from the previous meeting should be addressed. The chairman would request that individual members assigned to a project from the last meeting provide a brief update on their findings.

- Budget discussion and vote30 Minutes

With the group direction now defined and potential expenses determined, the group must now establish their budget. The best method is to establish an initial budget from cost up (similar to how a repair business determines their labor rate). A suggestion could be as follows:

- Total all potential group expenses as defined
- Add a small amount for a cushion and for cash flow
- Divide the total by 12
- Divide that number by total number of group members and contributing NAPA store locations



CONDUCTING GROUP MEETINGS

The Third Meeting – Determine Group Budget (Continued)

- Budget discussion and vote (continued)

For example, the anticipated potential expenses of the group are determined to be \$25,000 and the group feels that an additional 20% would be adequate for their cushion and cash flow. The group currently has 13 members serviced by three NAPA stores. How much should each member and the stores servicing these members contribute each month?

— Potential group expense	\$25,000
— 20% cushion	\$5,000
— Total	\$30,000
— Divided by 12 = Monthly Group Contribution	\$2,500
— Divided by (total group members/stores) 16 = Monthly Member/Store Contribution.....	\$156.25

While a group budget may be a new concept to many of the members, it should be emphasized that in order for the group to make progress locally, compete with national chains and other competitors and grow their individual businesses, even a small budget will get the group started in the right direction.

Revisit if needed to buy media on a specific promo. Time your contributions to be there when you need them.

Once the group has agreed on a budget, it needs to be motioned, seconded and voted upon. Additional information regarding the budget, as well as a sample budget can be reviewed within the “Financial Considerations of the Group” tab within this guide. Additional information contained in this section will also help toward understanding certain financial situations that may exist with some members of the group so that the chairman can make an appropriate decision regarding any possible contribution adjustments for a limited time.

- Setting up a bank account for budget funds5 Minutes

Once the budget is established and monthly contributions are agreed upon, the secretary-treasurer should then make it a point to open an account. For groups serviced by GPC Company-Owned stores, an account will be set up via the ADP Center as directed within the “Financial Considerations of the Group” section. For a group serviced by an independently owned store, the storeowner can set up an account at their local bank on behalf of the group.

It is recommended that the steering committee discuss the itemized budget and present their thoughts to the group as to when enough money will be available to spend on their areas of focus. Once an itemized budget has been outlined, it should then be presented to all members during the next meeting. As funds are disbursed, the secretary-treasurer will provide an accounting at each meeting and distribute copies of a reconciliation of the group bank account and a recap of all disbursements.

- Pre-arranged guest speaker(s)30 Minutes

The chairman now introduces any guest speakers on the agenda. All guest speakers should encourage questions and interact well with the group. During this meeting, it is strongly recommended that the Commercial Systems Group Sales Representative present the benefits of NAPA TRACS, connectivity and CRM.



CONDUCTING GROUP MEETINGS

The Third Meeting – Determine Group Budget (Continued)

- Determine next meeting topics, guest speaker(s) for next / future meeting(s), confirm date, time and location of next group meeting, Q & A, close10 Minutes

The chairman now requests any group topics the members would like to discuss during their next meeting or future meetings. Any suggestions should be defined to make sure that everyone feels the suggested topics would benefit the group. These topics would then be put on the agenda for the next meeting. The chairman then solicits suggestions for guest speakers the group would like to see, either at the next meeting or in future meetings. A member of the steering committee or an assigned group member would follow-up all suggestions. The chairman would then verify the next meeting date and time for the group. The chairman should then thank the group members for their attendance and participation during the meeting, as well as thanking those that attended from NAPA and any guest speakers. The chairman then adjourns the meeting.

GROUP MARKETING OPPORTUNITIES

Overview

Group advertising will likely be the subject of ongoing discussion at many meetings. In some cases, groups will focus on one main budget spend each year, with smaller ancillary budget spends throughout the year depending on the total group budget. It is important to emphasize that a large budget is not necessary, especially when getting started.

There are many 'guerrilla-marketing' techniques that only require a relatively small investment, but can yield some excellent results. While the group could begin working with an advertising or marketing agency (and this is encouraged once the group is established and has gained some local experience), it might be better to allow each group to initially perform small, local forms of advertising on their own in order to gain some valuable group experience.

It is for this reason that the following 'guerrilla-marketing' methods are listed first within this guide in order to help the group members focus on local and more affordable advertising. Once some experience is gained in these areas, the group could then elect to perform more print advertising, perhaps inviting an advertising agency in to discuss future plans. From there, the group can move to brand building. With all the millions of dollars NAPA spends each year, this approach can serve to leverage a group's advertising dollars, since NAPA's primary advertising spends are focused on building the NAPA brand on a national level.

The key to successful advertising is consistency. Doing so keeps the group of NAPA AutoCare Centers foremost in the minds of not only current customers, but more importantly of potential new customers. Because different media reach different consumers, the best advertising begins with a well thought out multimedia approach. Therefore, a well-balanced local marketing plan should begin with heavy guerrilla marketing, then print and finally local brand building.

Guerrilla Marketing Methods

Depending upon whom the group is trying to reach, alternative media provides affordable options for achieving a group's advertising objectives. Consider checking the availability of some of these alternative media within the group market:

NAPA Web Connect CRM

- One of the easiest and most affordable ways to employ guerrilla marketing is to utilize the NAPA Web Connect CRM (Customer Relationship Management) Program. The program targets existing customers via email. Since each member already has a relationship with their own customers, customers tend to read the email since it's from someone they trust. The program also automatically contacts every customer after each visit to solicit comments about the service received. Additionally, automatic service reminders are generated, online scheduling can be accepted and promotions can be easily generated in a manner of minutes. Just imagine the impact in a market where all the group members participate in the program!

NAPA AutoCare CarCareCONNECT

- NAPA now makes available a custom website and emarketing solution for all NAPA AutoCare Program members. With this service each member can have their own custom website, including a vanity web address, custom development and hosting, site search optimization and custom coupon offers that consumers can print and use to take advantage of the offer. They also can view how many visitors are coming to their custom website and much more. Additionally, this service ensures that all custom websites meet all of NAPA's standards and requirements. As a group, members could list the same current coupon offering on their individual websites to further build continuity.

GROUP MARKETING OPPORTUNITIES

Guerrilla Marketing Methods (Continued)

Movie Theaters

- Advertising can be placed on film or slides and inserted before or between previews at movie theaters. Ads designed for this medium often invite viewers to bring in their ticket stubs to receive a discount on selected services. Ads can be placed within all previews or selected movies and / or ratings to target specific audiences. Movie theaters tend to create a larger-than-life impact due to the big screen. They also reach a “captive audience” (the audience can’t just change the channel or fast-forward past your message). Lastly, movie theater advertising can accommodate a wide range of advertising budgets, depending upon the production techniques used (i.e., still frames vs. animation).

Ticket Stubs / Scoreboards / Stadium Billboards / Community Theater / Civic Clubs / High School Teams / Local Charity Events

- There are many smaller venues that can work locally. Some of these include ticket stubs, scoreboard sponsorships and stadium billboards. In addition, small community theaters, civic clubs, high school teams and local charity events can advertise their supporters in return for sponsoring the organization. By supporting the local community, the group can build their image of quality and trust even further.

Donations of Safety Equipment or Other Items Needed by the Community

- There has been much discussion regarding the safety within parks, schools or wherever children play. It’s possible for a group to consider the donation of certain safety equipment (or funds towards purchasing certain equipment) as defined by local authorities or expressed as a need by a local community. Equipment such as breakaway bases for a baseball field, an emergency heart defibrillator, eye wash stations, etc., could be donated as a group. In return, the organization will likely recognize the group in some special way that will make a lasting impression on the community. Think outside the box and look for opportunities to ‘give back’ to the community.

Buses / Public Transportation

- Buses, taxis, trams and trolleys sometimes sell space both inside and out. This medium is inexpensive compared to traditional media and can capture the attention of consumers while they are in transit – a time when your message might be more relevant. When ads are featured inside the vehicle, you reach a captive audience. An ad outside of the vehicle provides a moving billboard where short messages are more effective and exposure is dramatically increased.

Specialty Magazines / Newsletters

- Publications such as city / suburb magazines or car club newsletters offer a less expensive alternative to newspapers and provide a more targeted, efficient approach to advertising. For this medium to be effective it is important to select the right publication that will put the message in the right hands – those quality customers that the group is trying to attract.

Radio Talk Shows

- A number of NAPA AutoCare Business Development Groups have elected to either sponsor or host their own radio talk shows. Their objectives include educating the public on the complexity of today’s vehicles, taking live questions from consumers and addressing these questions in a way that most consumers can easily understand. This creates a favorable image for NAPA AutoCare Centers within the reach of the station, promoting and building upon consumer trust through accurate knowledge and professionalism. Talk show fees have a wide range depending on the market and reach of the station and its affiliation.

GROUP MARKETING OPPORTUNITIES

Guerrilla Marketing Methods (Continued)

ATM Receipts

- In some markets, automatic teller machine vendors sell advertising space on their ATM receipts. To explore the possibilities in an area, contact teller machine vendors at the number given on the side of the machine and work from there or ask the local bank that distributes the rolls for the machine.

Community Newsletters

- Many planned communities produce a newsletter. If the group is in close proximity, the group could contact the community office to find out what advertising space is available and when.

Grocery Carts / Bags

- Many grocery chains offer advertising space on their carts and bags. Generally, you have to contact the local store manager to get the number of someone at a state, regional or national level who is in charge of marketing or advertising.

Possible Armed Forces Considerations

- With many Armed Forces going overseas, a possible group consideration would be to provide families of our Armed Forces something to show local appreciation. Some NAPA AutoCare Centers have found it's helpful to provide a free vehicle inspection to all vehicles of a family member scheduled for a tour of duty. Any needed repairs found could be discussed with the member prior to their tour of duty and a pre-determined percentage of savings on parts, etc. might be made for these vehicles and so on. As a group, this could be offered simply by a flyer available at each NAPA AutoCare Center – or could be advertised within certain appropriate military newsletters or other appropriate military venues.

Summary

- Look for other unique ways that the group can market their services to on a local level.

GROUP MARKETING OPPORTUNITIES

Print Marketing

There are many sample print ads within your NAPA AutoCare Business Plan Binder. On the following pages there are many of the pros and cons of various types of print advertising media so that the group can make an informed decision regarding their plans:

Yellow Pages

Pros

- Distributed to nearly every name and business in the area
- Over 80% of people use the Yellow Pages regularly
- Four out of five people using the Yellow Pages will take action
- Constant availability – at home and work every day of the year
- Supports other media to increase general awareness
- NAPA's National Yellow Pages Program can make this an easy and cost-effective option
- More cost effective where groups can have one ad with multiple locations for ease of consumer use / choice

Cons

- Does not produce "impulse" sales
- Because directories are updated only once a year, this is a poor medium for dated information
- Price information is not allowed
- Targeting customers that are not within the service area
- Multiple directories to select from in many markets, difficult to determine effectiveness of one directory over another

Yellow Pages Summary

Automotive service and repair is among the top five most referenced directory headings and is one of the most critical components in driving the sales of each group member. It can be more cost-effective when a group of members place a single ad listing their locations. The ad can usually be larger than what a single location could reasonably afford and generally be placed toward the front of the automotive service section. Placing a group ad in this manner can help the consumer focus on where each location is in proximity to their home and contact the closest location.

GROUP MARKETING OPPORTUNITIES

Print Marketing (Continued)

Shopper Magazines

Pros

- Recognized as a source of “for sale” information
- Easy to use without the assistance of an ad agency
- Allows the consumer time to understand the offer(s)
- Allows the group to include the complete name, location and phone numbers of the group members, along with other important information
- The inclusion of coupons allows the group to see the advertising “at work” and to measure the results
- Published to cover sections of cities, allowing the group to reach the targeted audience more efficiently
- Less expensive than newspaper advertising

Cons

- Generally no editorial or features
- Weekly formats can be highly cluttered
- Readership not guaranteed
- Rates are generally non-negotiable

Shopper Magazines Summary

This could be a good option in markets with shoppers that are known for producing results or in major metro area markets where shoppers cover a “cluster” of NAPA AutoCare Centers within the group. This medium is most effective when advertising specific service or repair offers.

Newspaper

Pros

- Recognized as a primary source for automotive service and repair ads
- Easy to use without the assistance of an ad agency
- Allows the consumer time to understand the offer(s)
- Allows the group to include the complete name, location and phone numbers of the group members, along with other important information
- The inclusion of coupons allows the group to see the advertising “at work” and to measure the results

Cons

- Decline in readership during the past decade
- Too expensive in “A” markets (unless a group is involved)
- Ad may not be noticed by prospects
- Reproduction can be poor, especially with multiple colors
- Blanket market coverage means the group may pay for more than is needed
- Rates are generally non-negotiable

Newspaper Summary

Newspaper is a good option in “A” markets where a group can participate. However, it also provides an excellent opportunity in smaller markets where rates are lower and the newspaper has fewer sections and pages to ensure higher ad visibility. Newspaper advertising is most effective when it focuses on a specific service or repair offer. Newspapers reach a wide range of people for a low cost per impression. Check with the local newspaper representative to see if the group can just advertise in certain distribution zones within the part(s) of the area from which the group would typically attract customers.

GROUP MARKETING OPPORTUNITIES

Print Marketing (Continued)

Direct Mail

Pros

- Allows the group to reach a targeted audience with focused mailing lists
- Allows the group to address the consumer by name, adding a personal touch
- Allows the consumer time to understand the offer(s)
- Allows the group to include the complete name, location and phone numbers of the group members, along with other important information
- Results can be measured if consumers are asked to bring in the piece to redeem offer
- Information about the consumer can be captured for future use

Cons

- Historically low response rates (about 2 percent)
- Message or offer can get lost in “perceived” clutter
- If using 3rd-class postage, this often means lower “timely” deliverability

Direct Mail Summary

A group can custom-build and send direct mailings to their existing list of customers who traditionally spend more on service and repairs, thereby reaching the best customers with offers that they'll most likely respond to. This medium is more effectively used in conjunction with other resources, such as local TV and radio advertising. Direct mail can be sent to a specific member's existing customer base (with no waste coverage), or potential new customers within a certain ZIP code, etc. Piggybacking the mailing (i.e., including in a “Welcome Wagon kit”) can reduce overall costs, but also can “bury” the message in a sea of other advertisements.

New Movers Program

Pros

- Specifically targets new movers within a specific pre-defined area
- Control of exclusive special offers only to targeted consumers
- Good control of quantity of mailings within mailing period
- Usually no long term commitments
- Excellent for complete message of offers,
- Allows the consumer time to understand the offer(s)
- Relatively inexpensive when compared to other direct mail or saturation mail
- Results can be measured if consumers are asked to bring in the piece to redeem offer
- Information about the consumer can be captured for future use

Cons

- Possible combining of other offers, possible “perceived” clutter if company merges other offers within the mailing
- Mailings could be limited depending on market
- Not a good media for group advertising if the group can't agree on a specific offer that is honored at all locations
- Rates are generally non-negotiable
- Possible minimum mailing commitment with some mailing companies

New Mover Program Summary

This media targets potential new customers moving into the area. Consider an offer of exceptional value (‘Welcome to the neighborhood’), but one that also promotes quality. This type of media may be best suited for a single location, although an offer made available by the entire group can provide consumers with a great selection of locations closest to their home.

GROUP MARKETING OPPORTUNITIES

Brand-Building Marketing

There are many sample print ads within your NAPA AutoCare Business Plan Binder that promote the NAPA AutoCare brand. On the following pages are many of the pros and cons of various types of brand-building marketing so that the group can make an informed decision regarding their plans:

Radio

Pros

- Relatively easy to use
- Great flexibility
- Most consumers hear ads while driving during peak driving periods
- Wide variety of large-market stations allows the group to target their audience
- Builds awareness of products, services and events
- Excellent support medium for print or outdoor billboards
- Excellent secondary medium for television ads
- Great opportunity for adjacencies for traffic and news

Cons

- Poor medium for location, phone number, hours, etc. for group advertising
- Primarily a regional medium, smaller budgets may not allow for multi-station buys necessary in “A” markets
- Tapes and compact disc players decrease listenership
- People tend to scan the dial when commercials are played

Radio Summary

To gain new customers, the advertising should incorporate the service offer and price. With group advertising, it's better to mention to visit the local NAPA AutoCare Center in the area or mention one or two specific member's name, address and phone number in rotation. There may be other specific information the group would want to include to help “drive” business, but radio alone cannot do this effectively.

Radio may be a good choice to support print campaigns in smaller markets where there are lower rates and fewer stations to choose from. Multi-station buys in “A” markets, however, have proven too costly to support an adequate print or outdoor-billboard campaign. Radio reaches people when they're in their car and thinking about their vehicles. Individual station programming formats make it easy to target specific audiences. The group can also dictate the time of day (i.e., morning “drive time”) when the ad runs.

There are many radio scripts already professionally written and are located within the NAPA AutoCare Business Plan Binder. These should provide the group with some good ideas to support some possible radio ads.

Radio Show Remote Broadcast

Many local radio stations make a remote broadcast available to their advertisers, sometimes included with an advertising package or special buy. It is best to have an event that the group has committed to or a local promotion in order to raise awareness within the community. With any remote broadcast, listeners should be asked to stop by and visit the member where the remote is being held and either enter to win something or receive something just for stopping by. Even supporting a charity drive like Toys for Tots, etc., can be very effective within the community when combined with a remote broadcast.

GROUP MARKETING OPPORTUNITIES

Brand-Building Marketing (Continued)

Outdoor Billboards

Pros

- 30-day “Main Street” exposure
- Lowest cost-per-thousand for consumers reached
- NAPA has National Outdoor Advertising Program
- Can identify the name and location of selected group members in the ad
- “At work” 24/7
- Boards can be “rented” near some group member locations

Cons

- Some markets have few or no suitable locations
- Can be costly in major metro markets
- Limited advertising message
- Limited reach depending on market size
- Possible high production cost

Outdoor Billboards Summary

Outdoor advertising provides an excellent medium for introducing NAPA AutoCare into the community or highlighting some specific locations. Additional campaign impact can be achieved when outdoor billboards are combined with a cable TV schedule or a direct mail blitz. One billboard ad for 30 consecutive days is roughly equivalent in cost to one or two newspaper ads.

Local and Cable TV

Pros

- Due to the multitude of cable companies, a specific market area can be targeted more effectively
- Programming allows you to reach a specific audience
- Local cable ad rates are relatively inexpensive
- Lower cost allows greater frequency

Cons

- Penetration varies from medium to low in rural markets
- May be difficult to determine which stations to buy
- Production cost of TV spot may be a consideration
- Targeting customers that are not within your service area

Local and Cable TV Summary

Cable TV continues to grow in popularity among NAPA AutoCare Business Development Groups. It is frequently the only cost-effective way to gain TV exposure. Thirty-second spots may be no more expensive than comparable radio advertising, but the combined dynamics of sight and sound will convey the group's message more effectively. Excellent campaign impact is possible when cable TV supplements newspaper, outdoor billboards or direct mail advertising. Cable TV, like radio, is an easy way to target specific audiences. That's because cable's highly targeted channels (HGTV, ESPN, etc.), serve predictable audiences.

Should a local business or business owner be featured, care should be exercised to ensure that the ad projects the proper appearance that are in-line with all NAPA AutoCare Program standards.

GROUP MARKETING OPPORTUNITIES

Brand-Building Marketing (Continued)

Network TV Affiliates and Independent TV Stations

Pros

- Dynamic sight and sound impact
- Excellent consumer reach vehicle

Cons

- Often projected as too expensive to use effectively for a local group
- Too broad of reach to be effective for local use

Network TV Summary

NAPA AutoCare Centers, as well as the overall NAPA brand, are promoted throughout the year on national TV. These commercials constantly reinforce NAPA's brand message of quality – in the parts, people, and the service. Local-use versions of the NAPA AutoCare commercials are available with room to add a local message. Groups can leverage this national advertising by coordinating additional coverage through local media.

Advertising and Media Terms

There are many terms that may be unfamiliar to those that don't live and breathe advertising on a day-to-day basis. It is for this reason that the following terms are provided as a point of reference for all group members.

Adjacency – The program(s) adjacent to a TV or radio commercial.

Advertising Impressions – A generic term used by media sellers and buyers to refer to the audience delivery of media vehicles and schedules. In several uses of a vehicle or media schedule, the total or gross audience can be expressed as an absolute number or as Gross Rating Points. Each medium has its own unique way of expressing impressions:

Broadcast – refers to the program delivery. In network TV, A.C. Nielsen provides average audience estimates, which are averages of the minute-by-minute audience of a program or time period. In local TV and radio, the program delivery is estimated by average quarter-hour ratings supplied by ARB and NSI.

ARB - (Arbitron, Inc., formerly American Research Bureau) - A radio and TV local rating and audience composition service.

NSI - (Nielsen Television Index) is a local TV rating report. Surveys are conducted at least 2 times a year, and more often in major markets.

Print – Refers to the vehicle delivery in terms of readership. A print impression is, in effect, one person reading or looking into an issue of a print vehicle (Time magazine for instance).

Outdoor – An impression is created when a person passes by a poster. The person does not have to notice the ad to be counted in the poster's audience.

Transit – Audience delivery is based on the number of riders on a car or bus in which the advertising is placed. Consequently, transit impressions can be overly inflated.

Advertising Weight – The level of advertising support planned for, or used by, a brand during a specified period of time. Normally stated in terms of number of commercials delivered, homes reached, impressions, gross rating points, etc.

GROUP MARKETING OPPORTUNITIES

Advertising and Media Terms (Continued)

Air Date – First broadcast of a particular commercial or the broadcast date of a particular program.

Annual Discount – A discount given to an advertiser by a medium based upon the number of ads run during an established 52-week contract year.

Audience – A generic term expressing the gross or net number of percent of homes or people exposed to a media vehicle or advertising message. Gross Audience is an expression of message weight; net audience of reach. Audience may be expressed in total and for demographic subgroups. The audience measurement is usually based on a sample survey.

Audience Duplication – An expression of the number of people or homes exposed to more than one of a group of media vehicles. For example, the portion of the readers of Time and Newsweek reading both magazines.

Average Frequency – The number of times the average household or person is exposed to an advertising message within a specific period of time. TRPs / Reach = Average Frequency.

Average Net Paid Circulation – The average number of copies of a publication sold per issue or above the established minimum cost. The average net paid circulation is determined by the total number of issues.

Billboard – An outdoor advertising display, or in TV and radio a free, short, three to ten second announcement identifying advertiser sponsorship during the beginning, end or breaks in the scheduled program broadcast.

Bleed – An advertisement that extends to edge of the page eliminating any margin. Some magazines will charge a premium price for bleed ads.

Bonus Spot – Additional TV or radio spot given to an advertiser at no cost either as an inducement to purchase a particular program package or to raise GRP levels.

BPA – (Business Publication Audit of Circulation) – An organization that audits the circulation of business publications.

Broadcast Calendar – A generally agreed upon industry accounting procedure whereby all months are divided into 4 or 5 weeks always beginning on a Monday. This facilitates broadcast billing.

Broadcast Coverage Area – The geographic area within which a signal from an originating TV station can be received.

Cable TV – TV programming delivered via coaxial cable rather than over the air. Offers improved reception and a large number of program choices; some of these choices from distant stations.

Cable TV Penetration – Percent of U.S. TV households connected to cable TV systems.

Card Rate (Open Rate) – The standard cost of time or space in a media vehicle without regard to any discounts – the highest rate listed on the rate card.

Circulation – In print, the total number of distributed copies of a magazine or newspaper at a specified time averaged over a number of issues. In broadcast, the total number of set owning households within a station's coverage area. In outdoor, the total number of people passing a showing who have the opportunity to view it.

GROUP MARKETING OPPORTUNITIES

Advertising and Media Terms (Continued)

Closing Date – The final date set by a media vehicle to contract for advertising space or time in a given issue or station schedule.

Column Inch – A unit of space one column wide and one inch deep (14 agate lines).

Controlled Circulation – The circulation of a publication that directs all or most of its circulation to a select list of persons without charge.

The publication must contain at least 25% editorial matter and be issued at least quarterly. Also called qualified circulation. Generally applies to business publications.

Cost-Efficient – Used to describe a measure of the efficiency of media vehicles and schedules. Cost-efficiency normally compares the relative cost of delivery of 1,000 advertising impressions.

Cost Per Point (CPP) – The cost of delivering one rating point (1% of the designated universe). This is used to estimate TV and radio costs for comparison, planning and negotiation.

Cost Per Rating Point – (Cost Per Point, Cost Per GRP) – The cost to reach 1% of the homes or individuals within a specified geographic area. This can be expressed by media vehicle or by medium and by market. Cost per rating point is used in planning media budgets, allocating budgets and setting media goals.

Cost Per Thousand (CPM) – The advertising cost required to reach 1,000 audience units (e.g., homes, readers, viewers/listeners). Used to evaluate the cost efficiency of various schedules of print and broadcast.

Coverage Area – An area in which a media vehicle has coverage. In broadcast, coverage area refers to the geographic boundaries to which a station's signal extends. In newspapers, coverage area usually refers to circulation area.

Daypart – Any of the time segments into which a broadcast day is divided – by audience composition and/or broadcast origination time, e.g. for TV – daytime, early fringe, access, prime and late fringe; for radio – morning drive, housewife, afternoon drive, night or teen.

Designated Market Area (DMA) – Nielsen's geographic assignment of exclusive TV Markets defined by counties in which home market stations receive the predominant share of viewing.

Duplication – The number of percent of people in one vehicle's audience who are also exposed to another vehicle.

Effective Reach – Regular reach shows what percentage of the target are exposed to a message at least once. Effective reach is the percentage of the target that is exposed to a message three or more times. A large body of research says that if you only see an ad once, it has little effect. Your target needs to see an ad at least 3 times for it to be effective.

Exposure – An individual's physical contact with an advertising message or medium.

Fixed Position – In print, a franchise position, which generally remains constant from issue to issue and may be rotated among advertisers' products.

Flat Rate – A uniform charge for advertising space/time that does not include any discounts.

Fighting – A campaign schedule pattern characterized by periods of advertising effort followed by periods of inactivity.

GROUP MARKETING OPPORTUNITIES

Advertising and Media Terms (Continued)

Flow Chart – A scheduling calendar that plots the media elements of an ad campaign as they will be used across a period of time.

Four-Color (4C) – Black and three colors (blue, yellow and red) are standard color combinations used by practically all publications offering color advertising. With these colors, a satisfactory range of shades may be reproduced.

Frequency – The number of times an individual or household is exposed to a given ad message during a given period of time – usually expressed as an average. Also, the number of broadcasts or insertions scheduled over a period of time. ($TRPs / Reach = \text{Average Frequency}$).

Gross Rate – The published rate for space or time quoted by an advertising medium, including agency commission, cash discount and any other discounts.

Gross Impressions – The sum of all exposures to an advertising message in a given media schedule.

Gross Rating Points (GRPs) – The sum of individual ratings of all elements in a broadcast advertising schedule. One rating point equals 1% of the total potential audience for a given medium – also refers to the product of reach and exposure frequency. ($GRP = \text{Reach} \times \text{Frequency}$).

Gutter – The blank inside margins of facing pages in a publication. The point at which the publication is bound.

Hold – A part of the negotiation process (usually network TV) in which a pending order is removed from sale by the network to permit time for an agency or other party to get authorization to make the buy.

ID – Station Identification by call letters and location, channel or frequency – also refers to any spot announcement not over 10 seconds long.

Insert – A preprinted ad supplied by the advertiser – usually of different paper stock and/or color reproduction superior in quality to that of the rest of the publication – which is bound or “tucked” into a magazine.

Insertion Order – Written order authorizing a publication to print a specified advertisement. It includes insertion dates, size, position and rates.

Line Rate – The cost per agate line for print space, primarily newspapers.

Make-Good – When the advertising purchased is pre-empted, omitted in error, or run in an unfit condition, the medium offer, at no additional cost, comparable space or time at a later date.

Market Share – A company's share of an industry's volume.

National Advertising Rate – The rate a national advertiser pays for newspaper space and TV time, as distinguished from the local rate applying to local and retail advertisers.

Net Cost – Advertising rates that do not include agency commission.

Net Paid Circulation – A term referring to circulation of a periodical for which not less than 50% of the subscription or newsstand price has been paid.

GROUP MARKETING OPPORTUNITIES

Advertising and Media Terms (Continued)

Network – Two or more stations joined by a line to broadcast programming from a few original studios simultaneously.

P4C - Abbreviation for “page four color”, just as P B&W stands for “page black and white”.

Penetration – The percent of set-owning households to total households in a given area – the degree to which a medium or vehicle has obtained area coverage – also, refers to the “effectiveness” of advertising’s impact on the public.

Perfect Binding – Pages glued together at the bound edge.

Piggyback – The back-to-back scheduling of two or more brand commercials of one advertiser in network or spot positions.

Poster Panel – The standard surface on which outdoor ads are displayed – a standard panel is 25” x 12” and may take a 10 to 30 sheet poster.

Poster Showing – A combination of outdoor advertising poster panels in different locations sold as a single unit – usually of varying intensities (#25, #50, #75, #100, #200 showings) to obtain a specified level of area coverage.

Radio Rating Point – The basic unit of radio audience size – equal to 1% of the radio owning homes/individuals in a station’s coverage area.

Rate Base – Minimum guaranteed circulation used to determine rates in print.

Rate Card – A listing put out by the medium containing advertising costs, mechanical requirements, issue dates, closing dates, cancellation dates and circulation data. Rate cards are issued by both print and broadcast media annually or more often.

Rating – An estimate of the size of an audience expressed as a percentage of the total group sampled.

Reach – The number or percent of a potential audience exposed to an ad, commercial, or specific vehicle one or more times within a given period of time.

R.O.P. (Run of Press) – A newspaper insertion for which a position is not specified, buy left to the discretion of the publisher.

R.O.S. (Run of Station) – A broadcast commercial for which a specific hour or day has not been requested.

Rotation – Spots that rotate through the various days on which a program appears. Also spot rotation through a program of long duration.

Saddle Stitching – Pages stapled through the center-fold in a magazine.

Saturation – A concentration of commercial messages in a short period of time to reach many people and/or to reach the same people many different times.

Scatter Plan – A broadcast scheduling strategy designed to build reach by placing announcements at random over a variety of network and station programs. Scatter plan advertisers participate in programs rather than sponsoring them. Scatter offers an advertiser relatively little risk since the advertised product is not tied to the success or failure of a single program or series.

GROUP MARKETING OPPORTUNITIES

Advertising and Media Terms (Continued)

Share or Share of Audience – The percentage of a broadcast audience tuned to a given program at the time of the survey rating.

Share of Voice (SOV) – A brand's percentage of the total advertising spending in its product category.

Short Rate – The cost difference between the discounted contract rate and the higher rate actually earned on space when an advertiser fails to fulfill the planned schedule.

Showing – A group of outdoor posters, which will provide a certain percent coverage of a market (e.g., a #100 showing is designed to provide potential coverage of the total market).

Side Stitching – Pages stapled through the bound edge of a magazine.

Single Rate – Refers to newspapers and TV stations that offer the same rate to both national and local/retail advertisers.

Space Contract – A statement of intent to run a specified volume of space in a newspaper or magazine, which indicates the applicable frequency or volume rate discount. Duration of the contract year is 12 months.

Standard Newspaper – A large-sized newspaper, usually 8 columns wide.

Syndicated Program – A program bought by a station or advertiser from an independent organization that is not a network.

Tabloid – A newspaper, which measures about 5-6 columns wide and 200 lines deep. About half the size of a regular newspaper.

Target Rating Points (TRPs) – The sum of all rating points delivered by a media vehicle(s). TRPs include duplication.

Tear Sheets – Pages that are torn or cut from a publication to provide proof of appearance of an advertisement.

Television Market – An area comprised of one or more counties (or area of 20,000+ homes) in which the originating TV stations have a larger combined share of viewing than stations from any other market.

Traffic – Departments in stations, publications and agencies, which handle commercial materials and schedule instructions.

Upfront – A term describing an advertiser commitment (usually substantial) early in the buying season. In network and syndicated TV (and occasionally spot TV) 52 weeks of activity are bought in advance. Negotiated deals usually have cancellation options after the first quarter of activity.

Vehicle (Medium) – Anything capable of exposing advertising to consumers.

Vertical Saturation – A large number of commercials scheduled throughout the course of the same day, generally designed to reach many different people.

FINANCIAL CONSIDERATIONS OF THE GROUP

Establishing a Group Budget

This will be a new concept to many NAPA AutoCare members, since many have been used to doing everything on their own. Establishing a group budget for some might be difficult, especially early on. Therefore, it's critical that the group firmly establish a long-term direction that the majority of members can agree upon. It is not the responsibility of a NAPA storeowner or manager to make the decision to establish a group budget; it's the NAPA AutoCare members that must agree to their group direction, the establishing of a group budget, and ultimately, the amount of monthly contribution and budget spend items.

- It's important to realize that many national chains contribute up to 7% of their sales to advertising. The good news is that members of a group don't have to contribute anywhere near that amount on a monthly basis in order to be effective, especially if they determine early on what it is they desire to accomplish.
- Based upon the NAPA AutoCare Financial Profile, the top 25% of NAPA AutoCare Centers spend a ratio of only 2.2% to sales on advertising. While the servicing NAPA store(s), DC and District managers may be involved in discussing certain aspects of a budget and lend suggestions, it's the members of the group that ultimately decide how much they desire to contribute and spend together.
- After the budget has been established, a group bank account is to be set up.

Establishing a Group Bank Account

For Groups Serviced by GPC Company-Owned Stores

To set up a NAPA AutoCare Business Development Group account in a DC for a group sponsored by a Company-Owned store, certain procedures and forms must be completed. Applicable information can be shared with a group serviced by GPC Company-Owned stores when the group establishes their budget and is in need of assistance to manage their funds.

Management of Group Receivable Account

After the account is set up, the District Manager for the GPC Company-Owned store group will receive monthly statements as to the status of the account and the group's funds. The monthly statement or the group's disbursement activity reporting should accompany the monthly group financial statement to be reviewed by the group at their scheduled monthly (or upcoming) meeting.

The account must have a zero or credit balance at the end of the fiscal year. There are no exceptions to this policy for groups sponsored by Company-Owned stores. It is recommended that groups sponsored by independent storeowners follow this same requirement.

FINANCIAL CONSIDERATIONS OF THE GROUP

Establishing a Group Bank Account (Continued)

Cash Disbursement Procedures for the Group

A “NAPA AutoCare Business Development Group, A/P Center Check Request” Form (see enclosed form with this section) needs to be completed to process a disbursement request.

This request will require two signatures from group members, preferably the chairman and secretary-treasurer, but it can be another group member excluding any NAPA representative on behalf of the group. The NAPA representative (listed on the “Authority for Invoice Payment” approval list at the DC/District) will sign the request, once the two group member signatures are obtained. A copy should be made of each check request form that is submitted for payment each month. See “Recommended Monthly Reconciliation Method” below for further information.

The DC/District Manager will forward the completed NAPA AutoCare Business Development Group Check Request Form, with invoices attached, for processing and disbursement of funds.

An independent store-sponsored group can use the same forms and signature procedures. The check requests and payments would come from the store’s checking account and group A/R account. The monthly reconciliation that would be done between the accounts should still be done by the secretary-treasurer on the group.

Recommended Monthly Reconciliation Method

Each month the copies of each check request form should be reconciled to the account statement. Both the account statement and the copies of the individual check requests should be given to the secretary-treasurer of the group, who will complete the reconciliation process each month.

At the regular group meetings the secretary-treasurer can update the group with a copy of the current financial statement and the account statement (after reconciliation).

FINANCIAL CONSIDERATIONS OF THE GROUP

Establishing a Group Bank Account (Continued)

For Groups Serviced by Independently Owned Stores

The storeowner can set up an A/R account on their receivable ledger for their group similar to how the Company-Owned stores set their account with the same title. This makes the management of the account easier and noticeable if the balance becomes a large debit balance and needs attention.

Following these guidelines will provide a more unified group and will distance the NAPA storeowner, store manager, District Manager or Wholesale Market Manager from any possible conflicts of interest.

The servicing NAPA stores (each location servicing a group member) are required to contribute the maximum monthly budget amount established by their group members, whether the amount is based upon the equal share contribution method or the tiered share contribution method as described below.

Example of 'Equal Share' Contribution Method

The servicing NAPA store has four NAPA AutoCare Centers and the members have decided to establish a group and contribute \$200 a month each. The NAPA store would also contribute matching funds of \$200 a month in support of its group, providing \$1,000 of group funds on a monthly basis or \$12,000 a year (if two stores owned by the same owner are involved in servicing the group, then two shares or \$400 a month would be contributed, providing a yearly group budget of \$14,400; if two different stores owned by different owners are involved in the group, then each would have one share of \$200 a month, again providing a yearly group budget of \$14,400).

Example of 'Tiered Share' Contribution Method

A tiered share contribution is probably a new concept to most in the NAPA organization, but it can be beneficial, especially where group members may either not agree on an equal share contribution or where circumstances call for adjustments in the amount of monthly contribution that each member should (or could) contribute.

With that said, some 'give and take' situations should be considered. Here's why – since the majority of independent repair businesses are started by technicians, all are in various stages of their business development. Some can afford to contribute the maximum amount decided upon by the group and some may not initially be able to for a certain amount of time.

For example, let's say that a group with ten members has been established. During the third group meeting, the members have determined that \$250 a month would be reasonable. The budget is motioned and seconded and the motion is carried by a vote of 6 to 4.

After the meeting, four members approach the group chairman to discuss their situation, privately stating that each individually feels that the monthly contribution amount may temporarily impose a financial burden on their business. Two members state that they can reasonably afford \$100 a month and two other members state that they can only afford \$50 a month during their current business conditions. With this information, the chairman would meet with the steering committee to discuss the situation and determine if the adjusted amount would cover the group's expenses temporarily. The amended budget amount contributed by the group members would then be \$250 a month times 6, \$100 a month times 2 and \$50 a month times 2, which equals \$1,800 a month – providing an annual group budget of \$21,600 a year (if the adjusted term for the contribution of the four members was agreed to be a year). The annual amount would obviously be higher if the amended amount for the four members were only 6 months, etc. Any stores servicing the group would likewise contribute \$250 a month per location.

FINANCIAL CONSIDERATIONS OF THE GROUP

Example of 'Tiered Share' Contribution Method (Continued)

The servicing stores will make sure to bill the adjusted monthly amount to the specific member for the agreed duration. Prior to the end of the agreed duration, the chairman should contact each specific member privately to discuss their current situation to ensure that the member can step up to the level of commitment made by the group. Any further adjustments should be discussed as indicated above until the member can begin contributing the regular monthly group contribution.

There are a few schools of thought in support of the tiered share contribution method. The first provides a way for some group members to contribute less and receive less of the type of advertising, training, etc., that the group is currently doing together. The other provides a way for some group members to invest more time in certain projects on behalf of the group. Both should be for a predetermined amount of time, and the chairman should approve any variances privately with the member that needs to participate in this tiered share method of contribution.

Option 1 – Reduced Contribution, Reduced Exposure

This option provides the member with less advertising or training than the other group members enjoy. For example, members contributing the regular amount would be featured in all advertising and enjoy all training, etc., whereas the member contributing an adjusted amount would not be listed within all advertising or would be limited to only being featured within certain forms of media. Should the group have business or technical training scheduled, the member would be allowed to attend fewer sessions or send fewer people. This is if the group is paying for the training out of the group budget. Each group can determine what a member in this situation would receive.

Option 2 – Reduced Contribution, Increased Time Devoted to Group Projects

This option provides the member with more time responsibilities on behalf of the group. We all know that time is money and that some members might be able to devote some additional time to researching certain group activities. While it could be argued that a member may not have the time to spare if in this business situation, the bottom line is that the member should realize that, in some way, they should offer to “step up” to the opportunity presented to them and pull their weight in time to compensate for the adjustment in contribution if at all possible.

The chairman should ascertain from the member in the situation described above what option (or other option that the chairman or steering committee might recommend) would work best for the member and the group.

As a final thought on the tiered share method, this might be offered as an incentive for new members joining the group for the first time as well. After all, many independent repair business owners are not used to contributing to a monthly group budget, so a group might consider an entry-level contribution for the first few months in order for the new member to see how their funds are being used and allow this new member time to adjust their budget to begin contributing the full monthly amount. The goal here is to ensure that the NAPA AUTO PARTS stores can gain new partners for the group by easing them into the monthly contribution that the group has approved for their members.

FINANCIAL CONSIDERATIONS OF THE GROUP

Sample Line Item Budget

A well-established group in a large metropolitan market provided the following budget sample. As you review these items and dollar amounts, keep in mind that these numbers are not intended to provide a benchmark for determining what a particular group budget amount should be. Rather, this example is provided to indicate how a balance of advertising, training and local events can easily be developed.

The members of each group must determine what they can afford as a group, and no one from NAPA should suggest an amount to contribute. With that said, here is a sample of what a group budget could look like:

Group Budget Example 2004	
<u>Income</u>	<u>Amount</u>
AutoCare Member Dues	\$ 123,000.00
Radio Spots	\$ 77,760.00
Radio Remotes	\$ 600.00
Technician Training Class	\$ 5,000.00
Management Training Class	\$ 5,000.00
Misc.	\$ 3,750.00
Total Income:	\$ 215,110.00
<u>Expense</u>	<u>Amount</u>
KNOW	\$ 130,000.00
Remote Fees	\$ 2,400.00
Technician Training	\$ 15,000.00
Management Training	\$ 10,000.00
Referral Line - Local	\$ 1,000.00
Referral Line - Long Distance	\$ 150.00
Alpha Page (Answering Service)	\$ 1,500.00
Web Site	\$ 2,000.00
Admin Fee	\$ 3,000.00
Advertising (Yellow Pages, Brochures, etc.)	\$ 35,000.00
Car Care Fair	\$ 1,000.00
Deficit Reduction	\$ 1,138.40
Guest Speaker Expense	\$ 2,000.00
Misc.	\$ 10,000.00
Total Expense:	\$ 214,188.40
Net Income or Loss:	\$ 921.60

FINANCIAL CONSIDERATIONS OF THE GROUP

Explanations of Sample Line Item Budget

Each line item is explained below.

Income

AutoCare Member Dues

- This is the total amount of contribution from each of the group members for the entire year. In this example, the group has 36 members serviced by 5 stores, contributing \$250 each month (\$10,250 a month combined) for total income to the group of \$123,000.

Radio Spots

- This is the total amount anticipated for commercials sold within the 2-hour radio talk show that this group has decided to support. Two NAPA AutoCare owners host the show and the commercial spots are only sold to members of the group. This is an additional expense (above and beyond the monthly contribution each member pays) for those members desiring to advertise during the show, and this money is paid to the group and indicated as income for the group.

Radio Remotes

- At times, some of the group members desire to have a remote broadcast at their place of business. In this example, there is \$600 in income indicated. Since the group anticipates a small number of remotes to be conducted, they know that the radio station has a set fee for setup, etc. for a remote broadcast. The group has decided to charge an additional \$100 over what the radio station charges for a remote broadcast. In this example, the group anticipates that six remotes will be performed in 2004.

Technician Training Class

- The group plans to have some technician training classes this year, and this anticipated income is for those members that purchase class seats in addition to the ones they've already committed to as a group. This would include additional seats sold, including non-AutoCare members that may elect to purchase the training. This also provides the group with an opportunity to meet new prospects for the NAPA AutoCare Program and possible new members for their group.

Management Training Class

- The group also has plans to conduct some management training classes. Again, similar to above, the group anticipates additional seats sold to classes they have scheduled.

Misc.

- Whenever income is realized with any group, a miscellaneous line item is needed.

Total Income

- The group therefore plans to have \$215,110.00 in income for the year.

FINANCIAL CONSIDERATIONS OF THE GROUP

Explanations of Sample Line Item Budget (Continued)

Each line item is explained below.

Expense

KNOW

This is the radio station that the group has committed to for the airtime. The group receives two hours every Saturday morning.

Remote Fees

This is what the radio station charges the group for remote broadcast setup.

Technician Training

With their group training scheduled, they have anticipated these expenses to conduct their technical training for the year.

Management Training

Again, they have already anticipated this expense for the year.

Referral Line – Local

The group has its own referral telephone line for consumers within the area to call to contact the local NAPA AutoCare Center that is part of the group. This number is mentioned throughout the radio talk show and is also listed on the group webpage.

Referral Line – Long Distance

This expense would be for any long-distance callers that might hear the talk show and call in from outside the area.

Alpha Page (Answering Service)

The group's answering service is available 24 hours a day, 7 days a week. The operator finds out what area the caller would like to take his or her vehicle to and then provides the number of the closest member within the group. The group has advertised for technicians using this number as well.

Website

The group has a group website, which on average costs the amount indicated per year for hosting, maintenance and minor updates, etc.

Admin Fee

The group contracted with an individual part time in order to perform administrative functions on behalf of the group.

Advertising (Yellow Pages, Brochures, etc.)

This year, the group has elected to advertise together in the Yellow Pages. Other expenses relating to advertising like custom brochures the group may decide to distribute would likewise go here.

FINANCIAL CONSIDERATIONS OF THE GROUP

Explanations of Sample Line Item Budget (Continued)

Expense (Continued)

Car Care Fair

The group plans to conduct a number of Car Care Fairs so this amount would be available to support their efforts.

Deficit Reduction

There were some advertising debts incurred from previous years, so the group elected to pay this down over a few years.

Guest Speaker Expenses

The group plans to have a number of guest speakers throughout the year to address the group on a variety of topics. This expense includes travel, lodging and meal considerations.

Misc.

To cover any other unanticipated expenses that may occur throughout the year.

Total Expense

The group plans to spend \$214,188.40 for the year.

Net Income or Loss

The budget plan for 2004 is to have \$921.60 on hand by the end of the year as long as income and expense line items are performed as planned.

Net Income or Loss

Net income or loss to a group budget fund can be carried over into the next year's budget as long as the group 'accrues' the profit or loss amount into the following year. It is strongly recommended that each group research state laws to make sure that the group always remains in compliance with all applicable laws and regulations.

ACCOUNTS PAYABLE CENTER CHECK REQUEST

APPROVAL REQUIRED

DC ABBR: LOU

FAX TO: 678-421-5843
Effective 04/20/00

AMOUNT: \$1,500.00

TODAY'S DATE: 07/12/2004

**ATTACH INVOICE(S)
TO CHECK REQUEST**

DUE DATE: 07/23/2004

Make Check Payable To: ABC Charities
1234 Main Street
Anytown, US 12345-6789
Attn: Joe Smith

Reason for Check Request: AutoCare Business Development Group Disbursement

GENERAL LEDGER ACCOUNT <small>(Format: 7-digits,4-digits)</small>	Invoice #	Amount
1660160.1210	48751	\$1,500.00
Attachment for excess G/L Codes	CHECK TOTAL	\$1,500.00

SPECIAL HANDLING (): Overnight to DC, Overnight to Vendor

PREFERRED CARRIER & Account #: UPS (i.e., UPS, etc.) 448327214732X

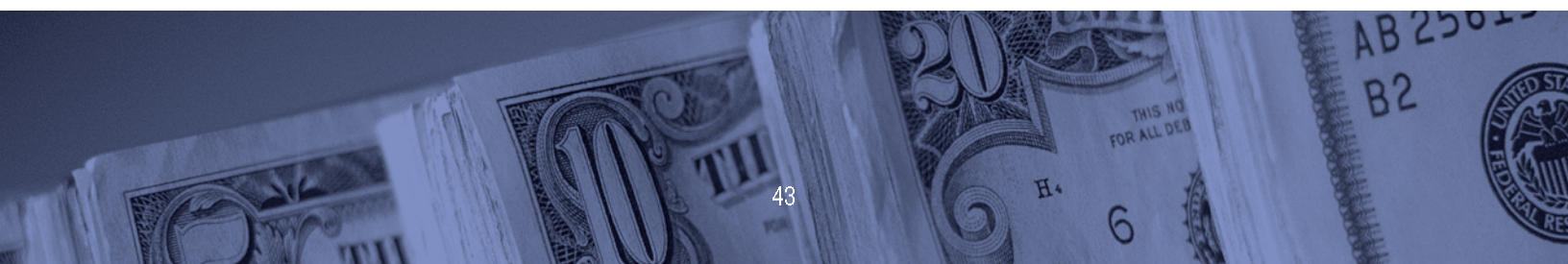
GROUP AUTHORIZATION: **CHAPTER #:** 04-010-9999999

Chairman Approval Eric Johnson

Secretary/Treasurer Approval Andy Smith

GM / OM / DC Manager Approval: Tom Anderson

Financial Considerations
of the Group



ACCOUNTS PAYABLE CENTER CHECK REQUEST

APPROVAL REQUIRED

DC ABBR: _____

FAX TO: 678-421-5843
Effective 04/20/00

AMOUNT: _____

TODAY'S DATE: _____

**ATTACH INVOICE(S)
TO CHECK REQUEST**

DUE DATE: _____

Make Check Payable To: _____

Reason for Check Request: AutoCare Business Development Group Disbursement

GENERAL LEDGER ACCOUNT <small>(Format: 7-digits,4-digits)</small>	Invoice #	Amount
Attachment for excess G/L Codes	CHECK TOTAL	

SPECIAL HANDLING (): Overnight to DC _____ Overnight to Vendor _____

PREFERRED CARRIER & Account #: _____ (i.e., UPS, etc.) _____

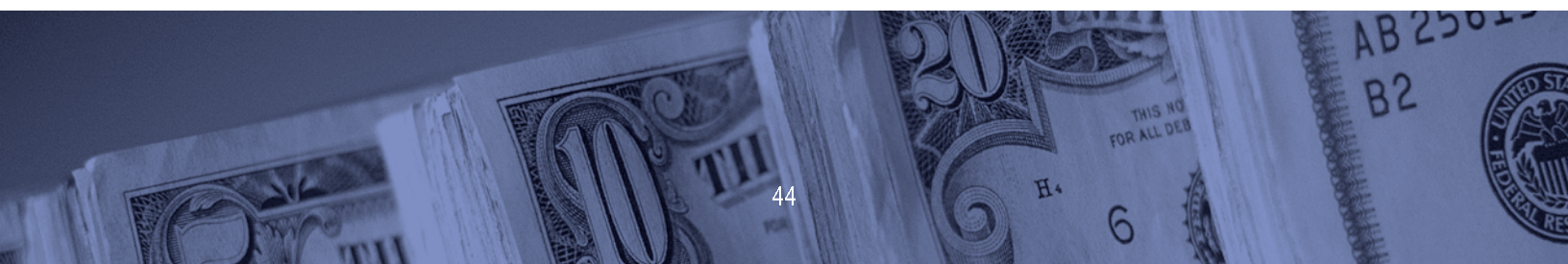
GROUP AUTHORIZATION: _____ **CHAPTER #:** _____

Chairman Approval _____

Secretary/Treasurer Approval _____

GM / OM / DC Manager Approval: _____

Financial Considerations
of the Group



FINANCIAL CONSIDERATIONS OF THE GROUP

Aging Report Sample Available from Your Servicing Store



FINANCIAL CONSIDERATIONS OF THE GROUP

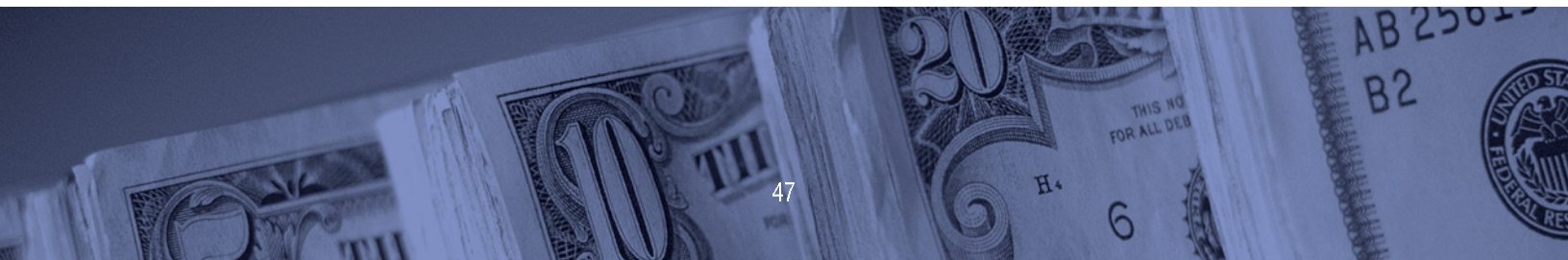
Statement Sample – Page 1 – Available from Your Servicing Store



FINANCIAL CONSIDERATIONS OF THE GROUP

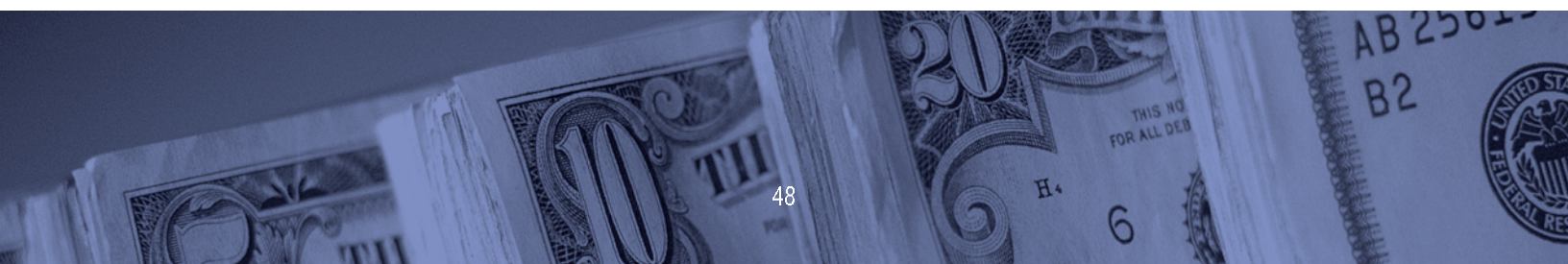
Statement Sample – Page 2 – Available from Your Servicing Store

Financial Considerations
of the Group



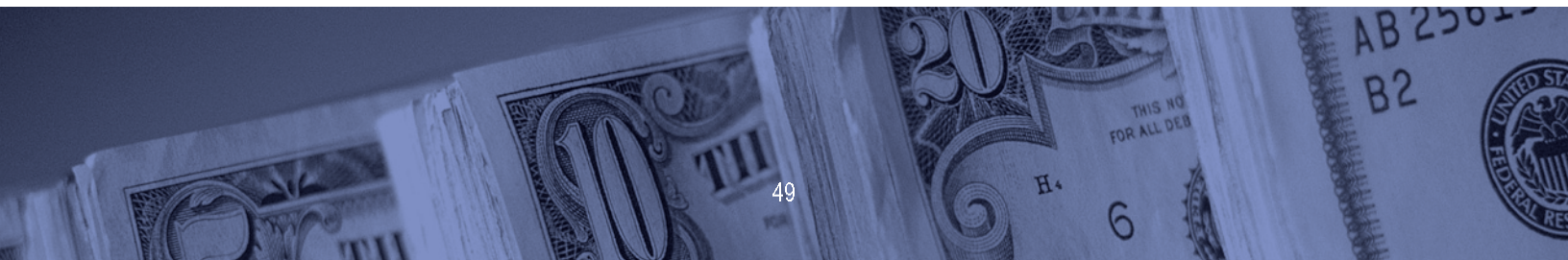
FINANCIAL CONSIDERATIONS OF THE GROUP

Statement Sample – Page 3 – Available from Your Servicing Store



FINANCIAL CONSIDERATIONS OF THE GROUP

Change of Status Form Sample Available from Your Servicing Store



GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Recommended Agenda for All Future Meetings

After the third meeting, the group is very likely heading in the right direction. Therefore, it is recommended that all future meetings follow this simple format:

Welcome

The chairman calls the meeting to order and begins by welcoming the group members, as well as recognizing any NAPA visitors and guest speaker(s) for the meeting.

New member introductions

Reintroduce all the group members (if appropriate), as well as introduce any new members joining the group or considering joining the NAPA AutoCare Program and the group.

Brief review of last meeting minutes by secretary-treasurer

A brief review of the last meeting minutes should be read by the secretary-treasurer. Any open items from the previous meeting should be highlighted, as well as any assignments given to members to research on behalf of the group.

Review of current budget money by secretary-treasurer

The secretary-treasurer should be invited by the chairman to review the current amount of budget money within the group account. As money is spent and received, a more thorough accounting review will be shared with the group during each meeting. All actions and budget spends must be motioned, seconded, voted upon and carried by the group for approval.

Follow-up on previous meeting discussion / assignments

Any assignments from the previous meeting should be addressed. The chairman would request that individual members assigned to a project from the last meeting provide a brief update on their findings.

Pre-arranged guest speaker(s)

The chairman introduces any guest speaker(s) on the agenda and thanks them for their participation when they are finished speaking.

Determine next meeting topics and guest speaker(s) for next / future meeting(s); confirm date, time and location of next group meeting

The chairman requests any group topics the members would like to discuss during their next meeting. Any suggestions should be defined to make sure that everyone feels the suggested topics would benefit the group and these topics would then be put on the agenda for the next meeting. The chairman would ask for suggestions for guest speakers the group would like to see, either at the next meeting or in future meetings. Any suggestions would be followed up on by assignment from the chairman. The chairman verifies the next meeting date and time for the group.

Close

The chairman thanks the group members for their attendance and participation during the meeting, as well as thanking those that attended from NAPA and any guest speakers. The chairman then adjourns the meeting.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

The following provides various topics and activities that each group is encouraged to consider during their meetings. Each can provide a value to the group and individual members by contributing to the growth of their businesses.

Financial Profile Review – Vin Waterhouse Group Comparison

Since the NAPA AutoCare Financial Profile is provided as an included benefit of the NAPA AutoCare Program, it is recommended that all members review this information and compare their actual numbers to the established benchmarks. While this comparison can be done individually, it is recommended that each member utilize the services of Vin Waterhouse to perform the comparison. Vin can perform the comparison, as well as provide a report that contains information on areas of strengths and weaknesses of each business. In addition, Vin will provide one full hour of business consulting included. For all of these services, Vin's nominal fee to NAPA AutoCare members is only \$195 (current pricing with the release date of these guidelines), providing a savings of \$200.

One service that Vin can also provide is a group comparison, which will also be confidential with regard to the averages of the members of the group. In the group setting, all members of the group would need to have Vin perform the comparison individually. The chairman of the group will need to request a group comparison of averages directly from Vin and should provide to Vin the NAPA AutoCare members that are in the group. Vin will then review and compile the group members' information into average numbers for the group. The average group information (not individual numbers) will be sent directly to the chairman of the group, which should be copied and distributed during a future group meeting. The group charge for this is dependent upon the number of total members in the group and Vin can let the chairman know in advance how much this investment would be so that the chairman can share this expense with the group to get the expense approved. If approved, the direct expense to provide a group average comparison would be paid for out of group funds.

The advantage of having a group comparison performed would be to see how each member compares to the group as well as national benchmarks. Each individual member should compare his or her own numbers to ensure confidentiality. However, group numbers would be available to all members so that the group could compare them to the national benchmarks during a future meeting. This allows the group to better refine their direction, as well as areas of focus for business improvement.

Field Trip Ideas

Planning / scheduling group visits to each member's facility

A great way to share ideas is to plan onsite visits. Depending on the number of group members, the group could possibly visit a member's place of business each month, alternating these visits throughout the year so that all members' facilities have been visited.

The purpose of these visits is twofold. First, to allow each member to highlight to the group the positive attributes of their business, including the look of the facility, workflow, customer receiving area, service desk and so on. Discussion of these positive aspects of the member's business will not only assist the other group members by providing good business ideas, but also add to the confidence level of the member being visited. Secondly, the member being visited by the group should receive suggestions by the group on how to improve their business in other areas. Each member should welcome these suggestions and make plans to implement them within their business over time.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Field Trip Ideas (Continued)

Planning / scheduling a Distribution Center visit

Many of our NAPA AutoCare partners have never visited their servicing Distribution Center. It can be a real eye-opener for members to see firsthand how a Distribution Center is operated, how inventory is maintained and how products are shipped to our stores. More importantly, the group members can put faces with names and be introduced to many of the managers, thereby building their overall relationship.

It is recommended that the NAPA storeowner or manager help schedule and coordinate this visit with DC management. Once the date of the visit has been set, all members of the group should be notified as soon as possible by the steering committee. The NAPA storeowner or manager and the steering committee should coordinate travel plans to and from the DC. During the visit, a group meeting either at the DC or during a scheduled event could take place as well. Expenses associated with the visit can be paid for out of the group budget.

Planning / scheduling another group visit

In certain situations, a group might consider visiting another group in close proximity to their area. This is certainly encouraged, since ideas can be shared for the mutual benefit of the members as well as the servicing NAPA AUTO PARTS Stores. In addition, the groups may decide to even do combined advertising, training or other community events that could benefit a wider area and gain additional brand recognition. It is recommended that the chairman of one group be put in contact with other group chairmen so that they can work out the details to present to their respective groups.

A group serviced by an independent store can arrange to visit another group serviced by either other independent stores or a company-owned store, etc. The goal here is for each group to pick up additional ways to grow their business, as well as look at different ways to bring the groups and the group members closer together.

Planning / scheduling a Power User visit

Each Distribution Center has two (2) Power Users available. These NAPA AutoCare Center owners specifically utilize NAPA TRACS, NAPA Web Connect CRM and the NAPA Preventive Maintenance Program, as well as many other NAPA AutoCare Program benefits. A group or certain members of a group could schedule a visit to a Power User's facility to get better acquainted with how the above programs can be utilized to their fullest potential. The Wholesale Manager should be contacted to arrange for such a visit on behalf of the interested group members.

Planning / scheduling a group getaway retreat

While working together within a group does develop a closer relationship with other group members and the NAPA storeowner or manager, nothing can bring a relationship closer than getting away for a few days with family and friends. While the group could go anywhere, it's usually best to plan on a place that might be within a few hours driving time, although it all depends on what the group would like to do, where they would like to go and what expenses are allocated within the group budget to support the retreat. It would be recommended that members cover their own expenses wherever possible since the group will likely not have 100% participation, although many hotels, resorts, etc., do provide group rates. In any event, any expense that could be covered by the group budget would need to be motioned, seconded, voted upon, and carried by the group.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Field Trip Ideas (Continued)

Planning / scheduling a manufacturer plant visit

At times, certain NAPA manufacturers make plant tours available. A group can certainly request a tour or even combine the tour with specific manufacturer training if available. It is suggested that the Wholesale Manager work with the stores and manufacturers to facilitate a plant visit. Expenses associated with this tour (travel, hotel, meals, etc.) can usually be divided among the manufacturer, DC, Store(s) and group. Planning this event far in advance will contribute to a successful event.

Preventive Maintenance Round Table – Implementation Assistance / Group Marketing

The Wholesale Manager should pick a Power User or a member of the group that has implemented the program so that this individual can act as the round table leader.

We all know the importance of capturing more of the preventive maintenance business. It's some of the most profitable and easiest work to perform. The challenge is getting the NAPA AutoCare members to change how they do business – a difficult task to say the least because the owner and technicians “don't know what they don't know.”

While the Implementation Guide and video greatly contribute to the education of how to use the system, sometimes more is needed for some members to be effective. By conducting a Preventive Maintenance Round Table, the leader can help members better implement the entire Preventive Maintenance Program.

A round table discussion can be conducted anytime and anywhere that the group selects. The Wholesale Manager should try to accommodate a time and place that the group determines. Content of the meeting should address the needs of the group. The round table leader should conduct the meeting in a way that gets everyone on the same page of understanding.

Much of where assistance will likely be needed is in the office – presenting the various levels of preventive maintenance services to the consumer. This concept is new to most NAPA AutoCare Center owners. Therefore, they need practical assistance to help them sell (recommend) a preventive maintenance service to their customers.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Subletting to Group Members / Mechanical, Collision, Truck

A true partnership not only includes the store working with its NAPA AutoCare partners, but more importantly, NAPA AutoCare partners working with other NAPA AutoCare partners in the area. This should certainly be true of any sublet work opportunities that may exist within the group. There are some group members that may not have an alignment rack and may currently be subletting this work out to a local tire store rather than a member in the area. Other areas may include (but are not limited to) air conditioning services or repair, specialized electrical repairs, specialized diagnostic analysis and so on.

Other areas that tend to be forgotten are the collision and heavy-duty truck markets. Collision centers have a unique opportunity. Since the bulk of their business is virtually controlled by insurance companies, collision members also need to sublet certain repairs to qualified repair facilities. In addition, customers of mechanical and truck members will appreciate a good recommendation when they need one. One possibility to consider is that the collision center member provides business cards to the mechanical and truck members in their area to assist in the referral process. Another consideration is to have the collision center member have a small brochure or flyer made up that describes the benefits of consumers visiting their conveniently located, locally owned NAPA AutoCare Collision Center in their area. Contacting a local marketing company can help members produce a professional-looking flyer easily and economically. The Wholesale Manager can recommend a marketing company as well.

With any good partnership, it should be understood by all that when a group member performs sublet work for other members, he or she would by no means entice a particular consumer to come back to his facility. On the contrary, should he or she have a discussion with the consumer, the member performing the sublet work would strongly endorse the member that recommended the customer to them.

A good way to communicate this message to consumers is as simple as saying, "We're all part of the NAPA AutoCare family and we all work together to make sure that your needs are taken care of by the best technicians available in the area. We all agree to never recommend any service or repair that isn't needed. This is really the best way for us to earn your trust and have the opportunity to help you take care of your vehicle investment. Thank you for visiting us and we know that (name of the NAPA AutoCare member that referred the customer) will continue to take care of your needs. Should (name of NAPA AutoCare member) need to refer you to us again, we'll be glad to take care of you."

This will further promote complete trust among group members, as well as bring the group closer together as a team, conveying a message of unity and trust within the local community. Each group is encouraged to discuss a common message they deem appropriate that they might use within their referral process.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Guest Speaker Possibilities

While guest speakers can certainly be recommended by the NAPA team, the group members should really determine what guest speakers they desire to attend and present at their meetings and should consider all areas of need for their businesses. Guest speakers can oftentimes help the group see the 'bigger picture' about their particular subject and cause the group members to see things differently than in the past. Speakers should serve to provide fresh ideas or clarify ideas about the particular subject matter so that the group can make an informed decision.

Some guest speaker possibilities can include:

- Commercial Systems Group Sales Representative

It is strongly recommended that the Commercial Systems Group Sales Representative be scheduled on a quarterly basis to provide updates on NAPA TRACS, Connectivity and CRM. There are many updates that this individual can share with the group, including small training tips on various functions of these programs. The goal here is to help all members become more proficient in their use and increase their profitability.

- Specific Business Plan Binder NAPA AutoCare Program Vendor Representative

Groups are encouraged to invite certain vendor representatives that provide or administer a specific NAPA AutoCare Program included within the NAPA AutoCare Business Plan Binder to discuss ways to better implement the program within their businesses. Representatives from Cintas, Direct Results, Fairmont and Helm are only some of the great resources available. Each can provide a representative that would appreciate dedicated time to address, educate and solicit input from the group. Scheduling should be done well in advance. A current listing of national support vendors are found within the NAPA AutoCare Business Plan Binder.

- Business Management Representatives

The group can certainly benefit from inviting certain business management representatives to discuss an overview of their business training classes (usually these speakers will require that their expenses be covered to attend and present). NAPA currently offers business-training courses by the following:

- Vin Waterhouse
- R.L. O'Connor and Associates, Inc

- NAPA ASE Technician of the Year – current or past, national or DC winner

Winners of this most prestigious industry national award as well as many winners of the DC award can certainly bring a fresh outlook and insight to group members. This individual should be invited and discussion topics should be determined well in advance. It would be appropriate for the group to take care of the expenses incurred by this individual in order to attend a group meeting.

- National NAPA AutoCare Advisory Council Member – current or past member

Each member of the national council serves for two years and is nominated to serve on the council based upon their experience, industry insight and support of the NAPA AutoCare Program. This individual should be invited and discussion topics should be determined well in advance. It would also be appropriate for the group to take care of the expenses incurred by this individual in order to attend a group meeting.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Guest Speaker Possibilities (Continued)

- NAPA AutoCare Center Owner – Power User

While in the majority of cases a DC manager would schedule a visit with another NAPA AutoCare Center owner to visit the Power User's facility to get better acquainted with how the above programs can be utilized to their fullest potential, there is certainly good reason to invite a Power User to address the group as well. It would also be appropriate for the group to take care of the expenses incurred by this individual in order to attend a group meeting.

- NAPA AutoCare Center Owner

At times, another NAPA AutoCare Center owner that is outside the group can be invited to discuss certain topics with the group. This should be an owner that excels in a certain area of group interest. Again, scheduling should be done well in advance and the group should consider taking care of any appropriate expenses incurred by the individual to attend the group meeting.

- Advertising Agency Representative

Should the group desire to do group advertising, it is recommended that a qualified advertising agency be contacted. NAPA has a number of agencies available to help the group members get started and develop a plan for the year. It is recommended that the group use an agency that is familiar with NAPA and one that has performed successfully over the years. DC management can recommend an agency or the group can work with a local agency within their community.

- Local Community Event Representative

With an upcoming community event opportunity for the group, a local representative in charge of or involved with the event can be invited to discuss what the benefits would be for the group and for the community. The group would then be able to ask additional questions prior to moving forward with a sponsorship.

- Charity Representative

Charities are always in need of donations or participation in some way within many communities. A charity representative is usually available to address a group to answer questions and solicit involvement.

- DC General or Sales Manager (Independently Serviced Stores)

At times, the General Manager or Sales Manager could be invited to address the group, as these managers work with the independent storeowners they service out of their Distribution Center. These managers have a wealth of experience within NAPA and could certainly educate the group on a number of topics. The scheduling and topics should likewise be done well in advance.

- District or Area Manager (Company-Owned Stores)

These managers have specific responsibilities for operating company owned stores and are also an excellent resource for information. Scheduling and topics should likewise be done well in advance.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Guest Speaker Possibilities (Continued)

- NAPA Manufacturer Representatives

NAPA Manufacturer representatives continue to provide a strong offer in the way of education and sales growth. It's recommended not to schedule a multitude of manufacturers during a particular meeting (no more than one or two). The goal here is to work with each group to help them determine their needs and suggest appropriate manufacturers to meet them. This will keep the group members focused on what is being presented rather than getting lost due to a multitude of presenters.

As stated early on, we should all strive to help our NAPA AutoCare partners sell more work. With that in mind, the Wholesale Manager should impress upon each presenting manufacturer that their information should be tailored accordingly. In other words, it's not about trying to sell the group members a piece of equipment or the fastest-moving products. Rather, the information presented should help the members see the value of using the product or how taking advantage of the program can help them grow their business. If presented properly, why wouldn't the group members want to participate?

The Wholesale Manager should impress upon all manufacturers invited to address a group that they should be treated similarly to an Outside Sales Club meeting and should be fully prepared to field questions and provide materials to those in attendance. Again, the goal here is to educate and assist the group members to help them sell the particular needed service the manufacturer has available to their customers.

Local Event Sponsorships

There are many local events that a group can sponsor, but it's best to try to find a local event or charity that the majority of the group believes in. While there are thousands of charities, it's usually best to either support a national charity that by and large the local community would recognize and support or a local charity that is popular with the local community (and one that has high exposure). It is best to stay away from controversial organizations. Whatever charity the group decides to support, there is usually a local charity event planned in the area to raise awareness and gain support. The bottom line is to get the group members to be involved.

In some instances, certain NAPA AutoCare Center locations could volunteer to be a drop-off point for canned goods or other donations. Or each member of the group could solicit support for the charity at their place of business, etc. Usually, the charity provides the materials to make the charity drive a success. In addition, radio stations and other advertising media may allow advertising spots on behalf of the charitable cause, providing additional exposure to consumers on behalf of the businesses supporting the cause.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Planning a Local Car Care Fair Event – April or October

Conducting a local Car Care Fair can raise consumers' awareness of the importance of taking care of their vehicles. The prime time for conducting such an event is either during National Car Care month in April or AAA's Car Care month in October. These months are just prior to the beginning of summer traveling or winter driving.

To help support conducting Car Care Fairs, NAPA has created a Car Care Fair Kit. Each kit contains guidelines on conducting a successful event, including the sharing of responsibilities, sample ad slicks, entry forms, inspection forms and so on. Distribution Centers receive one kit each year prior to the month of April. Additional kits can be ordered through the Distribution Center. Also, one of NAPA's vendors, Helm, has additional materials to dress up the event. The field is encouraged to review the complete guidelines contained within the Car Care Fair kit to become more familiar with conducting a successful local event.

Should the group decide they would like to hold a Car Care Fair during the year, the actual planning of the event should take place well in advance to ensure success. Again, please refer to the complete guidelines within NAPA's Car Care Fair Kit.

Group Business Training Plans

Since all repair businesses are in varying stages of their business development, they all have varying business needs. One area where most repair business owners need assistance is education on how to achieve better sales and profits. While the group can have Vin Waterhouse compare individual business information to the established benchmarks (the NAPA AutoCare Financial Profile), there's nothing like business owners dedicating a few days in order to improve their overall business.

While at times a DC may schedule Vin Waterhouse to conduct a two-day seminar, there's no reason why a particular group can't have a dedicated session scheduled. The cost of the seminar should be thoroughly explained by the Wholesale Manager to the group or steering committee, as well as the necessary deposit amount that Vin currently requires in order to reserve a session. Additional expenses include meals for those participating, as well as travel expenses incurred by Vin Waterhouse. Once the expenses are reviewed by the group and approved, a training session can be scheduled directly with Vin.

Group Technical Training Plans

A wealth of technical classroom training is available through the NAPA Institute of Automotive Technology (N.I.A.T.). There is certainly no reason why a group couldn't set up a yearly commitment to technical training. Wholesale Managers should review this expense with the group, and if the group decides to set up a schedule, then the Wholesale Manager should assist in setting up classes for the group.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

NAPA AutoCare Business Plan Binder Review

Each year, a new Business Plan Binder is provided to all NAPA AutoCare Program members that renew on the program. It is recommended that a general review of the binder and all the benefits of the NAPA AutoCare Program take place as soon as possible with the group.

While there are many included and available programs offered to NAPA AutoCare members, the reality is that no one member can implement them all within their business. It's important, however, to emphasize that two or even three key available benefits could be implemented by the members of the group each year. A good suggestion would be to allow some of the members that have utilized some of these benefits to discuss how they have used or are currently using some of these programs, since the group will tend to respond better if they know that it has worked for someone already.

When reviewing these benefits, the Wholesale Manager should try to determine what the group might be interested in for the next meeting so that a more detailed review of specific benefits can take place during future meetings.

A good suggestion would be to review only the included benefits during a group meeting and discuss how each member is implementing these within their business. As mentioned within the Business Plan Binder, it should only take approximately 90 days to fully implement these benefits.

Specific NAPA AutoCare Benefits Review

When reviewing a specific benefit of the NAPA AutoCare Program with the group, the Wholesale Manager or invited guest speaker should be well prepared. Rather than focusing on the highlights of a particular program, this review would go into the nuts and bolts of the program, how it works, and what the benefits are to the members and to their customers. For example, using the Peace of Mind Warranty. What are the procedures for the members to handle a claim? Do the members provide a copy of the warranty to each customer? Do they explain what is covered, etc., and what the 25-mile radius means? Too many times, we tend to not explain these details and when a situation does occur, it seems like the problem is much bigger than it really is. Explaining the details of any program beforehand can help lessen many problems down the road, as well as promote better program utilization by the group and individual members.

In support of a specific benefit review, at times it might be possible to get a representative from the vendor that administers the program. While this would obviously need to be scheduled well in advance, the group members will likely welcome the additional attention given to them, as well as feel more inclined to adopt the benefit into their business. It is recommended to work with the selected vendor to coordinate their visit when they have other plans that bring them in close proximity to your area. While some vendors can make a special trip to attend, most vendors would prefer to combine a visit with other travel plans.

CSI Participation

The NAPA AutoCare CSI (Customer Satisfaction Index) Program is an included benefit for all NAPA AutoCare members. It is suggested that all members of the group participate. The importance of this program is to provide feedback from each member's customers regarding the service received. A high rating (one that is above the national average) is an excellent way to promote repairs and services to additional and new customers. A rating below the national average could indicate some additional effort in specific areas could be addressed. As a group, the goal would be to beat the national average. See the NAPA AutoCare Business Plan Binder for specific program details.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Schedule a WebEx Training Session

A WebEx training session is conducted over the Internet, utilizing both a computer and a phone line. Schedules and topics of sessions throughout the year will be made available to DC management. Since the United States has multiple time zones, all sessions will be indicated to begin at Eastern Time. Each session usually lasts one hour.

For group participation, it is recommended that as many group members as possible meet at a location that is equipped with a computer with Internet access and a phone line. All sessions include questions and answers. Most sessions begin at 11:00 a.m. Eastern Time. Special sessions can be scheduled in advance and should be coordinated with the Wholesale Manager.

Service Presentation by NAPA Store

From time to time, a NAPA storeowner or manager could be invited to share with the group what enhancements have been made at the store level. While improvements are likely made on a regular basis and the information is communicated to each partner individually, the group members would likely enjoy hearing from the NAPA storeowner or manager in a presentation that promotes positive ways to assist group members. An open dialogue during the meeting should focus on how the improvement will benefit the group, as well as how the group members can help their NAPA store partner.

Introduction of New NAPA Store Personnel

When new NAPA store personnel are hired, what better way to introduce them to the NAPA AutoCare partners than introducing them during a group meeting? The new team member will be able to meet all the partners so that everyone can put a face with the name. This will promote a closer team environment and continue to build the relationship.

Local NAPA Store Topics of Group Interest

Any other local topic that the NAPA storeowner or manager feels important to the group should be shared with the group. The NAPA storeowner or manager should ask to address the group during any upcoming meeting.

ASE Certification Prep Course Review / Schedule of Tests

There are many ASE test preparation courses available to technicians. The group should review what courses are available in the NAPA Training Catalog.

The importance of ASE credentials is for today's consumers. After all, just because a technician can pass a test does not mean that he or she can properly repair a vehicle – so what is the value of ASE Certification? Simply put, consumers place a high value on it. They may not know what ASE means, but they do know one thing – the certificates cannot be bought, they had to be earned. This means that the business owner and technicians place a high value on their experience and 'go beyond the call of duty' to ensure that their customers know their qualifications. Displaying all credentials so that consumers can easily view them will make for a great impression. Some NAPA AutoCare partners even include a picture of each technician along with a summary of his or her experience to add a personal touch.

The group should review the upcoming ASE test dates and encourage all members to register their technicians to stay current on all applicable categories.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Spreadsheet, Word Processing Training Help

Today's businesses use a variety of computer tools, and many group members will likely be interested in becoming more proficient at them. While many business management systems like NAPA TRACS can be used to operate the business more efficiently, additional software is often needed to perform other tasks. Spreadsheets and word processing programs are some of the most versatile tools, but both can initially be a little intimidating. It is recommended to have the group members with the most experience using these programs share ways to better utilize these tools from time to time. Group members may also benefit from discussions on presentation and publishing software. For additional help, check your local bookstores for publications that explain popular software with easy-to-understand language and examples.

Planning a NAPA AutoCare Business Conference

While many NAPA AutoCare Business Conferences are planned by the Distribution Center, there's no reason why a group can't initiate a conversation with DC management regarding when the next conference could be, how the group could assist with planning, and how the group could solicit attendance from its own members, as well as other NAPA AutoCare Centers serviced through same DC. Attending a NAPA AutoCare Business Conference allows each member to meet other members from various areas and provides a good exchange of ideas on how to improve their business.

Some group members might be asked to conduct a seminar on a certain subject or even be part of the general session. While some special guests from NAPA may be invited to attend, the reality is that most NAPA AutoCare partners enjoy having their peers address a group and share their views on how they personally are improving their business.

At times, a special national conference is scheduled by NAPA Headquarters. All members should make every effort to attend, as this will provide each member with opportunities to meet members from across the country and every walk of life. In addition, each member will realize how important the NAPA AutoCare Program is to NAPA and that each member is a very important part of the bigger picture of the industry.

Annual Appointments – Areas of Responsibilities

Most appointed individuals will serve a term of two years in their areas of responsibility, although annual appointments may be necessary for certain areas. The group should make appointments based on when they are in need. It is recommended that this meeting take place during the fourth quarter of each calendar year.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Requesting Group Registration Status from NAPA Headquarters

In order to better serve the needs of all groups, a 'Group Registration Request Form' is requested for all new and existing groups. Once received, a welcome letter will be sent to the group chairman, with a copy to the NAPA storeowner or store manager and the DC Wholesale Manager. The new group will be assigned a unique group chapter number that will be used for reference for communication purposes.

Potential Group Registration Benefits

Registered groups also have opportunities for potential group benefits:

- Potential savings on group training (Business and Technical)
- Direct communication access to other registered groups
- Direct access for input to the National Advisory Council Members
- Potential group savings from select advertising and marketing agencies
- Direct communication regarding "What's New With NAPA AutoCare"
- Special scheduled WebEx training sessions as a group
- Group beta test consideration of new programs / enhancements

Resources/Topics

GROUP REGISTRATION REQUEST FORM SAMPLE – FRONT

NAPA AutoCare Business Development Group Registration Request Form

This form must be completed and submitted by a NAPA Distribution Center or District Representative
(Please clearly **PRINT** all entries and verify correct spelling of all group member's names)

Date of Submitting this Request: _____

Name of Individual Submitting This Request: _____

Distribution Center Name: _____ Distribution Center #: _____

Please indicate primary distribution of service to these group members: DC District Mix

If District served, please indicate name of District: _____

Title of Individual Submitting this Request:

- | | |
|--------------------------------------------------|----------------------------------------------|
| <input type="checkbox"/> Wholesale Manager | <input type="checkbox"/> Local Sales Manager |
| <input type="checkbox"/> Territory Sales Manager | <input type="checkbox"/> Area Manager |
| <input type="checkbox"/> Sales Manager | <input type="checkbox"/> District Manager |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Other _____ |

Date of First Group Meeting to Establish Group or Adopt this Business Development Group Concept: _____

NAPA AutoCare Partners Within Group

If the group has existing officers or has elected officers, please indicate all officers as indicated:

Chairman: _____ Phone #: () -

Preferred Email Address: _____ AC #: - -

Secretary-Treasurer: _____ Phone #: () -

Preferred Email Address: _____ AC #: - -

Meeting Coordinator: _____ Phone #: () -

Preferred Email Address: _____ AC #: - -

Communications Coordinator: _____ Phone #: () -

Preferred Email Address: _____ AC #: - -

Training Coordinator: _____ Phone #: () -

Preferred Email Address: _____ AC #: - -

Advertising Coordinator: _____ Phone #: () -

Preferred Email Address: _____ AC #: - -

Event Coordinator: _____ Phone #: () -

Preferred Email Address: _____ AC #: - -

Please indicate all non-appointed group members on back page.

Group Resources and
Topics for Future Meetings

Resources/Topics

GROUP REGISTRATION REQUEST FORM SAMPLE – BACK

NAPA AutoCare Business Development Group Registration Request Form

Additional Group Members

Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____
Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____
Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____
Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____
Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____
Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____
Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____
Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____
Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____
Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____
Group Member:	_____	Phone #: () _____ - _____
Preferred Email Address:	_____	AC #: _____ - _____ - _____

Group Resources and
Topics for Future Meetings

Resources/Topics

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

The Steering Committee – All Appointed Group Members

The steering committee is comprised of all current group appointees and is really a way for the appointees to get together more regularly to discuss details of the many areas of group focus. In addition, the steering committee members should act as the main contact arm for all the other remaining members of the group. It's recommended that each steering committee member be assigned a certain number of group members in order to establish a good working communications channel. In this way, only a few phone calls by each appointee would need to be made when scheduling and confirming group meetings or setting up special functions of the group. As more individuals are appointed for various group responsibilities, the burdens are lightened and the group becomes even more streamlined and closer as a result.

Duties of Appointees

The following suggestions for duties of appointees will help spread out many responsibilities among various individual members within the group.

Chairman – Appointment for all groups

The chairman attends, opens, presides over and closes all group meetings and is responsible for maintaining general order. The chairman presents all matters for consideration in need of group approval and facilitates all voting matters. In addition, the chairman designates individuals to arrange for or assist in arranging for all guest speakers, meeting content, research into any and all group advertising, training or local sponsorships or events, as well as any event where the group is concerned.

The chairman also acts as the primary mediator between any and all member disputes should they arise, although the chairman can appoint a mediator from the group (with steering committee approval) should a particular member possess certain talents appropriate for the given situation at the time. The chairman also discusses privately with any member that has special circumstances regarding budget contribution or any motion approved by the group and proposes solutions with the individual member. The chairman does not possess any veto power on any group vote resulting in a tie.

Term of Service is a maximum of two (2) consecutive years.

Secretary-Treasurer – Recommended group appointment with 6 to 9 members

The secretary-treasurer, in the absence or the disability of the chairman, performs the duties and has the authority to exercise the powers of the chairman. The secretary-treasurer attends all meetings; records all votes, actions, and minutes of all proceedings to be kept for that purpose; and shall perform like duties for the steering committee when required. The secretary-treasurer maintains the care and custody of all group records in a secure place as decided by the steering committee, including all group member names, addresses and phone numbers. The secretary-treasurer reads minutes of the previous group meeting during the current group meeting.

The secretary-treasurer has the responsibility of managing the group budget funds and is responsible for keeping full and accurate accounts of the receipts and disbursements of the group. The secretary-treasurer is to deposit all funds in the name of and to the credit of the group in the group bank account as designated by the steering committee. The secretary-treasurer reviews the account of the group funds with the group members during each group meeting. The secretary-treasurer is a co-signer of all group checks along with the chairman. The secretary-treasurer shall perform such other duties and have such other authority and powers the president may from time to time delegate.

Term of Service is a maximum of two (2) consecutive years concurrent with chairman's term.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Duties of Appointees (Continued)

Meeting Coordinator – Recommended group appointment with 10 to 19 members

When appointed, the meeting coordinator assumes the responsibilities of coordinating all group meetings, including arranging for guest speakers and meeting content. The meeting coordinator will develop each meeting agenda and will distribute copies of the agenda to all group members prior to each group meeting. The meeting coordinator shall perform such other duties and have such other authority and powers the chairman may from time to time delegate.

Term of Service is a minimum of two (2) consecutive years.

Communications Coordinator – Recommended group appointment with 20 to 49 members

When appointed, the communications coordinator assumes the responsibilities of coordinating group communication. The communications coordinator's responsibilities include contacting and being contacted by other groups that have been recognized by NAPA Headquarters. This individual is the conduit for information being researched by the group. The communications coordinator also solicits and facilitates questions and answers posed to the National NAPA AutoCare Advisory Council member(s) for their area, as well as other key contacts throughout NAPA as directed by the group, steering committee and president. The communications coordinator maintains and updates all contact information of other groups, National NAPA AutoCare Advisory Council members and any other list of contacts as provided by NAPA Headquarters. The communications coordinator shall perform such other duties and have such other authority and powers the chairman may from time to time delegate.

Term of Service is a minimum of two (2) consecutive years.

Training Coordinator – Recommended group appointment with 20 to 49 members

When appointed, the training coordinator assumes the responsibilities of developing and scheduling all approved group training activities outside of normal group meetings, including securing suitable locations and securing attendance commitments from the group members. Wherever possible, the training coordinator works with other training coordinators of other groups and can contact other NAPA AutoCare Centers not associated with any group in order to solicit and gain support for any minimum attendance required to support all training activities. The training coordinator shall perform such other duties and have such other authority and powers the chairman may from time to time delegate.

Term of Service is a minimum of two (2) consecutive years.

Advertising Coordinator – Recommended group appointment with 50 or more members

When appointed, the advertising coordinator assumes the responsibilities of developing all approved group advertising activities. The advertising coordinator works directly with the selected agency representatives to ensure that all content approved by the group is accurate and delivered on time, and communicates any possible changes to any advertising message and associated costs with the steering committee. The training coordinator shall perform such other duties and have such other authority and powers the chairman may from time to time delegate.

Term of Service is a minimum of two (2) consecutive years.

GROUP RESOURCES AND TOPICS FOR FUTURE MEETINGS

Duties of Appointees (Continued)

Event Coordinator – Recommended group appointment with 50 or more members

When appointed, the event coordinator assumes the responsibilities of developing all approved local events, including charity drives and local sponsorships. The event coordinator works with all local event contacts and coordinates the group effort in support of all events. The event coordinator shall perform such other duties and have such other authority and powers the chairman may from time to time delegate.

Term of Service is a minimum of two (2) consecutive years.

Specific Program Support – Vendor Contact Information

Please refer to the NAPA AutoCare Business Plan Binder for contacts of all supportive programs.

NAPA AUTOCARE BUSINESS DEVELOPMENT GROUP GUIDELINES

ARTICLE I – OBJECTIVE

Section 1. To further promote the image of the NAPA AutoCare Center and its members as an affiliation of quality auto care professionals, and marketing the NAPA AutoCare Center Program and its members to our best ability.

ARTICLE II – ELIGIBILITY FOR GROUP MEMBERSHIP

Section 1. Each individual, firm or corporation is eligible for membership in the local NAPA AutoCare Center Group (the Group) upon qualifying for the National NAPA AutoCare Program where a local Group has been established. All applicants for NAPA AutoCare membership shall agree as a condition of consideration of their enrollment and continued NAPA AutoCare Program membership to abide by these NAPA AutoCare Business Development Group Guidelines, and all policies, procedures, rules and regulations of the National NAPA AutoCare Program.

Section 2. MEMBERSHIP RIGHTS: Each member shall have such rights and privileges as are consistent with the National NAPA AutoCare Program and the NAPA AutoCare Business Development Group Guidelines of the group. If any member discontinues their NAPA AutoCare Center Program membership during a calendar year, the ex-member is still responsible for their monthly Group dues for the remainder of that calendar year.

ARTICLE III – FEES

Section 1. Group budget fees established by the local Group for each member shall be payable on a monthly basis and all Group funds shall be deposited into the Group bank account fund.

Section 2. PAYMENT COMMITMENT: Members are committed to pay their monthly Group budget fees on a 12-month basis. Membership calendar year runs from January 1st of the current year to December 31st of the same year.

Section 3. GROUP BUDGET: The Group shall establish a budget by the third group meeting. The Group budget will be accounted for by the secretary-treasurer of the Group using standard accounting practices and procedures, and will be accountable to the members of the Group.

NAPA AUTOCARE BUSINESS DEVELOPMENT GROUP GUIDELINES

ARTICLE IV – GROUP

Section 1. PURPOSE: The Group's purpose shall be to assist in the business development of each Group member and the adoption of the National NAPA AutoCare Programs. Each Group member will be responsible for working with one another to achieve the common goals that the Group members define and direct.

Section 2. GROUP ORGANIZATION: The Group shall be made up of all NAPA AutoCare Center members for a given market area as defined by the members desiring to form a local Group. The Group can include mechanical, collision or truck members as defined in the National NAPA AutoCare Program. Collision and truck members will not be required to join an established mechanical Group if the collision and/or truck member(s) desire to either form their own specific collision and/or truck Group in the area to promote their core business or determine that the current mechanical Group may not be representative of the collision and/or truck member's core business.

Section 3. GROUP MEETINGS: The Group shall meet on a regular basis, either monthly, every other month or quarterly as determined by the group members. All NAPA AutoCare Program members associated with the Group are welcome to attend and participate. Minutes will be taken and distributed to all Group members within a reasonable amount of time as determined by the Group members.

ARTICLE V – AREAS OF RESPONSIBILITIES

Section 1. APPOINTEES: The Group shall appoint certain members to various areas of responsibilities. At minimum, these appointments shall include a chairman. Depending on the number of members within the Group, additional appointments can be made and can include a secretary-treasurer, meeting coordinator, communications coordinator, training coordinator, advertising coordinator and event coordinator. No individual from any independently owned or Company-Owned NAPA store, NAPA Distribution Center, NAPA District or NAPA Headquarters may be appointed by the Group to serve in any capacity on behalf of the Group.

Section 2. STEERING COMMITTEE: The steering committee shall be comprised of all appointment members of the Group, to include but not be limited to the chairman and the secretary-treasurer, and shall meet on a more frequent basis based upon current Group projects at hand. Minutes of all steering committee meetings should be taken and reviewed during the next scheduled Group meeting.

NAPA AUTOCARE BUSINESS DEVELOPMENT GROUP GUIDELINES

ARTICLE V – AREAS OF RESPONSIBILITIES (CONTINUED)

Section 3. RESIGNATION OR REMOVAL: An appointed Group member may resign at any time by giving written notice to the steering committee. Such resignation shall take effect at the time specified therein. If an appointed Group member is declared as unable or unwilling to perform his or her appointed responsibilities in a satisfactory manner, the Group members shall have the authority to motion a removal during a scheduled Group meeting and the said appointed Group member shall be removed from their area of responsibility by a two-thirds majority vote of the entire Group.

ARTICLE VI – VOTING

Section 1. Each Group member shall have one vote for any motioned Group issue raised during any regularly scheduled Group meeting.

Section 2. Any issue motioned to a vote by the Group, other than the removal of an appointed member, shall be carried with a simple majority Group vote.

Section 3. For voting purposes, a minimum of 50% of the total Group membership present during a regularly scheduled Group meeting will constitute the voting Group membership.

Section 4. The Group budget for each year will be determined by a majority vote by the Group members during the first regularly scheduled Group meeting after the beginning of each year.

Section 5. The steering committee shall have authority to adjust the current fiscal year's budget by the surplus or deficit of the previous year's budget or five percent (5%) of the current year's budget without a Group vote during a regularly scheduled Group meeting as deemed necessary by the steering committee.

ARTICLE VII – GUIDELINES

Section 1. These NAPA AutoCare Business Development Group Guidelines shall be reviewed on an annual basis at the first regularly scheduled Group meeting of the new calendar year. The Group cannot amend these guidelines without approval by NAPA Headquarters and all requests must be submitted in writing.

NAPA AUTOCARE BUSINESS DEVELOPMENT GROUP GUIDELINES

ARTICLE VIII – GROUP DISSOLUTION

Section 1. Should the Group decide to dissolve, a final accounting of all money residing within the Group budget and all outstanding bills and obligations will take place under the supervision of the secretary-treasurer. After a predetermined amount of time after all Group debt has been satisfied, all money remaining within the Group budget will be returned back to individual Group members in equal shares.

Section 2. After final disbursements, the Group bank account will be closed by the chairman, secretary-treasurer and the appropriate representative from NAPA. Once completed, the chairman will submit notification to NAPA Headquarters that the Group has been dissolved.

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