



# Alabama Tire Dealers Association

6096 County Road 434

Trinity, AL 35673

(256) 616-3587

(256) 974-1480 Fax

[AlaTireDealers@cs.com](mailto:AlaTireDealers@cs.com)

[www.alatiredealers.com](http://www.alatiredealers.com)

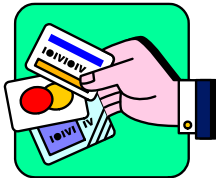
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## SPARE TIRE

## APRIL 2008

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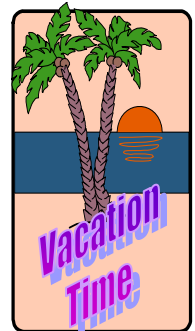


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**ATDA Convention: June 20 - 21, 2008 – Ft. Walton Beach, Florida**

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Alabama Tire Dealers Association  
6096 County Road 434  
Trinity, AL 35673

## **Executive Committee**

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Sabrina Lentz Knop

Dear Members,

The first two events of 2008, our March Mania Tradeshow and the Spring Golf Tournament, were very successful. Thanks to the efforts of Frank Harcrow, the March Mania Trade Show was a success, despite bad weather. The Spring Golf Tournament at Limestone Springs had 60 players with all profits going into our Scholarship fund.

We are about a month and a half away from our 2008 convention. Convention registration packets have been mailed. Please mark your calendar for June 20th and 21st, register early and make plans to attend. Rhett Marques is putting finishing touches on what will be an informative and fun event.

We are tracking some new pieces of Legislation both at the state level and national level. Read pages 6 / 7 and 14 / 15 of the newsletter and contact your Legislators to let them know that these bills will hurt your business.

Our association continues to grow and gain strength. This is due to the commitment of our members and the leadership of our Board of Directors.

Sincerely,

Barry McGirt  
President



# March Mania Tradeshow 2008

## MARCH 8, 2008 - BESSEMER CIVIC CENTER



### *A Very Special Thank You to All of Our Vendors:*

Am-Pac Dist.  
Automotive Equipment Service  
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American Tire Distributors  
TCS Software  
Tire Supplies of Alabama  
Wheel & Rim, Inc.  
ABC Products  
Myers Tire Supply  
Crown Battery Manufacturing

*Thanks, Frank Harcrow, for organizing a great show!*

# *The 4 C's of COACHING Skills*

*By Nancy Friedman, Telephone Doctor*

When most people think of the word “COACH,” they immediately imagine someone on the sidelines screaming at their players to do a better job. That may be true in certain sports situations, but in business, a coach needs to have a completely different approach in order to help employees improve performance.

Let's have a look at the role of a manager/coach and how that integrates with employee development. Where does traditional training come in? How does training relate to coaching? And what are the differences between training, coaching, and counseling?

The process starts with training. That's the first step.

Let's say you're training a group. What usually happens is most of the group understands, learns and benefits from the information you've taught. Unfortunately, not everyone “gets it.” What do we do about that small percentage of employees – often good, conscientious people – who may need personalized attention after training? Those are the ones who need coaching.

*Remember that Coaching is strategically guiding someone into improving performance. It's analyzing feedback to see the areas where the training hasn't taken hold.*

Is remedial training needed? That's where the coaching comes in. These are the people who need one-on-one customized help to develop their skills. OK, we've talked about training and coaching. Where does counseling come in?

*Counseling is helping someone explore, and possibly resolve, personal problems. Counseling is utilized if, for whatever reason, the employee isn't performing. It's for that special situation when training and coaching haven't worked, where the employee is not willing, or is unable, to do the job. Especially if there is some distraction that is not job related.*

We're going to give you the Telephone Doctor® Four Step Model for effective coaching in a call center of business environment.

We call it the 4 C's of Coaching.

The 4 C's are:

**Concurrence, Content, Commitment, Congratulations or Continuation**

Let's cover them one by one:

**Concurrence** is critical. Unless you and the trainee agree (concur) that there is a gap, *and they commit to the improvement that's needed*, you won't be able to coach to your full capacity for effectiveness. We need concurrence. Both you and the employee need to concur there is an issue. Once that's done, we can go on to the Content.

**The Content:** What's important is to identify the content that needs to be improved. What needs to be done? What are some of the issues involved? Normally where coaching is needed, it's either due to the fact that the employee doesn't know how to do the job (they just don't ‘get it’) or doesn't want to do the job. You need to find out which it is. The coach and the employee need to agree on the content, the issue and the problem. Only then can they make a commitment to solve it.

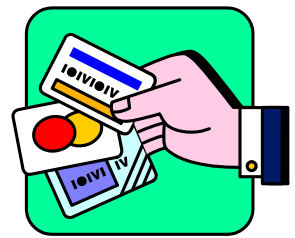
**Commitment:** The coach and the trainee need to agree. They can then make a commitment to solve the problem. Normally we're working with an intelligent, conscientious employee who wants to do a good job. With some coaching, the job will be done right.

**COACHING Continued on page 8 ...**



# Credit Card Scam Update

TROY, Alabama – Great News!!! The person(s) who “bought” (stole) tires from McGriff Tire and Moody Tire with fraudulent credit cards have apparently been caught in Troy. The police were waiting at Troy Discount Tire after being made aware of the situation.



We reported in the last edition of the *Spare Tire* that a credit card fraud scheme was affecting tire dealers in our State. Similar crimes have been reported throughout the United States. Although we only know of two companies that were affected by this, in Alabama, tire dealers here were fortunate that these criminals were apprehended before more dealers could be harmed. A special thank you to our members who were instrumental in bringing this crime spree to an end.

If you experience fraud in your business, please let your Association know. By working together, we can prevent crimes like this from continuing. Your Alabama Tire Dealers Association office is here to help you: 256-616-3587.

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## Build a Better Website

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**Call for Alabama Member Discounts!**

## These Aren't Your Father's Business Tools



- Business Systems
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- Network Design

To find out more about the latest business tools designed to help you increase profits, contact the leader of tire industry software.

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## ***Synopsis & Impact of Workers Compensation Bills - Pending in the Alabama Legislature***

Thursday, February 28, 2008 - Courtesy of Alabama Self-Insurer's Association

### **Senate Bill 403 (Permanent Partial Disability Benefits)**

\*Elimination of 300 week limitation for permanent partial disabilities; Benefits would be payable through age 67 of the employee

*Impact: A 30 year old employee's loss of toe injury costs the employer \$66,000 under the current law. Under SB403, the court could award as much as \$1,000,000.*

\*Scheduled member injuries (finger, toe, etc) would no longer exist if the court found that the injured member caused a loss of earning capacity

*Impact: Same as above if 300 week limitation removed. If 300 week limitation not removed the loss of a toe would be \$66,000 under the old law and as much as \$660,000 under the new Act and possibly more.*

\*There is only a "rebuttable presumption" of no loss of earning capacity where the employee returns to work earning as much as pre-injury

*Impact: "Rebuttable presumption" creates uncertainty as to benefits owed an employee who returns to work making as much or more money as pre-accident. 30-year old employee with toe injury could be worth 0 or it could be worth \$660,000 or more.*

\*Permanent total awards may be ordered payable in a lump sum if the employer has been found in contempt previously by the court

*Impact: There is uncertainty as to present value of an injury pending an award by the court. The \$1,000,000 toe injury above could have a present value of one-half that amount if financed via an annuity. Also, under current law an employer can petition to set aside a permanent total benefit award if the employee has returned to work. This would not be possible if the court had previously awarded permanent benefits paid in a lump sum.*

\*A set-off for the employer paid portion of disability, retirement or sick pay benefits is not allowed where those benefits arise out of a collective bargaining agreement

*Impact: This provision could lead to employers refusing to voluntarily offer retirement, disability or sick pay plans because they can no longer set off those benefits in the event of a work comp injury as they can now set off under current law. (Immediate increase in costs to unionized employers in Alabama.)*

### **Senate Bill 405 (Co-Employee and Exclusivity)**

\*An employer may face a third party claim (in addition to the workers' compensation claim) if the injury or death to the employee results from the "reckless conduct" of the employee's manager, supervisor or policy maker

*Impact: A return to the co-employee days of the 1970's made worse because it is the employer that is subject to the 3rd party suit instead of management and supervisory level employees. There will be no coverage to the 6 person employer whose employee had the toe injury under the workers' compensation policy and general liability policies may exclude coverage leaving small employers to defend these types of claims without coverage.*

\*Allows retaliatory discharge claims to be more freely filed and would allow a claim to be made if the filing of a workers' compensation claim or assisting a fellow employee in a workers' compensation claim was a "motivating factor" in the employee's discharge

*Impact: Numerous retaliatory discharge verdicts of \$500,000 into the millions have been reversed by the Alabama Supreme Court because current law requires the termination to be "solely" based upon the filing of a workers' compensation claim. All of these verdicts would likely be affirmed if the law only required the filing of the claim to be a "motivating factor" in the termination. Again the small 6 -10 employee businesses would likely have no coverage available to defend these claims and would face exposure on their own, including the significant costs just to defend these claims.*

### **Senate Bill 389 (Medical Benefits Amendments)**

\*Would require employers to pay for any "apparatus" which assists the employee in activities of daily living and/or improves the employee's quality of life as opposed to assisting in return to gainful employment

*Impact: A 6-10 employee small business might be required to purchase the employee a van or retrofit or rebuild his home because of the loss of his big toe. Workers' compensation insurance costs would increase over time because such costs are not required under current law. Hot tubs, spas, health club memberships and other costs not currently imposed under law could be covered under this amendment.*

\*Would require “Panel of Four” physicians offered by the employer to be from the employee’s “local labor market”

*Impact: In many areas this would be impossible. In small towns like Evergreen, Brundidge, Winfield and Clayton, for example, if the employer couldn’t seek orthopedics from Columbus, GA, Montgomery, Mobile or Birmingham to fill out the “panel of four” the employer might be held in contempt of court.*

\*An “employee only” has the right to seek a “neutral physician” and the court may empower the neutral physician to become the employee’s designated treating physician

*Impact: Employers are already required to provide a physician and later may be required to provide a panel of four physicians if the employee is dissatisfied with the first physician. Under this bill, an employee could request a 3rd physician who could impose a different treatment protocol or surgery.*

\*Refusal by the employer to provide medical, surgical or rehabilitation benefits shall result in the employer paying two times the temporary total benefits above and beyond other benefits therein payable

*Impact: Even if the employer believes that certain medical treatment is unrelated or unauthorized under the workers’ compensation act, a refusal to pay those benefits could result in payment of over \$1300 per week. Employers would never use utilization review of medical bills and costs of medical under the Act would most likely escalate considerably.*

\*Employer representatives (case managers?) may not communicate verbally with the treating physician regarding the employee’s treatment

*Impact: Case managers currently work with employers and the physician to help return employees to gainful employment. Only communication in writing would be allowed under the new amendments which would likely slow the employee’s return to work.*

\*Utilization review guidelines under current law significantly restricted by a provision that nothing shall interfere with the treatment of the authorized treating physician

*Impact: Utilization review guidelines help control escalating medical costs. These guidelines would be of no utility since the amendments preclude any restrictions on the treatment by the physician.*

\*Trial judge may award an attorneys fee where a denial of medical/vocational benefits is successfully challenged

*Impact: Since same does not exist under current law, this is another cost escalator in workers’ compensation.*

#### **Senate Bill 139 (Retaliatory Discharge Amendments)**

\*Retaliatory Discharge claims may be filed if the employee’s termination was “substantially” related to his/her filing of a workers’ compensation claim currently requires termination to be “solely” based upon filing of a workers’ compensation claim

*Impact: As previously addressed under SB405 numerous retaliatory discharge verdicts of \$500,000 into the millions have been reversed by the Alabama Supreme Court because current law requires the termination to be “solely” based upon the filing of a workers’ compensation claim. All of these verdicts would likely be affirmed if the law only required the filing of the claim to be a “substantial” factor in the termination. Again the small 6 -10 employee businesses would likely have no coverage available to defend these claims and would face exposure on their own, including the significant costs just to defend these claims.*

\*Allows a retaliatory discharge claim if the employee was terminated for filing a workers’ compensation claim with a prior or concurrent employee

*Impact: Doesn’t exist at all under the current act. (Potential for increased litigation and increased costs to employer in defending.)*

#### **House Bill 502 (Employee may Select Own Physician)**

\*An employee shall always have the right to select his own physician whose charges are paid by the employer. Where the employee’s injury is a sprain or strain without broken bones, the employer shall not be obligated to pay for more than 16 treatments or 4 weeks of treatment

*Impact: Current law requires an employer to offer two physicians (the original treating doctor and a panel of four from whom employee may select a second). As previously discussed amendment (SB389) would allow the court to appoint a third physician and this bill would then allow the employee to have a 4th physician of his own choosing. The employer could thus be obligated to provide 4 physicians with 4 different treatment protocols for the employee.*



## Who will be the 15<sup>th</sup> annual Tire Dealer of the Year? Modern Tire Dealer magazine is accepting nominations for their Tire Dealer of the Year award.

AKRON, OHIO (February 29, 2008) - *Modern Tire Dealer (MTD)* magazine, the tire industry's leading publication, is now accepting nominations for its 2008 Tire Dealer of the Year award.

The Tire Dealer of the Year Award is the most prestigious honor that an independent tire dealer can receive.

Each year, one dealer is chosen from a pool of approximately than 26,000 eligible independent tire dealers throughout North America. Dealers are evaluated in five key categories: business success, marketing skill, management skill, industry knowledge and community involvement.

The *MTD* Tire Dealer of the Year Award was established in 1993, making it the longest-running independent tire dealer award in the tire industry.

Past *MTD* Tire Dealer of the Year Award winner have included tire industry giants like Les Schwab, founder of Les Schwab Tire Centers, the second largest independent tire store chain in the United States, and Paul Zurcher, founder of Best-One Tire Service Inc., one of the North America's largest tire distribution networks, as well as smaller dealers like Barry Steinberg, president of Direct Tire & Auto Service in Watertown, Mass., and Tony Troilo, former owner of Rosson & Troilo Motor Co. in Brandy Station, Va. The contest is open to independent tire dealers of any size. A list of all previous winners, plus articles written about them, can be found on *MTD*'s Web site, [www.moderntiredealer.com](http://www.moderntiredealer.com).

"But there's more to the Tire Dealer of the Year award than honoring the best tire dealer in North America," says *MTD* Editor Bob Ulrich.

The Dealer of the Year program has enabled *MTD* – in conjunction with many tire manufacturers and other companies that support the program – to donate more than \$120,000 to a wide variety of charities.

Money has been used to assist handicapped children, build a cancer treatment center and support other worthy causes.

To nominate a candidate for this year's Tire Dealer of the Year award, log onto [www.moderntiredealer.com](http://www.moderntiredealer.com), or pick up a copy of *Modern Tire Dealer* and fill out the nomination form.

The 2008 Tire Dealer of the Year will be announced in the September 2008 issue of *Modern Tire Dealer*, which also will include a feature-length article about the recipient. Each year, when the Tire Dealer of the Year award winner is announced, *Modern Tire Dealer* directly donates \$1,000 to a charity or charities selected by the winner. Additional money from the award's sponsors also is donated to the winner's designated charity or charities.

In print since 1919, *Modern Tire Dealer* is the longest-running publication written exclusively for independent tire dealers. Over the years, *Modern Tire Dealer* has won numerous honors for editorial excellence, including 15 medals from the International Automotive Media Association.

*Modern Tire Dealer* is owned by Bobit Business Media, a Torrance, Calif.-base media solutions company that specializes in business-to-business print publications, Web sites and industry conferences.

For more information, contact: Bob Ulrich, Editor, *Modern Tire Dealer*. (330) 899-2200, ext. 11. [bob.ulrich@bobit.com](mailto:bob.ulrich@bobit.com)

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### **COACHING Continued from page 4 ...**

**Congratulations or Continuation:** Once you and the employee have found the content that needs to be corrected, and you give them the instruction on how to do it right, and there is commitment it will be done, it's time for CONGRATULATIONS. Let them know they've done a good job. This is critical. It's most important you don't leave that part out. Worse case scenario, it's continuation. A little more work may be needed with some employees to reach the congratulations step.

Much coaching takes place to fill a perceived need. You find out that there's a gap in the performance of an employee, and then plan a coaching approach that should improve the performance of that employee. It's nice and orderly to be able to think about what you're going to do. Formulate your plan and decide when you're going to do your coaching.

Coaching, while immediate, should also be in private; especially when it becomes an on the spot type of coaching. Never embarrass the employee. That's not coaching, that's being mean!

Nancy Friedman is President of Telephone Doctor, a customer service training company in St. Louis, MO. She is a featured speaker at association, chamber and corporate meetings. To receive our free monthly email article on customer service and a free subscription to the Telephone Doctor Newsletter, *The Friendly Voice*, go here [www.telephonedoctor.com](http://www.telephonedoctor.com) or call 314-291-1012.





# Meet the NEW boss...

**B**usiness owners consider devastating property loss or catastrophic lawsuits to be a greater threat to business survival than economic or market changes. Additionally, many unforeseen events are never planned for, events that are readily insurable or could be lender-financed. However, there is one certainty that can be planned for: the departure of an owner will happen at some point and can be the greatest threat to the survival of any business that is not prepared for it.

Your Federated representative can help you prepare for your timely—or untimely—exit from your business. Call today to schedule an “exit strategy” planning session.

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All products and services may not be available in all states.

# Join Us for the 2008 Annual ATDA Convention

**Ft. Walton Beach, Florida**

**Holiday Inn SunSpree Resort - June 20 - 21, 2008**

**Registration Deadline: May 16, 2008**

## *Room Rates:*

Standard Bay View	\$162
Standard Beach Front	\$182
Studios	\$199
One Bedroom Suite	\$219
Penthouse	\$370



**Reservations: 800-238-8686**

*573 Santa Rosa Blvd., Fort Walton Beach, FL 32548*

## Silent Auction Scholarship Fundraiser:

Sports memorabilia, jewelry, tire industry memorabilia, arts/crafts, and many other items will be up for bid in the annual ATDA Silent Auction, running throughout the convention. Bid early and bid often to help support our Scholarship Foundation and the many deserving students it will award in the future.

## Things to do in Ft. Walton:

A collection of varied attractions and amusement parks assure fun for the entire family. A short drive offers beautiful scenery, unique shops, boutiques, museums, and a wide variety of excellent restaurants. You can go sight seeing, outlet mall shopping, play a round of golf, and much, much, more!



Join us for a round of golf at  
Shalimar Pointe Country Club.



**CONVENTION PACKETS HAVE BEEN MAILED!**

Registration Forms and Convention Information are also available online:

[www.alatiredealers.com](http://www.alatiredealers.com)

For questions or to register by credit card, contact the ATDA office at 256-616-3587.

# **Join Us for the 2008 Annual ATDA Convention**

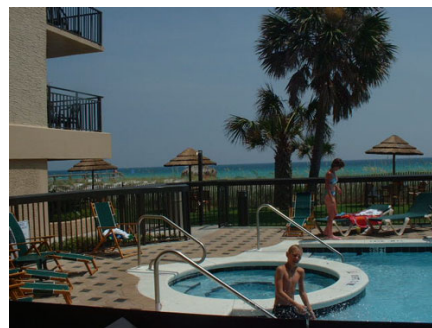
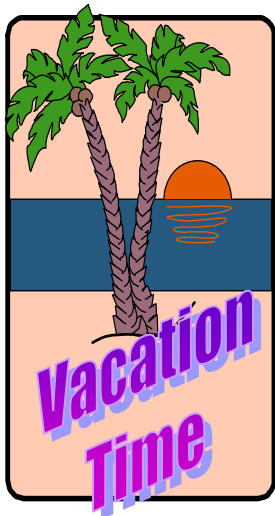
**Ft. Walton Beach, Florida**

**Holiday Inn SunSpree Resort - June 20 - 21, 2008**

**Registration Deadline: May 16, 2008**

## ***Agenda:***

- Friday,  
June 20th**
- 2:00 – 5:00 Registration
- 12:00 Noon Golf Tournament  
Shalimar Pointe Country Club. Modified Scramble. Winners announced at Reception.
- 7:00 – 9:00 Pool-Side Party Reception  
Heavy hors d'oeuvres, Live music, open bar, kid's beverage station, golf tournament winners & start of silent auction.
- Saturday  
June 21st**
- 8:00 – 9:45 Past President's Breakfast  
Featured speaker U.S. Senator Jeff Sessions.
- 10:00 – 11:30 Business Meeting  
Guest speakers Bobby Harper from RTI to discuss TPMS systems and John Pecoraro from Cooper Tire to discuss key issues in the tire industry.
- 6:00 – 7:00 Reception  
Light hors d'oeuvres and an open bar.
- 7:00 – 10:00 Scholarship Banquet  
Surf & Turf Buffet.  
Scholarship presentations and Hall of Fame inductions.



# ***Recession-Proof Marketing***



Nothing strikes fear into the hearts of businesses – and marketers – like the dreaded “R” word. Recession.

The moment the word is uttered, businesses start talking of the coming storm, how to prepare for it, and what to do when it gets here. Businesses start looking to cut costs wherever possible and marketing and advertising budgets are dramatically reduced. But is that a proven best practice?

If we are in a recession, should you cancel your marketing plans, batten down the hatches, hunker down and ride it out?

It’s a question that businesses have been asking for decades.

Luckily, the research has already been done. Over the years, hundreds of studies, from the 1920s to present day, have been conducted. Every major study reaches the same conclusion: continuing with a marketing budget and plan equal to – or even greater than – pre-recession levels produces the best results.

Advertising executive Roland S. Vaile was the first to track 200 companies through the recession of 1923. He found that the biggest sales increases were rung up by companies who advertised the most. After World War II, sales were plotted through the recessions that followed, as were the annual advertising expenditures. Then findings were compared with sales and profit trends before, during and after the recessions of 1949, 1954, 1958 and 1961. Almost without exception, sales and profits dropped off at companies that cut back on advertising.

Next came the recession of ’74-’75, and this time, studies revealed a new twist. Even after the recessions ended, companies who cut advertising continued to lag behind the ones that had maintained their advertising budgets. Next, it was McGraw Hill’s turn. The research firm analyzed 600 BtoB companies covering 16 different SIC industries from 1980 through 1985. The results showed firms that maintained or increased their advertising expenditures during the 1981 – 1982 recession averaged significantly higher sales growth, both during the recession and for the following three years, than those that eliminated or decreased advertising. By 1985, sales of companies that were aggressive recession advertisers had risen 256% over those that didn’t keep up their advertising.

The conclusion is unanimous: advertising aggressively during recessions not only increases sales but also profits.

The challenge for marketers: how to make or generate sales during a time when everyone is cutting back. For today’s marketers facing the R word, here are some tips:

- Don’t cut your advertising budget: increase it. Let your competition cut theirs. Then your message grows even stronger. Increased spending increases your share of voice.
- Don’t waste money advertising in the wrong place to the wrong audience. Develop a strategic marketing plan that [targets pre-qualified buyers in your industry](#). Recession or not, no organization can afford to be all things to all people.
- Keep in touch with your loyal customers. Now is a good time to develop a customer appreciation program.
- Maintain continuity to sustain awareness. Advertising works cumulatively, so remind people frequently about your brand.
- Step up public relations efforts. Be sure to maintain a media presence with smart, [effective PR programs](#).

With competitors sitting tight and cutting their marketing budgets, an aggressive business can experience great strides during a recession – and long afterwards. So even if the “Recession of ’08” never fully materializes, the important take-away is this: When times are good, advertising is crucial; when times are bad, advertising is a matter of life and death.

*Article courtesy of MediaBrains Newsletter. February 2008. Issue 14.*



# YOUR DISTRIBUTOR MAY DELIVER TIRES, BUT WHAT ABOUT RESULTS?

## MCKINLEY SALES &

PAUL MCKINLEY,  
MCKINLEY TIRE, GREENVILLE, AL  
*McKinley Tire*

In a landscape filled with national retail chains, there's still a place for McKinley Tire. Customers here are greeted on a first-name basis, and the owner's promise is as good as his word. So how does Paul McKinley compete with the big guys year after year? He turns to ATD, the nation's best-managed network of coast-to-coast distribution centers. ATD's success is directly linked to the success of customers like Paul, who relies on a wide range of ATD programs and benefits to keep his business on track. The ATD ServiceBAY Tire Protection Plan proves to be particularly beneficial for McKinley Tire, since it offers security for customers and a consistent revenue stream for the business. With strong support from ATD in place, independence is alive and well – and more competitive than ever. That's what you get with ATD on your side of the road.

To find out more, call your local ATD distribution center or visit us at [www.atd-us.com](http://www.atd-us.com).

**AMERICAN**  
*Tire Distributors*

ON YOUR SIDE  
OF THE ROAD



# ***CREDIT/DEBIT CARD RECEIPTS INFORMATION REPORTING***

***From Paul Fiore  
Director of Government and Business Relations,  
Tire Industry Association  
April 11, 2008***

## **STATUS**

No formal legislation has been introduced.

The proposal has appeared in several of the President's proposed budgets as an initiative to close the tax gap.

## **BACKGROUND**

The notion traces its roots back to the "tax gap" report the IRS issued several years ago. Suggested remedies to help close the tax gap first surfaced three years ago in the President's proposed budget and new ones were added in a subsequent proposed budget. After the initial flurry of rhetoric, Congress settled down and discovered closing the tax gap is not as simple as it looked. However, pay-go pressures continue to grow as Congress tries to deal with the myriad of other issues that require the government to spend more or forego tax revenues. By definition a proposal to close the tax gap only collects money that the federal government should have been paid to begin with. But for congressional budgetary pay-go purposes, tax gap closing proposals are considered to be raising "new" revenues so they can be used to offset spending increases or tax relief. So last week the Senate Finance Committee formally floated a "freshened" version of one of the tax gap closing proposals. It is not tied to any legislation at this point. It is a classic trial balloon situation. If there are not strong objections, the other shoe—use of the provision as a revenue offset—will drop.

The proposal would require credit/debit card processors to report to the IRS an annual dollar figure of the credit/debit receipts they process for any and each "merchant." Basically, a "merchant" is anybody in business that accepts credit or debit cards for payment. The ostensible purpose is for the IRS to profile industries for what should be the appropriate amount of overall gross receipts, credit/debit card receipts, and then back out an estimate of the appropriate amount of cash transactions that businesses should be reporting on their tax returns. The proponents claim the new information reporting form will not be used for audits, but they do note that anytime there is third-party reporting of income, compliance improves.

## **THE PROPOSAL**

### ***The Definitions***

- The proposal would require credit/debit card processors to report to the IRS an annual dollar figure of the credit/debit receipts they process for any and each "merchant."
- The term "qualified payment facilitator" means any person enrolling or accepting a participating merchant to accept an electronic payment mechanism.
- The term "participating merchant" means **any** taxpayer that is a party to a continual agreement to use an electronic payment mechanism as payment for goods and services **in connect with a trade or business**.
- The term "electronic payment mechanism" means any account or card which is sponsored or issued by an electronic payment organization and which, upon presentation to participating merchants, represents an agreement to pay the participating merchant through the electronic payment organization.

- The term "electronic payment organization" means an entity that sets the standards and provides the mechanism for effectuating payment between a purchaser and a participating merchant through an electronic payment mechanism.

### ***The Requirement***

The payment facilitator would be required to report annually to the IRS the name and address of each participating merchant and the aggregate amount of payments to the merchant in settlement of purchases made through the payment facilitator.

### ***Backup Withholding***

The payment facilitator would be required to request Taxpayer Identification Numbers (TINs) from merchants. (Sometimes this is the Employer Identification Number or could be the social security number of a sole proprietor.) If a correct number is not furnished the payment facilitator would be required to withhold taxes from the payments. The backup holding rate is 28 percent!

## **CONCERNS**

### ***Backup Withholding.***

The biggest short-term problem with the proposal may be the fact that many credit/debit card issuers currently do not collect TINs from their merchants. The backup withholding would have a significant impact if the merchant does not comply with a payment facilitator's request for their TIN. This is NOT the same as mandatory withholding as Congress has recently imposed on government contractors (which we are trying to get repealed). The backup withholding is already in use in a number of situations. Businesses routinely request TINs from service vendors and financial institutions request TINs from many taxpayers. Usually, the number is provided and backup withholding is not imposed.

### ***Administrative Burden.***

Even though the proponents say there is no immediate requirement for the merchant to do anything when he/she receives a copy of the annual information return, what happens if there is an audit down the line and it does not reconcile? The answer is there would be penalties. So, notwithstanding what the proponent say, it does mean there is an annual administration burden to reconcile.

**Cost.** In addition to the annual administrative activity, the "payment facilitators" (i.e. credit card companies) will undoubtedly incur a cost to compile and report this information. History would say these costs will be passed on to the merchant.

### ***Effectiveness and Intrusiveness.***

This is a major new intrusion into the daily operations of a business. At what point, do new compliance initiatives in a voluntary tax collection system become counterproductive? This proposal brings new meaning to the term "looking over my shoulder."

## **OUTLOOK**

The pay-go pressures continue to mount as this Congress draws to a close. All proposed legislation—from the farm bill to trade issues to energy issues—that either spend more money or provide tax relief, must be offset. In addition, various provisions of the tax code are expiring and extensions must also be offset with revenue raisers.

Please contact your House and Senate members to let them know what a bad idea this is. For more information, contact Paul Fiore (800-876-8372 ext. 102 or [pfiore@tireindustry.org](mailto:pfiore@tireindustry.org)).

# ADEM Scrap Tire Program Report

## February 19, 2008

### Alabama Scrap Tire Fund

Fee receipts FY07                      \$4,030,343.19  
 Total Fund Available                  Approximately \$12.2M

### ADEM Staffing

Gavin Adams, Unit Chief  
 7 staff

### ADEM Staff Activities

Total registrations	Receivers registered	2168
Permits	Transporters permitted	104
	Processors permitted	9
	Exempt Registration	11

### Inspection activity in 2007

Facility inspections                      952  
 Complaint investigations                294

- First three Small Site Remediation projects completed. A second group of three small sites to be public noticed during February.
- Six additional Small Scrap Tire Sites from the priority listing are to be addressed in the near future. Staff will begin to reevaluate sites for updated information and to develop property owner access agreements and public notices for each site following contracting of the second group of sites.
- Completed Programmatic Quality Plan (PQP) for ADEM Scrap Tire Program. Deliverables and schedules being accomplished.
- Prichard Large Scrap Tire Site to be reevaluated for remediation March 12 – 13, 2008. Drafting of RFP for contracting has begun.
- Staff training in enforcement/Administrative Orders completed.
- Reorganized staff operational areas to be effective April 1, 2008. All staff will perform inspections and complaint investigations in these areas.

### Attalla Site Remediation

	<u>Tonnage</u>	<u>Invoice Amount</u>
Aug. 06	2,686.31	238,410.01
Sept. 06	4,058.42	360,184.78
Oct. 06	3,495.49	310,224.74
Nov. 06	3,221.04	285,867.74
Dec. 06	2,734.57	242,693.09
Jan. 07	3,223.13	286,052.79
Feb. 07	1,513.71	134,341.76
March 07	1,270.36	112,744.45
April 07	1,455.23	129,151.66
May 07	1,241.23	110,159.16
June 07	1,479.85	131,336.69
July 07	439.30	38,987.88
Aug. 07	912.86	81,016.33
Sept. 07	1,214.12	107,753.15
Oct. 07	1,904.35	169,011.06
Nov. 07	1,867.28	165,721.10
Dec. 07	2091.05	185,580.69
<b>Totals</b>	<b>28945.62</b>	<b>\$2,568,924.23</b>



## Limestone Springs Scholarship Fundraiser Golf Tournament March 27, 2008

### Winners:

#### *1<sup>st</sup> Place Team*

- \$300 Team Prize  
 Bob Gipson  
 Hootie Gipson  
 Danny Durbin  
 James Durbin

#### *2<sup>nd</sup> Place Team*

- \$200 Team Prize  
 Steve Breland  
 Scott Weaver  
 Jason Clowers  
 John Harvilla

#### *3<sup>rd</sup> Place Team*

- \$100 Team Prize  
 Darryl Gorle  
 Bill Wilks  
 Pat Shirley  
 Jason Shirley

#### *Last Place*

- *Crying Towels & Sleeve of Balls*  
 Marlin Brooks  
 Nickey Shelton  
 Tommy Neely  
 Kelly Clonz

*Longest Drive - \$25*  
 Ricky Douglas

*Closest to the Pin - \$25*  
 Steve Breland



## **PARRISH TIRE COMPANY**

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Gary Waters

215 Avenue C, Carrollton, GA 30117

### **Wholesale Distributor**

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- Extended Terms
- More Than Competitive Pricing

**BRIDGESTONE** **YOKOHAMA**

**Continental** **GENERAL TIRE**

**TURNPIKE** **REMINGTON TIRES**

**U.S.A.** **GOOD YEAR**

**Aurora** **DUNLOP**

**NEXEN**  
NEXEN TIRE

**FREE DELIVERY**

## **B & B Tire Landfill, Inc.**

### ***Tire Disposal PROFESSIONALS!***



Bud and Barbara Adams  
Hayden, AL

**Phone: (205) 647-6736**

**Fax: (205) 647-7139**

## **Scrap Tire Environmental Forms**

*The Alabama Tire Dealers Association is the  
ADEM authorized distributor of Scrap Tire Manifests.*

All forms necessary to keep you in compliance with the Scrap Tire  
Environmental Quality Act, effective October 1, 2004, are available on our  
Website: [www.alatiredealers.com](http://www.alatiredealers.com).

**The manifests are available from the ATDA office at the following prices:**

<u>Amount</u>	<u>Member Price</u>	<u>Non-Member Price</u>
25	\$6.95	\$7.95
50	\$10.95	\$12.95
100	\$17.95	\$19.95

**Call 256-616-3587 to place your order!**

*(Shipping charges are additional.)*

## CHAPLAIN'S CORNER



*Let your "Yes" be yes, and your "No," no, or you  
will be condemned.* James 5:12 (NIV)

It almost seems too simple to be such a powerful truth. Nonetheless here it is; *if you do not lie to start with, you will not have to tell a lie the second time to cover up the first.* Being truthful and honest is not only good for business; according to the Bible verse above GOD says it is a healthy lifestyle. Be a person of integrity at your dealership, your home, and everywhere else. It will bring you lasting rewards.



GOD Bless!  
Dolan Davis Jr.  
205-758-6624  
[dolanjr@bellsouth.net](mailto:dolanjr@bellsouth.net)

*Our condolences to John Jackson (Owner of Eastbrook Tire in Montgomery) in the passing of his wife Nelsie.*

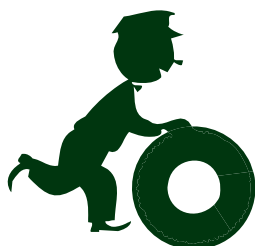
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## ***Welcome New Members:***

### ***S & L Tires*** ***Scott Corbin***

*Physical Address:*  
10096 US Hwy 411  
Branchville, AL 35120  
*Mailing Address:*  
P.O. Box 490  
Odenville, AL 35120  
205-640-3412  
Fax: 205-640-7574

[corbin.cowboy69@gmail.com](mailto:corbin.cowboy69@gmail.com)



### ***Snap-On Equipment***

#### ***George W. Gurley***

1935 Heritage Road  
Moody, AL 35004  
205-625-7488  
Fax: 205-640-3643

[george.w.gurley@snapon.com](mailto:george.w.gurley@snapon.com)

#### ***Larry Wallace***

35 County Road 551  
Verbena, AL 36091  
205-928-0034  
Fax: 800-683-9907

[larry.k.wallace@snapon.com](mailto:larry.k.wallace@snapon.com)

# Upcoming Events Calendar



- **National Tire Safety Week**
  - April 20-26, 2008 – Sponsored by the Rubber Manufacturers Association

RMA will provide a “Be Tire Smart – Play Your Part” kit to participating tire dealers. The FREE kit includes brochures, a counter stand and a poster. Visit [www.betiresmart.com](http://www.betiresmart.com) for more details.
- **Intelligent Tire Technology Conference**
  - April 28 - 30, 2008 – Marriott Dearborn Inn Hotel, Dearborn, Michigan

Exploring Future TPMS Technologies & TPMS Implementation for Smarter & Safer Tire Performance. For more information visit, [www.iqpc.com/us/tiretech](http://www.iqpc.com/us/tiretech).
- **Annual ATDA Convention**
  - June 20-21, 2008 – Holiday Inn Sun Spree Resort, Ft. Walton Beach, Florida

Mark your calendars! Come join us at the Beach for our annual meeting, golf tournament, fellowship, and lots of great food! A complete agenda and registration forms are available on the website: [www.alatiredealers.com](http://www.alatiredealers.com).
- **Regional Scholarship Fundraiser Golf Tournament**
  - October 9, 2008 – Dothan National Golf Club, Dothan, Alabama

Hole sponsorships available. Registration forms will be available on the ATDA website at [www.alatiredealers.com](http://www.alatiredealers.com). Contact Eddie Hardwick at 800-239-1267 for more information.
- **SEMA Show**
  - November 4 – 7, 2008, Las Vegas Convention Center, Las Vegas, Nevada

The SEMA Show is the premier automotive specialty products trade event in the world (PLEASE NOTE: THE SEMA SHOW IS NOT OPEN TO THE GENERAL PUBLIC). It draws the industry’s brightest minds and hottest products to one place, the Las Vegas Convention Center. As part of the AAIW, the SEMA Show attracts more than 120,000 industry leaders from over 100 countries for unlimited profit opportunities in the automotive, truck and SUV, and RV markets. In addition, the SEMA Show provides attendees with educational seminars, product demonstrations, special events, networking opportunities and more...

## Please Support Your Supplier Members:

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800-950-3928

**AmPac Tire Distributors**  
*John Abernethy*  
*Richard Abernethy*  
205-322-4651 ext. 204

**ASA Tire Systems**  
*Dean Rascoe*  
603-889-8700

**Ashberry Tire Landfill**  
*Ty Ashberry*  
334-493-1250

**Automotive Equipment Service**  
*Hardy & Jane Thompson*  
888-664-5490

**B & B Tire Landfill**  
*Bud & Barbara Adams*  
205-647-6736

**Bridgestone/Firestone – North American Tire, LLC**  
*Scott Tarver*  
800-681-6245  
Ext. 470955#

**Bridgestone/Firestone – North American Tire, LLC**  
*John Yordy*  
800-681-6245  
Ext. 470387#

**C.W. Owens Enterprises – Scrap Tire Management**  
*Wayne & Phyllis Owens*  
800-869-1372

**CARQUEST Distribution Center**  
*Jerry Dickey*  
334-280-5843

**Carroll Tire**  
*Cecil Bowden*  
205-655-2182

**Carroll Tire**  
*Don Pylant*  
800-446-0589

**Cooper Tire & Rubber Co.**  
*Bobby Wickham*  
251-455-2423

**Craft Tire, Inc.**  
*Mark Goodes*  
724-438-4527

**David Tire**  
*John David*  
205-251-9781

**Federated Insurance**  
*Erin Richards*  
404-497-8840

**Goodyear, Dunlop, Kelly Tires**  
*Mark Crigler*  
251-591-0585

**Harris Tire & Rubber Company**  
*Mickey Taylor*  
334-566-2691

**Harris Tire & Rubber Company**  
*Jason Berry*  
256-382-0797

**Hesselbein Tire**  
*Doug Robinson*  
800-685-6462 ext. 115

**Hornsby Tire Distributors**  
*Roger Hornsby*  
334-762-2333

**Hunter Engineering**  
*Kenny Smith*  
985-789-5211

**Jones Tire**  
*Bill Jones*  
334-874-2265

**L.A. Equipment Service**  
*Jack Dale*  
800-385-6644

**Mac's Tire Recyclers, Inc.**  
*Kitty Black*  
*Harry McBride*  
662-869-1860

**McGriff Industries**  
*Barry McGriff*  
*Bert McGriff*  
256-739-0780

**McGriff Treading Company**  
*Randy Drake*  
256-739-7080

**Metro Recycler**  
*Phillip Tidwell*  
205-841-1930

**Mighty Auto Parts**  
*Mickey Johnson*  
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**Mohawk Rubber**  
*Jeff Work*  
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**MTR Acquisition, Inc.**  
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615-384-8874

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*Barry Morgan*  
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**Parrish Tire**  
*Gary Waters*  
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**Robison Tire**  
*Joe Robison*  
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**Robison Tire**  
*Mike Brown*  
334-834-6138

**S & S Tire**  
*Jeff Hodgens*  
877-777- 7411

**SLK Tire Designs**  
*Sabrina Lentz Knop*  
*Cheryl Lentz*  
256-566-5481

**Snag Equipment Brokers, Inc.**  
*Doug Gans*  
205-664-1869

**Snap-On Equipment**  
*George W. Gurley*  
205-625-7488

**Snap-On Equipment**  
*Larry Wallace*  
205-928-0034

**Tenneco Automotive**  
*Ed McArthur*  
205-589-2781

**Tire Centers, LLC**  
*Don Anderson*  
256-308-0360

**Tire Centers, LLC**  
*Jeff Davis*  
256-722-0250

**Tire Centers, LLC**  
*Ken Phillips*  
*Don Hunkeapillar*  
205-252-3150

**Tire Centers, LLC**  
*Jim Riddlehoover*  
334-262-1661

**Tire Centers, LLC**  
*Mark Shirley*  
205-758-8363

**Tire Centers, LLC**  
*Vincent L. Hudson*  
866-907-9463

**Tire Supplies of Alabama**  
*Frank Harcrow*  
205-368-4130

**Valvoline Oil Company**  
*Chris England*  
205-253-0339

**Vision Wheel**  
*Roger & Deanie Minor*  
256-353-4957

**Westmoreland Tire**  
*Ed Westmoreland*  
*Steve Westmoreland*  
256-845-5656

**Westmoreland Tire**  
*Tom Westmoreland*  
256-878-5728

**Wheel & Rim, Inc.**  
*David Strickland*  
205-324-4404

**Yokohama Tire Corp. – Medium Truck Division**  
*Leslie Wright, Jr.*  
205-338-1623

**Yokohama Tire Corp. – Passenger & Light Truck Division**  
*Jim Vickers*  
404-401-8606

**Zurich American Insurance Co**  
*Susanne Pattillo*  
800-840-8842 ext. 1616



# *Legislative Update*

## **Important News Bulletin**

### **Alabama Enacts Solid Wastes and Recyclable Materials Management Act**

On April 15, 2008, Governor Bob Riley signed into law the Solid Wastes and Recyclable Materials Management Act (“SWRMMA” or “the Act”), Ala. Act 2008-151, amending the Alabama Solid Waste Disposal Act (“SWDA”). The SWRMMA provides for a statewide fee on solid waste disposal and unified statewide regulatory control on the management of solid wastes and recyclable materials.

In particular, the SWRMMA requires the Alabama Department of Environmental Management (“ADEM”) to adopt minimum statewide recycling and waste minimization standards for solid waste generated in Alabama. The Act also creates new penalties for the “creation, contribution to, or operation” of unauthorized dumps while protecting innocent landowners from liability. The SWRMMA also establishes new penalties for any person who knowingly or negligently violates the provisions of the Act or its implementing regulations.

The Act also authorizes the state to collect fees for solid waste disposal in the state from generators of solid waste at **\$1 per ton**. Fees are to be levied by operators of permitted solid waste disposal facilities. Twenty-five percent of revenues generated by this fee will be deposited into a trust fund for a recyclable materials management grants program. Another twenty-five percent of revenues generated by collection fees will support a separate trust fund to pay the cost of investigation, required cleanup, and closure of unauthorized dumps by innocent landowners. These fees will be required to be collected starting on October 1, 2008.

#### **How This Act Affects Tire Dealers:**

Currently, we are being told this fee encompasses all solid waste, *including tires that are landfilled*. However, before this Act can be implemented, ADEM must go into rulemaking. It is during the rulemaking process that tire dealers need to let their voice be heard on this “double taxation.” The Alabama Tire Dealers Association will keep you posted with updates on this issue. Visit the ATDA website at [www.alatiredealers.com](http://www.alatiredealers.com) or contact the ATDA office at 256-616-3587 for more information.