



INDUSTRY WATCH

Volume 5, Issue 10

Contact the UTA @ 1-877-GETS-UTA or www.uta.org

November 2003

President's Message...

To those of you that missed our Fourth Annual Convention, you missed a good time. For those of you that came, I say **Thank You**, and I hope you received as much benefit as I did from being there.

We enjoyed 80-plus more attendee's over last year's convention. Our sponsors increased dramatically, and participation was the highest ever in our workshops.

You, as a member of the Used Truck Association, can certainly be proud of our organization. Whatever part you have played has moved us to where we are. What we all do in the future will carry us to heights to which we have only dreamed.

One highlight of the convention is was having the UTA's Marvin F. Gordon Lifetime Achievement Award presented to a deserving individual. This year, that individual was Steve Nadolson, known to his friends as "Bear."

Bear has been a contributor to the used truck industry in many ways and for many years. His leadership qualities have been a contributing factor to the success of the UTA. Bear will continue to share his talents with the industry for many years to come. He joins a very prestigious group of individuals that have been honored with the award before him.

Speaking for the UTA, we would like to welcome all new members and give a special welcome to our two new board members: Tom Horn from Hunter Truck Sales and Service and Craig Kendall from Peterbilt Motors Company. I know they will be excellent additions to

our board.

In the same breath, I would like to say we are sorry to see Vince Anselmo from National Truck Protection and David Kolman from D.A. Kolman & Co. exit from the UTA board. Both of these gentlemen have served for many years. However, we will not miss their input because both have pledged their continued support and participation. Nevertheless, they will definitely be missed at our monthly board meetings.

I would also like to say we appreciate the sponsors for their support of our association. Without them, the UTA, its activities and its accomplishments would not be possible.

We were extremely pleased that some sponsors have already signed up for next year's convention. That event will be in Scottsdale, Arizona, November 3-6 at the Radisson Resort and Spa.

If all of you came, we would have over 400 attendees with the same percent of spouse participation. **Wouldn't that be great?**

Please go to the UTA website - www.uta.org - and give us you ideas and suggestions on how the association can serve you better. We passed out a



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How are **YOU** supporting the UTA?

STAY IN TOUCH

- Contact the UTA toll-free at: **1-877-GETS-UTA** (1-877-438-7882).
- Visit the UTA's website at: **www.uta.org**.



THANK YOU

UTA Convention Sponsors

The UTA sincerely thanks the following companies for their support through a commitment to the 4th Annual UTA Convention:

AMERICAN TRUCKER MAGAZINE/TRUCKER.COM
ATD/N.A.D.A. OFFICIAL COMMERCIAL TRUCK GUIDE
BEST USED TRUCKS OF TEXAS
BLACK BOOK - NATIONAL AUTO RESEARCH
CAG TRUCK CAPITAL
CATERPILLAR
COBALT FINANCE
CUMMINS ENGINE COMPANY
DEALERSWIN.COM
FASTLINE PUBLICATIONS
HEAVY DUTY MARKETING ASSOCIATES
HIGHLINE CAPITAL TRANSPORTATION
HTAEW.COM
INTERNATIONAL TRUCK & ENGINE CORPORATION
INTERSAFE, INC.
INTERSTATE ON-LINE SOFTWARE (SOARR)
KENWORTH TRUCK COMPANY
MACK TRUCKS
MANHEIM TRUCK AUCTION - FORT WAYNE &
FORT WORTH VEHICLE AUCTIONS
NATIONAL TRUCK PROTECTION

PAYLOAD MAGAZINE
PENSKE TRUCKS LEASING - USED TRUCK SALES
PETERBILT MOTORS COMPANY
PREMIUM 2000 PLUS WARRANTIES
R.L. POLK & COMPANY
RITCHIE BROS AUCTIONEERS
ROADRANGER - EATON & DANA CORPORATION
SELECTRUCKS OF CHARLOTTE
TAYLOR & MARTIN
THE TRUCK BLUE BOOK
TIM ROCK/GENERAL GMC
TRUCK PAPER
USA FLAP
UTA/JEROME NERMAN FAMILY FOUNDATION/
WHOLESALE TRUCKS OF AMERICA
UTA/JEROME NERMAN FAMILY FOUNDATION/
BEST USED TRUCKS OF COLORADO
UTILITY TRAILER OF DALLAS
VOLVO TRUCKS NORTH AMERICA
WHOLESALE TRUCKS OF AMERICA

The Newly Elected UTA Governing Board



Chairman: Steve "Bear" Nadolson,
Nashville Peterbilt

President: Eddie Walker, Best Used Trucks

Vice President: Al Hess, Wholesale Trucks
of America

Secretary: Justina Faulkner,
American Trucker

Treasurer: Marty Crawford,
Arrow Truck Sales

Board Members:

- Lee Chapin, *Truck Paper*
- Wafik Elsanadi, Freightliner
- Tom Horne,
Hunter Truck Sales & Service

- Craig Kendall, Peterbilt Motors
- Ethan Nadolson,
Interstate Online/SOARR.com
- Paul Spokas,
Heavy Duty Marketing Associates
- Jim Sundry, Nalley Motor Trucks
- Terry Williams, *The Truck Blue Book*

Outgoing Members:

- Vince Anselmo,
National Truck Protection
- David A. Kolman, D.A. Kolman & Co.

CONVENTION REPORT

Excerpts from UTA President Eddie Walker's State of the Association Address

At last year's convention, I stood before 102 of you and told you that we had 297 members and I felt that the state of the Used Truck Association was good. Today, there are 160 of you - 202 spouses included - and we have 318 members. Again, I feel that even though the state of the UTA is good, I believe there is concern. The UTA is no longer a small entity. No longer can we, as members, take our commitments lightly. No longer can we elect board members, nor can the board select committee members, just because they are "Good Old Boys." This is no longer a start-up small association. We handle over \$100,000 dollars yearly. We manage an endowment fund that one day possibly could reach a million dollars.

The founders of this organization started building a craft that has taxied out on the runway and we are about to takeoff. The craft was designed, plan executed, model built, the flight plan has been filed, and the groundwork has been done. Some of you here and the one's before us have done their jobs. Now, it is time that we do ours. We have a responsibility to those that have worked so hard before us as well as to the ones who come after us. Each one of us needs to make a commitment to ourselves, to one another and the UTA to adhere to our Code of Ethics for which a UTA member stands.

This is what we must do. We need to support the projects the UTA undertakes. We need to proudly display the UTA logo in our ads and at our places of business. We need to assure each other, and ourselves, that being a member of this association means something and that something is good and

good for us. We need to assure our customers that dealing at a UTA member's place of business is confirming that he is dealing with honorable people, the best there is in the market place. We need to confirm to ourselves that we can look in the mirror and be proud that we believe in our Code of Ethics and will translate that into our business dealings day by day.

No, we are no longer a small association. We have our wings and are about ready to fly. I have challenged all of us on the board to become better leaders. I challenge you to become better supporting members. This is definitely a time of truth. Our association is at the crossroads, facing some crucial, future-altering decisions. Are we satisfied being status quo, losing 50 members and gaining 55 members, increasing our attendance at our convention each year but at best hoping to get a 50% attendance? Are we content with that?

I, for one, am content with where we are because I am proud of the work we have done. But, I am not satisfied. I would now like to challenge each one of you to be a leader in our association just like you are a leader in the used truck industry. We all share a common desire to move this association forward. Our experience and knowledge and dedication are the only things we need in committing to taking this organization to a higher level.

Our thanks to everyone for your support and for coming to our 4th Annual Convention. A special thanks to Justina, Ethan and their convention committee.

CONVENTION FOLLOW-UP

An Attendee's Letter

Bear, just wanted to express my feedback on the UTA and the convention.

Our group is very unique, nobody was "required" to attend. Everyone attended and contributed for the good of our industry.

I have successfully worked and managed two truck (medium/light) dealerships from 1976 through 2001. During that time both stores achieved top ranking nationally front and back end.

I attended countless conferences and meetings, earned positions on select national

councils . . . all that time, these meetings were missing the passion, commitment for the industry; the "real" nuts and bolts of what we do wasn't discussed.

Hats off to the UTA, its leaders and members. We talked truck business for 4 days and nights at your convention.

Thanks!

— John Cosgrove
VP/GM
CAG Truck Capital

Convention Wrap-Up

The Used Truck Association's 4th Annual Convention continued the growth trend, becoming the largest convention in the UTA's history. In spite of a sluggish economy, attendance exceeded 200 used truck professionals in Palm Coast, Florida, for the three-day event which provided networking, educational and social activities for all attendees.

Thursday, November 6, began the convention with a welcome address by UTA President Eddie Walker highlighting a few of the successes of 2003: the growth in membership, the educational endowment fund, a white paper on succeeding as an owner/operator and the convention itself.

However, Eddie challenged the membership in attendance to continue the pace; spreading the benefit of the UTA to those not currently members, challenging members to identify an area within the association and lending a hand to make the association stronger for members. As Eddie stated: "As the only association for the used truck professional, together we will create voice bettering our industry for our customers, owners and ourselves."

Following the welcome address, Secretary Justina Faulkner presented a state of the association address clearly demonstrating a solid foundation built upon leadership and benefits to the UTA membership. Just in 2003: partnerships were increased, giving additional discounts on services to UTA members only, the training committee added a prospecting class, the educational endowment fund nearly doubled, a committee was created to address the needs of the medium duty community and an additional white paper was created. In addition to the on-going programs, these new activities benefit the individual, which will make a dealership more successful.

After an economic forecast and state of the industry address by Ken Vieth of A.C.T. Research, convention attendees participated in a golf tournament, St. Augustine city tour or kayaking tour on the Intercoastal Waterway. Despite some afternoon rain all participants enjoyed these networking opportunities. Capping off the evening was the welcome reception, giving vendors and dealers the chance to review new products.

The second day of the convention was a full day of learning. The morning session included discussions on "what is a high mileage truck," an overview of the medium duty truck segment, financing and manufacturer updates. Following a lunch over looking the Intercoastal Waterway, keynote speaker Frank Candy outlined some processes and steps to make one more successful in business and life.

The afternoon session was highlighted by the fourth installment of the Think Tank Roundtables. The discussion was designed to create an outflow of ideas, which could then be applied at your dealership. The topics covered were high-mileage trucks, traditional marketing, internet marketing, values and used warranties.

The final night annual awards dinner proved to be entertaining and emotional for attendees. The celebration included awards for those recruiting new members, announcement of the two new board members, Craig Kendall of Peterbilt Motors Company and Tom Horne of Hunters Truck Sales, a donation by industry legend Jerry Nerman to the UTA Nerman Family Educational Endowment Fund and concluded with the Lifetime Achievement Award being presented to Steve "Bear" Nadolson.

Paul Spokas presented Bear as the 2003 UTA/Marvin F. Gordon Lifetime Achievement Award honoree for his distinguished career and contributions to the betterment of the used truck industry. Recognizing Bear's passion for the industry, he noted that Bear becomes the youngest winner of the award.

Bear's career continues to positively influence our industry today as he helped to author and implement Kenworth's Elite Used Truck Program; is a past president of the UTA, growing membership from 54 members to more than 250; and continues as Chairman of the Board.

He was honored, as the 1999 Freightliner Used Truck Manager of the Year and a Hi-Value Sales Master for nine consecutive years while at International Trucks. He has served this industry as a member of the Freightliner Pricing Council, The Truck Blue Book Advisory Council and ADESA Auctions RIG Advisory Council. Tirelessly, Bear's service extends beyond our industry to his community where he continues to be involved in scouting having won the highest Boy Scout council award; The Silver Beaver Award from the Licking County Council BSA

Saturday concluded the UTA 4th Annual Convention activities with the first annual UTA Educational Endowment Fund Golf Tournament, won by Scott Walker of Best Used Trucks-Texas. The tournament players and sponsors helped to generate over \$7,000 for the endowment fund that will one day award an educational scholarship to a child of a UTA member.

The convention committee and board thank each individual in attendance for making this the most successful convention yet. We invite those members that were unable to attend to come grow with us in 2004 at the 5th Annual Convention, November 3-6, in Scottsdale, Arizona.

UTA EDUCATION UPDATE

The UTA will be holding a **Professional Used Truck Management** training session in Ft. Lauderdale, FL, December 8-10, 2003. Among the course's areas of concentration:

- Developing 2004 marketing plans
- Conducting effective SWOT analysis
- Improving advertising ROI
- Improving Pricing Strategies and Tactics
- Improving Inventory Source Management
- Improving Used Truck Appraisals
- Lowering Reconditioning Costs
- Improving Reconditioning Speed, Consistency and Quality
- Improving Inventory Turns and Aging
- Improving Profit Margins
- Improving Employee Hiring and Training
- Maximizing Employee Performance with Performance Based Compensation Plans

Cost of the course, which is being facilitated by The HDMA Academy, is: UTA Member - \$545 Tuition + \$29.00 Materials Fee; Non-Member: \$645 Tuition + \$29.00 Materials Fee.

For additional information, or to register, contact The HDMA Academy at (866) 454-4362.

Convention Golf Results

Here are the winners of the UTA Golf Scramble:

1st Place:

Rick Coode - Volvo Trucks of Charlotte
Brad McMahon - Mack of Charlotte
James Joyce - Interstate 65 Truck Service
Tim Ormsby - T & R Truck Sales

Second Place:

Lewis Nerman - Truck Centers of America
John Wiesemann - Fort Wayne Vehicle Auction
Wayne Pursley - Nextran

Long Drive Champ: Wayne Pursley

Closest to the Pin:

Wayne Pursley,
Henry Cobert,
Gene Burnet,
Robert Sims

(It's obvious from the results that Wayne Pursley isn't spending enough time in the office!)



FILE CABINET

Class 8 Market Share -

According to the American Trucking Association, the Class 8 market share last year was: Freightliner: 31.5%; International: 16.4%; Mack: 13.4%; Peterbilt: 12.3%; Kenworth: 11.4%; Volvo: 7.5%; Sterling: 6%; Western Star: 0.9%; other: 0.6%.



Private Fleet Directory - Transportation Technical Services offers its latest Private Fleet Directory on its website: www.fleetseek.com. Subscribers can obtain information on more than 34,000 private fleets with 10 or more trucks. For more information, contact the company at (888) ONLY-TTS or visit www.ttstrucks.com.

Lease/Rental Fleet - Some 1.2 million trucks made up the lease/rental fleet in the U.S. and Canada, according to the Truck Renting & Leasing Assoc.'s 2003 Industry report. About 30% of these vehicles are involved in full-service leasing, 11% in Class 6-8 commercial rental, 27% in Class 2-5 consumer rental, 32% in finance leasing.

Sales Trends - Over the next five years, truck and trailer sales in the next 5 years will benefit from dismal demand the last two years, a stronger economy, expanding trade (especially among NAFTA countries) and higher fleet profits, according to Economic Planning Associates (EPA), reported Newport Communications' November Hotline. EPA says a weak start will keep 2003 Class 8 U.S. retail sales at 141,000 units, down from 146,000 last year. It forecasts 171,000 for 2004, increasing to 215,000 in 2008. Class 7: 69,000 this year, down 0.5% from 2002; 84,000 in 2004, rising to 110,000 in 2008. Class 6: 49,000 in 2003; 55,000 in 2004 climbing to 64,000 in 2008.

A Look Ahead - Truck sales will "boom" between now and 2007, Eli Lustgarten of Wainwright & Co. stated in a presentation to the recent National Truck Equipment Assn.'s 2004 Economic Outlook Conference. He expects that higher engine costs expected with 2007 emissions regulations will prompt truck owners to replace most of their fleets before the changeover, and predicted a pre-buy similar to the one before EPA's 2002 emissions regulations. In his remarks to conference attendees, Douglas Clark of AmeriQuest Transportation & Logistics Resources noted: "Trucks in general, regardless of the industry using the trucks, will need to be more sophisticated in incorporating wireless technology options in the vehicles in order to provide the end-user with better communication resulting in increased productivity."

INDUSTRY NEWS BRIEFS

ArvinMeritor's front and rear axles, air brakes and automatic slack adjusters are now standard on International 9000i and 5000i Series vehicles.

Cummins' new ISC and ISL engines for the medium duty and vocational truck markets feature a new High Pressure Common-Rail (HPCR) fuel system that provides increased performance, enhanced reliability, lower emissions and less noise.

Dana's Spicer Life Series 70, 100 and 140 driveshafts will be standard on 2005 model year Hino's North American Class 4-7 conventional vehicles. The trucks will be available at Hino dealers beginning in January 2004.

Dana's latest addition to its heavy axle line is the new D190 series of single-reduction tandem drive axles. With gross axle weight ratings from 52,000 to 60,000 pounds, the new axle family is targeted to the more demanding vocational applications such as construction, heavy haul, logging, refuse, mining, and oil field operations.

Eaton plans to realign its heavy duty transmission division into two separate business units: automated and fleet transmission products, and performance and vocational products.

Freightliner Custom Chassis' MT-45 SR Walk-in Van chassis, beginning first quarter 2004, will come standard with 2004 model Mercedes-Benz MBE900 diesel engines. The 4.3-liter, 4-cylinder engines - designed for "superb" performance, excellent fuel economy, low operating costs and lasting durability - are said to be "lighter and more powerful than other engines in their class."

Grumman Olson Industries' walk-in van and service parts assets and its manufacturing facilities in Sturgis, MI, has been purchased by J.B. Poindexter & Co. - parent company of Morgan Corp. - and renamed MS Truck Body Corp. The Grumman Olson product names will continue to be used.

Hino Trucks has announced that it will reorganize and expand its U.S. dealer network, introduce a new line of conventional-cab straight trucks powered by

Hino J-series diesels and using American driveline components, and assemble its Class 4-7 models in Southern California.



International Truck & Engine plans to enter the Class 3-5 low-cab-forward market, starting with Class 4-5 models in early 2005. The International CF Series, to be sourced through the company's Blue Diamond joint venture with Ford and built in Escobedo, Mexico, will have International diesel engines and Ford automatic transmissions.

Mack Trucks is providing - at no cost - a template its dealers can use to create their own websites. The template package includes a home page, as well as sections for showroom, sales, parts, service, leasing, new and used truck inventory, careers and "about us." There is also a "specials" page where promotions or sales can be advertised, and three additional pages that dealers can use to create content specifically targeted to their businesses.

Peterbilt has made the improved Dana Spicer E-1202I steer axle series as standard equipment for its North American Class 8 vehicles. Recent improvements to the axle series, said Dana Spicer, increase axle durability while maintaining the axle's lightweight design, thereby "helping customers drive down operational costs."

Reading Body Works has changed its name to Reading Truck Body and formed an alliance Crest, a network of Reading distributors in the Mid-Atlantic area, creating Reading Equipment & Distribution.

Sterling Trucks has redesigned its website - sterlingtrucks.com - to be easier to navigate, have a handy search function, provided updated information and search for a truck by model or work application.

Western Star Trucks has added a 68-Inch Walk-Through Flat-Floor Sleeper to its Stratosphere Sleeper Line. Available beginning second quarter of 2004, the 68-inch Stratosphere sleeper will be an option for all Western Star 4900 models.

(continued from page 1)

UTA Benefit Suggestions card at the convention and got a lot of them turned back in with some helpful and constructive ideas. You will see a difference in the future because of it. The board and participating members **will respond**.

Some news on the business side: A lot of us are enjoying a little increase in retail sales. For the ones that focus on the wholesale side, they are enjoying more anxious buyers but they are working harder to fine equipment. Over all, I think business is a little better each month. Thanks to the financing suppliers, retail approvals slightly improve also. If we all can refrain from getting too greedy and stay focused on good solid business decisions in being a part of the recovery of our industries downturn a few years back, we will enjoy and be proud of what we can accomplish.

Before closing, I would like to thank the manufacturers that participated in our convention who are members of our association. We had **almost** a 100% involvement from the major players in the industry.

Hopefully, in the future, you major players and the used truck retail dealers of the country will continue to realize how important we are to each other.

In our quest of going forward, it is good to remember the words of a mountain climber (Arlene Blum): "As long as you believe what you are doing is meaningful, you can cut through fear and exhaustion and take the next step."

— Eddie Walker
UTA President

Mark Your Calendar

NOVEMBER 2004						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

UTA's 5th Annual Convention

NOV. 3-6, 2004

Scottsdale, Arizona

For information and sponsorship opportunities
contact Sue Dorso at (941) 492-2429 or
dorso@verizon.net



Holiday Travel Tips

Flying somewhere for the holidays? Expect a lot of company. The airlines are anticipating greater numbers of passengers this holiday season. The high volume of travelers may cause longer than normal security screening lines, so be sure to allow enough time, they advise.

US Airways offers the following helpful suggestions for getting through security and packing your bags:

- Think about limiting metal on your person to expedite clearing security checkpoints. Pocket change, belt buckles and suspenders commonly set off metal detectors. Some shoes have reinforced metal toes or metal supports that may also trigger metal detectors - remove them and send them through x-ray.



- Pack food items with special care. Food should be transported in transparent containers or, an unopened container sealed by the manufacturer.
- Carry undeveloped film in your carry-on luggage.
- Don't wrap gifts before traveling. When possible, transport gifts in their original, unopened packaging.



- Pack small items and toiletries in see-through zipper bags, it will speed up the security process by enabling inspection without opening the bags.

USED TRUCK REGISTRATIONS

September 2003

GVW	Used Trucks
3	33,657
4	11,613
5	5,502
6	11,519
7	11,550
8	59,855

Statistics provided by R.L. Polk & Co. based on their Used Truck Indicator. Republication in whole or in part is prohibited without written consent from R.L. Polk & Co.

For more information about Polk's Used Truck Indicator, please contact Polk at 1-800-GO-4-POLK or truckteam@polk.com.

INDUSTRY EVENTS CALENDAR



Feb. 6-7, 2004

41st Mid-West Truckers Assn. Convention & Truck Show,
Peoria Civic Center, Peoria, IL,
(217) 525-0310

March 3-5, 2004

National Truck Equipment Assn. Work Truck Show and 40th Annual NTEA Convention,
Baltimore Convention Center,
Baltimore, MD,
(800) 441-6832

March 25-27, 2004

Mid-America Trucking Show,
Kentucky Fair & Expo Center,
Louisville, KY, (800) 626-2370

- Quintessential Quote -

"Some succeed because they are destined to. But most succeed because they are determined to."

Steven M. Kolman