

UTA INDUSTRY WATCH

Volume 6, Issue 8

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

August 2004

President's Message...

"Change." Life is about change. The secret for each of us is how we manage or deal with change.

In the past three months, my own family has been the center of attraction for the inevitable "change." Five of my children have sold their homes, bought new ones and have either moved or are in the process of doing so. The last one has been sending smoke signals he may be moving back to Ft. Worth.

Along with being worn out, I am happy, that we live in a country where this type of change is the norm, and we can be a part of it.

The used truck industry provides us with many changes. Many of us deal with those changes each and every day.

Change brings opportunity. Opportunity breeds challenge. Challenges create new thought processes. New thought processes develop new ideas and new ways of doing things. And before we know it, we have a new source of revenue.

It will all happen if we maintain a positive attitude. Attitude is the key to taking advantage of change, learning to deal with it and making change work for you.

If you didn't know, "change" is taking place within our own organization. Look at this newsletter. It wasn't long ago that we had to double space to fill up four pages. Now, we're putting inserts in to be able to give you the information we feel you need, and are

discussing ways to provide you with even more information.

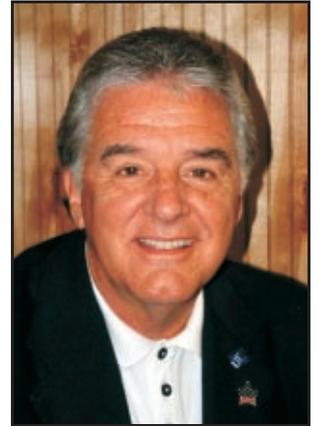
Our membership is getting close to 500. It hasn't even been a year since we were worried about trying to keep it at 300.

In the past we were planning our conventions a year ahead. Now, we are already talking about 2006.

Not long ago being a member of the UTA meant supporting an association that supported the used truck industry and getting a discount on offerings from the Truck Blue Book and Heavy Duty Marketing Associates. Today, we still enjoy that plus much, much more. Check out our benefits and partners. You will be impressed.

My thanks to all that have worked so hard and with the attitudes that have brought this association to the heights we now enjoy. It's as if everyone read Mike Reid's quote: "Never do anything to compromise your integrity. Anything worth achieving is worth an honorable and honest effort." You have all done that and that is why we enjoy the Used Truck Association we have today. A big **Thank You** to each and every one of you.

-- Eddie Walker
UTA President



INSIDE THIS ISSUE

- 2 Industry News Briefs
- 2 Used Truck Fundamentals
- 3 2004 Convention Sponsors
- 3 Don't Forget Your Spouses!
- 3 2nd Annual Putting For Scholars
- 4 Top Ten Travel Saving Strategies
- 4 Convention Reminder
- 5 2004 UTA Business Partners
- 5 Board News & Views

How are **YOU** supporting the UTA?

SHARE YOUR NEWS

UTA Industry Watch is published monthly. Submissions, ideas and comments are most welcome. Contact:

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INDUSTRY NEWS BRIEFS

UTA Charity Golf Tournament has announced a special "player sponsor" registration. For only \$150 an individual or company can sign one player and be a hole sponsor at the 2nd Annual Putting for Scholars Tournament held in conjunction with the annual UTA convention. Contact board member Terry Williams at 800.654.6776 for more details.

Arrow Truck Sales has named Carl Heikel its new president and CEO. Heikel, most recently managing director of Volvo Trucks de Mexico, succeeds Ed Justis, who is leaving the company to pursue other interests.

My Little Salesman acquires Lifting & Transportation International Magazine, a top resource for North American Crane Professionals. This acquisition expands MLS's position in the heavy equipment and trucking classified publications. Lifting & Transportation International will be folded into existing publications initially, but a re-launch of a redesigned publication is possible.

R.L. Polk has introduced its Used Truck Market View to provide used commercial vehicle information. It consists of transaction data when registered commercial vehicle VINs change name and location. Vehicle details, such as make, model, cab configuration and GVW rating, is available, and off-lease and first-time used vehicles are identified. For more details, visit www.polk.com.

Bridgestone Greatec wide base radials are now available through authorized Bridgestone dealers and truckstops, as well as OEMs. The wide-base design and high-load capacity enable this single tire to replace a dual assembly on drive or trailer axles. Greatecs come in the 445/50R22.5 size, equivalent in overall diameter to regular low-profile radials for 22.5-inch wheels.

Caterpillar engineers Jim Weber and Scott Lemman have been named National Inventors of the Year for 2004 by the Intellectual Property Owners Association. The two were team members of the extended group of Cat employees who created the company's ACERT Technology, which significantly reduces Caterpillar diesel engine emissions.

Central Illinois Trucks has opened a full-service branch in Urbana - off Exit 184 of I-74; its fifth facility in Illinois offering Kenworth trucks and service.

Dana's new Spicer replacement carrier program, the Core-Free Carrier Program, eliminates the time and expense associated with purchasing and returning heavy duty axle carrier cores. Under the program, there will no longer be a core charge when purchasing a carrier assembly, and no need to return cores for credit. The program began July 1, at which time Dana began offering only new Spicer carriers, eliminating its Remanufactured Carriers from the product line. At the same time, Dana added a 2-year, unlimited miles warranty on any remanufactured carrier that customers still have in inventory and sell after July 1. This is the same warranty as the new Spicer carriers.

Dana's Commercial Vehicle Systems has expanded ratio coverage for its new Dana Spicer S190 series axles, offering a 2.53 ratio, "the fastest axle ratio for a single-reduction drive axle produced for the North American trucking industry." The 2.53 ratio option was designed to maximize fuel efficiency with the newer generation of emissions-friendly engines that operate best at lower rpms.

Freightliner Trucks is offering ConMet CastLite brake drums - designed to deliver weight savings and

improved performance with a lower cost premium than other lightweight drum designs - for all its truck models. The company has also announced the availability of a third medium-duty diesel engine for its Business Class M2 medium trucks: the 7.2-liter, six-cylinder MBE926 rated at 250 to 330 hp, with torque ranges from 800 to 1,000 lb ft.



International Truck and Engine's new Step Up and Save lease program, offered on all International 4000 Series trucks, features a lease term that can vary from 3 to 6 years with as little as zero down payment.

Kenworth is offering the new Caterpillar C15 high-horsepower engine - in 625 and 600 hp ratings - in its W900L long-nose conventional. The King of the Hill 625 hp C15 provides 2,050 lb. ft. of torque at 1,200 rpm and constant torque to 1,500 rpm. The 600 hp engine is rated at 1,850 lb. ft. of torque at 1,200 rpm.

Thermo King has redesigned its website - www.thermoking.com - and included an enhanced, easy-to-use navigation system. The site provides a gateway to product information, parts and service offerings, company news, trade show events and industry links.

Used Truck Sales Fundamentals

The UTA is conducting its next session of the *Fundamentals of Used Truck Sales* seminar Sept. 14-17, 2004, in Dallas, Texas. This program has helped hundreds of new and/or inexperienced truck salespeople get off to a fast and successful start. What's more, it has proven to help dealerships lower sales turnover and improve volume, profit and customer satisfaction.



Among the subjects covered in the seminar:

- The Used Truck Buyer & Industry
- Speaking & Understanding Truck Jargon
- Truck Types, Makes & Models
- Truck Components & How They Work
- Truck & Component Applications & Vocations
- Finding Information & Using Available Resources
- Basic Weight Distribution
- Important Performance Calculations
- Building Successful Relationships
- Buyer Motivations & Hot Buttons
- Successfully Qualify Prospects
- Discovering & Interpreting Buyer Needs
- Selecting & Recommending Trucks
- Selling Out of Your Inventory
- Successful Presentation Skills
- Building Value into the Sale
- Successfully Overcoming Sales Objections
- Closing Deals
- Appraising Used Trucks
- Calculating Payments & Financing Trucks
- Goal Setting & Time Management

Tuition is \$695 (UTA members get a 10% discount), plus \$90 for materials.

To register, or for additional details, contact the HDMA Academy: phone - (336) 643-1961; e-mail - HDMAinc@earthlink.net.

UTA 2004 Convention Sponsors



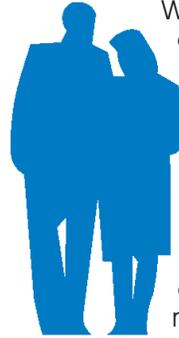
Plans for finalizing our Fifth Annual UTA Convention - Nov. 3-6 in Scottsdale, AZ - are well underway. However, we still need sponsors for both the convention and the "Putting For Scholars" Golf Tournament.

For information concerning sponsorships, please telephone Sue at: (941) 928-1785.

Many THANKS! to the companies listed below for their early participation in our upcoming convention:

AMERICAN TRUCKER / trucker.com
 ATD/N.A.D.A. COMMERCIAL TRUCK GUIDE
 BEST USED TRUCKS
 CAG TRUCK CAPITAL
 CATERPILLAR INC.
 COBALT FINANCE
 CUMMINS INC.
 FASTLINE PUBLICATIONS
 FORT WAYNE & FORT WORTH VEHICLE AUCTIONS
 FREIGHTLINER
 HEAVY DUTY MARKETING ASSOCIATES INC.
 HIGHLINE CAPITAL TRANSPORTATION
 HTAEW.COM
 INTERNATIONAL TRUCK & ENGINE CORP.
 INTERSAFE, INC.
 KENWORTH TRUCK CO.
 MACK TRUCKS
 NATIONAL AUTO RESEARCH - BLACK BOOK
 NATIONAL TRUCK PROTECTION
 PAYLOAD MAGAZINE
 PETERBILT MOTORS COMPANY
 PREMIUM 2000 PLUS WARRANTIES
 R.L. POLK & CO.
 ROADRANGER MARKETING - EATON/DANA
 SOARR - INTERSTATE ONLINE SOFTWARE
 TAYLOR & MARTIN
 THE TRUCK BLUE BOOK
 TRUCKMOVERS.COM
 TRUCK PAPER
 UTILITY TRAILERS OF DALLAS
 VOLVO TRUCKS NORTH AMERICA
 WHOLESALE TRUCKS OF AMERICA

Don't Forget Your Spouses! ... Bring Them to the UTA Convention



We encourage you to bring your spouse or significant other to this year's UTA Convention - our fifth annual - which is taking place this Nov. 3-6 in Scottsdale, Arizona. Why? Because our convention program offers many opportunities for spouses to meet and mingle.

Spouses and significant others are always encouraged to attend all meetings. Plus, we are certain they will enjoy the motivational message presented by Vince Lombardi Jr.

Kathy Anselmo and Marietta Crawford have organized a "Bunko" game where attendees will be taught how to play a dice game and win prizes.

If your spouse or significant other would just like to relax, revitalize and feel pampered, they can take advantage of the Mist Spa. Located at the Radisson, the spa is a 20,000-sq. ft. health fitness facility that features a wide variety of skin and body treatments, a lap pool, 21 lighted tennis courts and a full-service hair salon.

The spa has soothing hydrotherapy baths, whirlpools, steam rooms and cedar-lined sauna, and offers an array of specialized treatments and programs. You might want to make a reservation now. Phone: 1-877-MISTSPA.

Convention attendees may participate in either the golf tournament or the tour and luncheon. Shopping at the Borgata or Fashion Square offers endless opportunities.

But the biggest reason you will want to bring your spouse or significant other to the UTA's Fifth Annual Convention, this Nov. 3-6 in Scottsdale, Arizona, is: so you will have a dance partner for Friday night!



UTA's 2nd Annual Putting for Scholars at the UTA Convention November 6, 2004

This charity golf tournament, to be held at Long Bow Golf Club, benefits the UTA-Jerome Nerman Family Foundation, an educational endowment benefiting the members of the UTA. Sign up on your convention

registration form. For more information or to become a sponsor please contact Terry Williams at (800) 654-6776 or twilliams@primediabusiness.com.



Top Ten Travel Savings Strategies

1. Plan as Far in Advance as Possible - Planning ahead is the single most important strategy you can use to consistently travel where you want, when you want, at the lowest possible price.

2. Buy Your Airline Ticket at the Right Time - Timing is everything, and being a savvy shopper is the key to finding great airline ticket sales. It's also the answer for travelers who intend to use frequent flyer miles and upgrade certificates for travel during peak periods such as Thanksgiving or Christmas.

3. Be Flexible - Getting what you want is important, but learning to negotiate a little can reap you tremendous travel benefits. Keep an open mind when choosing flight dates/times, making stops along the way and selecting airports.

4. Go Online - The Internet has revolutionized the way we select travel services, and again, if you can be flexible in your travel arrangements, they offer a dazzling array of options that also include hotels and car rentals with a simple click of the mouse.

5. Achieve Airline and Hotel "Elite" Status - Whenever possible, travel on the same major airline and stay in the same hotel chain. Members of the elite class enjoy a variety of benefits, including baggage check-in at business or first-class counters, bonus miles every time they travel and the opportunity to receive upgrades on domestic flights, either free or for a nominal dollar amount. Hotels offer frequent-stay loyalty programs which reward elite members with benefits such as room upgrades and bonus hotel points.

6. Use Frequent Flyer Miles and Hotel Points Wisely - Smart travelers never waste air miles and hotel points, but instead get the highest return on them by redeeming them for premium travel - meaning business or first class - on



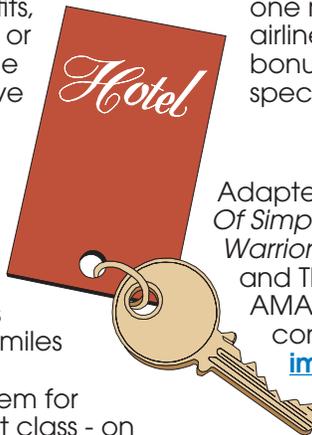
international trips or for last-minute flights (which can be very expensive) and luxury hotel accommodations.

7. Purchase Frequent Flyer Miles Regularly - The world traveler who wants to fly in luxury regularly can do so by systematically purchasing miles from not just one, but also many airlines. This strategy works much like a savings plan, ensuring a large payoff for the frequent flyer that consistently purchases the maximum amount of miles allowed to his account.

8. Optimize Coach Class Comfort - Strategically choose seating that maximizes your chance for room to spread out, bring your own gourmet food and snacks and don't rely on the airlines for reading matter - bring your own newspapers, magazines and books.

9. Check Out Low-Cost Airlines - No frills doesn't necessarily mean no fun, but most low-cost airlines do cut corners with no pre-assigned seating, first-class cabin or refreshment service policies. However; some major airline carriers are employing no-frill plans that still offer amenities and traditional frequent flyer programs.

10. Use Mileage Earning Credit/Charge Cards - Don't leave home without them. Every serious road warrior and world traveler will carry at least one mileage-earning affinity card, and many airlines, hotels, and car rental companies offer bonus miles and points to travelers using a specific credit card.



Adapted from *Guerrilla Travel Tactics: Hundreds Of Simple Strategies Guaranteed To Save Road Warriors Time & Money* by Jay Conrad Levinson and Theo Brandt-Sarif and published by AMACOM, June 2004. For more information, contact Irene Majuk via e-mail at imajuk@amanet.org or by phone at (212)-903-8087.



UTA's 5th Annual Convention

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				


NOV. 3-6, 2004

Scottsdale, Arizona

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

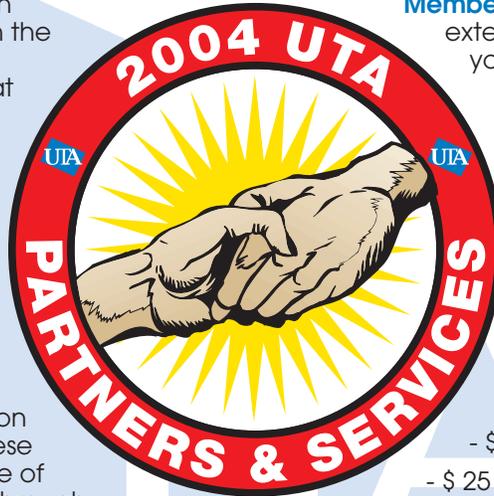
UTA's 2004 Business Partners

Leading national training organization **National Seminars** has partnered with the UTA. A full listing of UTA Partner Services and benefits can be found at uta.org. Please be advised that these partnerships do not constitute an endorsement of the products or services by the UTA.

National Seminars is one of the nation's leading providers of continuing education. Each year, they provide more than 7,000 seminars and conferences in the United States and Canada. In the past 18-year history, more than 8 million professionals have participated in these programs. Besides offering a full range of training skills to all professional levels through one-day and two-day seminars and conferences, also offered are highly-acclaimed books, audiocassette, videocassette and CD-ROM training products for individuals, teams, departments or corporate reference libraries. To review the full selection of National Seminar's offerings visit www.natsem.com

For UTA Members: a 25% discount on all registrations, receive a 4th registrant free if three are taking the same class and discounts for on-site training.

To receive your UTA discount contact our training consultant Debi Brennan at 800.344.4613 x3226 or email: dkbrennan@natsem.com



Membership has its privileges. Using the extensive list of UTA partners for the services you currently use or adding services to your dealership will repay your UTA dues in one month. Doing the math, for just one-month look at the savings your UTA membership provides.

\$350 Registration fee

- \$100 NTP program
- \$100 HDMA training class
- \$ 50 Premium 2000 Warranty
- \$ 45 National Seminar workshop (25% discount, for a \$179 class, prices vary)
- \$ 20 Blue Book subscription
- \$ 25 Manheim refund on buy or sale fee
- \$ 25 Auctio discount on buy or sale fee
- \$ 18 HTAEW.com monthly user discount
- \$ 12 Hertz discount for 2 day rental (10% discount, prices vary)

= \$395 in savings for just one month!

A savings of \$395 versus a yearly registration of only \$350! Who doesn't like that math? Imagine saving only half that amount for the remaining 11 months of the year and your UTA membership will have **saved you an additional \$2,145!** And the above sample does not include all the partner discounts. Your UTA membership has its privileges, use them and save every day.

BOARD NEWS & VIEWS

Underestimating the Longevity of this Strong Market?



First, I'd like to make an assumption that nearly everyone involved in used trucks...selling or buying.... wholesale or retail.... would agree that today's market environment is substantially better than it has been for some time. An open-ended statement without specifics or time frames, yet I think all would agree. But, would all of us agree that it could be one of the longest runs for a strong used truck market since anyone has been keeping track or discussing the "Used Truck Market"? Could it even be a period that extends far beyond historical trends where used truck values aren't just stabilized and not depreciating, but actually increasing?

Now, I won't step out and say that, but in my view, the outlook for us in used trucks looks brighter for longer than ever before and values are actually increasing in several segments of the used truck market.

Some of the factors that have contributed are quite obvious, yet it's helpful to look at them again to

gain a better view of the big picture.

- The relative consistency of a growing economy that quickly recovered after a major set back and that appears to be quite resilient to seemingly "bad" news.
- Continued low interest rates for extended periods of time.
- Lower repossession volumes across all market segments from large fleets to one-truck Owner Operators.
- Global demand for used equipment has become a major factor in domestic supply of the lower price point
 - Exchange rates are favorable for U.S. sourced used trucks.
 - Relative global stability
 - Pent-up demand from years of postponed purchases.
- Financing sources are re-entering the truck finance arena.

(Continued on page 6)

BOARD NEWS & VIEWS

(Continued from page 5)

- 2002 emissions regulations have jolted traditional new truck buyers and forced them to consider used. These fleets are now thinking 2007 and planning well in advance.
- Continued ramp-up of new truck orders for nearly all OEMs may cause possible delivery issues resulting in consideration of used trucks.
- Fuel pricing stability and reasonable long-term outlook.

These factors aren't short-term and barring any major incident that would derail them, will continue to fuel used truck demand.

Many dealers are reluctant to view the market from a different perspective. They find themselves short of inventory and struggling to feed their organization it's required supply of trucks for profitability and possible break-even revenue. The resulting reduction of the operation to reach those points inevitably occurs.

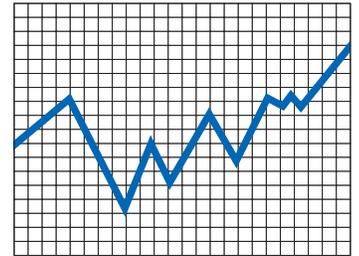
Bottom line. Trucks can be sourced but prices paid must be commensurate with the market conditions.

I would suggest that those in that position must rethink their historical purchase price for trucks and

consider an increase, in small doses, yet as rapidly as possible.

Don't be put in a position where you find that you must buy a package despite obvious price and condition issues. Rather, look at the "gray area" packages now where a possible increase in the price you pay won't be disastrous. The market and the forces impacting it are showing steady, improved conditions for longer than prior positive periods. Rethink your purchase price strategies and keep your organization growing!

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- Quintessential Quote -

"If germs cling to money, as we are told, let's learn how they do it." -- Anonymous