DRIVE LIVE

News and Updates From Jasper Engines & Transmissions

March 2018

In This Issue...

Customer Profile: Smitty's Garage &

Detailing

pg. 2

JASPER® Partners with Indiana-Led Student Business

pg. 3

JETT Endowment Reflects on Successful 2017 pg. 3

JASPER® Acquires Greensboro Distributorship

pg. 3

pg. 7

Phoenix Branch Top Award Winner from JASPER Sales Banquet pg. 4

JASPER Drivetrain
Remanufacturing Facility
Earns VPP Star Safety
Certification pg. 4

Joe McDonald:
What Does it Take to Find
a Great Work/Life
Balance?
pg. 5

Carm Capriotto:
Six To-Do's for Customer
Retention pg. 6

Bob Cooper: Ethical Sales & Full Disclosure



facebook.com/jasperengines

Published by:
Jasper Engines &
Transmissions
P.O. Box 650
Jasper, IN 47547-0650
Phone: 800-827-7455
Fax: 812-634-1820
www.jasperengines.com

JASPER® Offers Remanufactured Chrysler 3.6L Pentastar Engine



Jasper Engines & Transmissions is pleased to announce the addition of the Chrysler 3.6L Pentastar to its remanufactured gas engine line.

This engine is available for the following 2011-2016 applications:

DodgeJeepRAMCaravanGrand Cherokee1500JourneyWranglerProMasterChallengerChryslerAvenger300

Town & Country

"JASPER replaces the OE cast aluminum pistons with an upgraded aluminum piston of our own design," says Brad Boeglin, JASPER New Product Development Group Leader. "The JASPER-engineered pistons have a smooth, fully machined, anodized crown, which provides a thermal barrier to reduce carbon buildup."

"Our piston design includes 12 additional oil return holes for increased drainback, along with changing the oil rings from a three-piece to a two-piece "Diesel" style ring," said Boeglin. "This reduces oil consumption and prevents the oil rings from sticking."

"In addition, the JASPER-engineered piston has an additional accumulator groove that decreases the pressure between the first and second ring," added Boeglin. "This prevents the upper compression ring from unsealing at higher RPMs."

"Finally, a graphite coating, and 28% more thrust bearing area to the piston, prevents dry startup and piston scuffing."

The JASPER remanufactured Chrysler 3.6L Pentastar is covered by a 3-Year/100,000-Mile nationwide, transferrable, parts and labor warranty. Full warranty disclosure is available upon request.

For more information on the complete line of JASPER remanufactured gas engines, log onto *jasperengines.com* or call 1.800.827.7455.



Scan the above QR Code to learn more about JASPER's remanufactured processes to the Chrysler 3.6L Pentastar engine.

Smitty's Garage & Detailing

Patterson, Missouri, is the home to our first Customer Profile of 2018... Smitty's Garage & Detailing.

Owner Jason Smith has been working on cars since he was big enough to, literally, carry a wrench. Jason worked as a young boy through high school at his Dad's automotive shop. He later graduated with an Automotive degree from Linn State Technical College in Missouri.

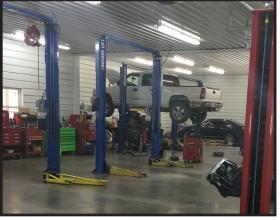
Following college, Jason spent the next several years working at GM dealerships in Poplar Bluff, and in Sikeston. In 2014, he left the dealership and opened Smitty's Garage & Detailing.

"We started out with a three-bay shop, and had a little lounge for customers to wait in," says Jason. "Now we've got 6,000 square feet with six service bays, and a 900 square foot lounge with big screen TV, a pool table, popcorn, sodas and WiFi."

Each vehicle that leaves Smitty's has its repair first verified by the technician, then by Jason himself, for 100% customer satisfaction. The customer receives a follow-up call, ensuring the satisfaction of a job well done.

"We're proud to say we are a full-service shop; we can do anything a dealership can do, and more," Jason added. "We can program all vehicles and modules, and we take extreme pride in our workmanship."

Smitty's Garage & Detailing has ten employees, including three ASE-Certified Master Technicians. It's the company's goal to have all their technicians earn Master Certification in the future.



Smitty's Garage and Detailing has 6,000 square feet of work space and six service bays.

Smitty's has been a JASPER installer of remanufactured engines and transmissions since the beginning. Jason considers JASPER products to be of the highest quality, and have the best no-hassle warranty. "JASPER's Customer Service is awesome, and quick product availability is key," Jason said. "JASPER is always working hard in research and development to improve their products."

As for the future, Smitty's Garage and Detailing may expand into body shop service. But for now, the company will continue its business philosophy "to be honest; treat everybody with respect, and everything else will fall into place."

"The customer is why we are here," said Jason. "Our job is to take care of them, and give them confidence in our repair, and in their vehicle, at a fair price."

"Without the customer, there is no us," he added.



Smitty's Garage and Detailing has been a JASPER installer since its opening in 2014. Pictured left to right are: Holden Pyles (technician), Jason Smith (owner), Jeremy Strubinger (technician), Melissa Shoemaker (service advisor) and Joey Shoemaker (technician).

JASPER® Partners with Student-Led Indiana Business



JASPER VP of Logistics, Luke Bawel, speaks with local dignitaries during the ribboncutting for Commodore Manufacturing.

The Perry County, Indiana, Chamber of Commerce recently held a ribbon cutting ceremony for the first student-led manufacturing business at Perry Central Community Schools.

JASPER has partnered with Perry Central the last three years, helping design an educational pathway to a career in manufacturing that provides real hands-on manufacturing experience. The program is accredited by the state of Indiana to provide high school and college credits.

Commodore Manufacturing is 100% student operated. Students are responsible for customer interactions, quality, production, marketing, payroll and safety components of the business. Commodore Manufacturing adopted JASPER's LEAN principles, including using a Management Board to track training and orders.

Commodore Manufacturing currently is a supplier for Jasper Innovative Solutions (JIS).

JETT Endowment Group Reflects on Successful 2017

As JASPER Endows Today & Tomorrow (JETT) prepares for 2018, it is important to look back at 2017 and reflect on what an amazing year it was for our organization. Our accomplishments include:

- 50 JETT members volunteered their time throughout the year to serve food at Dubois County Community Meals. JETT serves on Saturday mornings and Wednesday evenings every other month. Ten JETT members volunteered at Anderson Woods to make improvements at the rural Perry County (Indiana) camp.
- JETT hosted Will Read and Sing for Food at the Power Drive facility. During the event, JETT granted over \$28,000 to six local organizations and two national organizations!
- Eight JETT members volunteered their time beautifying the city during the Jasper (Indiana) Clean Sweep project, raising \$300.

• JETT hosted two Trivia Night events in 2017, which were open to JETT members, their families and friends. The winning trivia team selected which charity they wanted to grant the money to. JETT raised over \$700 for the Dubois County Humane Society and Freedom Reigns.

What a blessing it is to have the support of JASPER, and every JETT member, giving back to better today and tomorrow. Thank you, and we look forward to our continued success in 2018!

JETT MISSION STATEMENT

A unique giving experience that allows JASPER Associate-Owners, and their families, the opportunity to gain a deeper understanding of philanthropy, while combining resources to be used for the betterment of our communities for today and tomorrow.

JASPER® Acquires Greensboro Distributorship



The Greensboro branch opened in 1986 as an independent distributorship for all of North Carolina and southern Virginia.

Jasper Engines & Transmissions is proud to announce the acquisition of Jasper Engines & Transmissions of Greensboro, North Carolina.

Located at 4120 Beechwood Drive in Greensboro, this branch opened as an independent distributorship, selling JASPER quality remanufactured products to customers.

"Our Greensboro customers can now take full advantage of several JASPER programs not afforded to them in the past," said Zach Bawel, JASPER President. "These include availability to Cooperative Advertising programs, Corporate Tours, Preferred Installer programs, along with other Volume Discount programs dealing directly with the factory."

"In addition, the Greensboro branch Associates become Owners of the company as part of JASPER's 100% Associate-Owned Employee Stock Ownership Plan (ESOP)," Bawel added. "This territory will continue to get great customer support from our outside sales representatives, branch operations and delivery drivers, along with adding additional staff for expansion."

Jasper Engines & Transmissions currently has 45 branch offices and distribution centers in 28 states.

Phoenix Branch Top Award Winner from Jasper Engines & Transmissions Sales Banquet

The Phoenix, Arizona, branch of Jasper Engines & Transmissions took home the President's Award for 2017 at the company's annual sales banquet January 30th.

Recognized as JASPER's top branch award, the President's Award is based upon improvements in several sales categories. In addition, the Phoenix branch received an award for Most Improved Transmission Sales in 2017.

"Congratulations to all the Associate-Owners of the Phoenix branch for winning the President's Award," said Zach Bawel, JASPER President. "We have been in the Arizona market for several years and have continued to see this market grow and prosper. Thank You to all our Great Customers in the area for making this possible."

"We look forward to continued growth from our Arizona branch in the future," added Bawel.

Individually, Phoenix Sales Manager Mike McDonald was named Manager of the Year for 2017. Phoenix Factory Sales Representative Juan Vigil earned First Place in Sales Rookie of the Year honors. Both McDonald and Vigil were named Bronze Level sales recipients, achieving a company sales increase in 2017 over the previous year.



Phoenix Factory Sales Representatives (left to right) Juan Vigil, Mike McDonald and John Burton, pose with their President's Award plaque for 2017.

JASPER Drivetrain Remanufacturing Facility Earns VPP Star Safety Certification



Power Drive Safety Leaders, and Team Members, join Indiana Department of Labor Deputy Commissioner Tim Maley (center) in displaying the VPP STAR Worksite flag.

The Jasper Engines & Transmissions Drivetrain Remanufacturing facility in Jasper, Indiana (Power Drive), employing 400 Associate-Owners, has achieved STAR Certification in the Indiana Voluntary Protection Program (VPP). The 'STAR' title recognizes the hard work and commitment demonstrated by the facility's management and Associate-Owners in keeping the worksite a safe and healthy place to work.

VPP was established to recognize and promote safety and health management programs throughout the state. All companies, regardless of size or business, can participate in VPP - where management and employees work together to create and maintain a healthy working environment.

"This STAR Certification now belongs to you," Indiana Department of Labor Commissioner Rick Ruble told JASPER Safety Leaders and Team Members January 25th. "You earned this certification, you don't get this free. Organizations, businesses, and worksites must work hard to demonstrate the excellence in occupational safety and health the program requires."

The average STAR VPP recipient has an 80% better safety record than non-STAR VPP facilities.

JASPER Safety Director, Jason Pieper, said VPP is all about Management Commitment and Associate-Owner Involvement. "We want to thank our Associate-Owners and Leadership Group who do a great job supporting our safety programs. Earning, and keeping, STAR Certification is where we want to be, as a company, in our continuing safety journey."

"The Power Drive facility joins two other JASPER manufacturing locations in VPP STAR Certification," said Jason Nord, JASPER People Services Director. "Our Wernsing Road facility in Jasper became STAR Certified in April 2012, and our Crawford County Remanufacturing facility in Leavenworth became STAR Certified in August 2013."

"In the entire state, there are 86 VPP STAR Certified facilities, and we have three of them," he said.

Goal Setting for 2018

by Joe McDonald, JASPER Regional Manager

Joe McDonald

is a University
of Maryland
University
College (UMUC)
graduate with
an Associate's
Degree in Business. Joe has 26



years of experience in the automotive field and 21 years with JASPER. He has served as a Regional Vice President of Sales for 17 years, and has served five years in automotive franchise/ franchisor relations.

One of the many books that have impacted me over the years is The 7 Habits of Highly Successful People by Stephen Covey. In the book, Habit 2 specifically had the greatest impact, as it helped me understand why goals are so important.

Habit 2 "Begin with the End in Mind". The book shares the idea of leaving a legacy, and how you want to be remembered. Pretty heavy stuff, I know, but it changes how you think. The idea of understanding where you want to be will help you create change today.

For example, if you want your average RO to increase 20%, you must change something you and your staff are doing. We have goals each year to grow a minimum of 10%. One of the tactics we use is "Mind Mapping". This tactic helps specify where the growth will come from, and what action we need to take in order to achieve it.

If we take the average RO growing by 20%, the mind map would look like this:

GOAL: 20% INCREASE IN RO

Tactic 1 - create an inspection sheet for technicians by January 15th.

Tactic 2 - Train the technicians on the inspection by January 31st.

Tactic 3 - Train the S/W on the proper way to educate customer on the results of the inspection by January 31st.

Tactic 4 - Review the results February 28th and make adjustments.

We encourage you to create 2 to 3 goals that can be shared with your entire staff and tracked. Create excitement and an incentive for the team to hit the goals. If you aren't growing in today's market, you are missing something. By havig just a couple goals, it allows you, and the staff, to focus on them.

Here are a couple other items to keep in mind when setting your goals:

- *I.* They must be measurable and obtainable to be believable.
- 2. They must be written and shared.

3. They must be tracked daily, weekly or monthly and reviewed.

The following are some goals that we have collected over the years from very successful shops:

- · Gross Sales Dollars
- · Average RO
- Gross Profit Margin
- Car Count
- · Billable Hours
- · Parts Labor
- Active Customer Count
- New Customer Volume
- Customer Satisfaction Index

The definition of insanity is doing the same thing as last year and expecting different results. Create a couple goals that will get your staff excited and, as we say at JASPER, "Have Fun!"

Begin with the End in Mind

Envision what you want in the future so you can work and plan towards it. Understand how people make decisions in their life. To be effective you need to act based on principles and constantly review your mission statement. Are you - right now - who you want to be? What do I have to say about myself? How do you want to be remembered? Change your life to act and be proactive according to Habit 1. You are the programmer! Grow and stay humble.

The 7 Habits of Highly Successful People by Stephen R. Covey

Six To-Do's For Customer Retention

by Carm Capriotto, Remarkable Results Radio/Town Hall Academy

Carm Capriotto

is the founder and host of Remarkable Results Radio, the only podcast that interviews today's most inspiring and



successful automotive aftermarket professionals. Carm has 35 years experience in the automotive aftermarket, including 20 years as a business owner and 15 years in an executive position.

Just as much effort is needed in finding new customers as it is in keeping your current customer base. Here are six pointers on maintaining a relationship with your current customers.

Show It ...

- Never consider you'll get the next transaction from an acknowledged long-time customer. Loyalty today is based on the last experience your customer had with you, and his/her experience of how much you want to serve them again.
- THANK THEM FOR THEIR BUSINESS! Get that phrase to roll off your tongue. You'll also need to acknowledge every customer with either a follow up e-mail, hand written note, phone call, or text. Travel the road less traveled; send a hand-written note.
- Set the bar high. Put a cold water bottle in their cup holder, some eye glass cleaner or hand sanitizer, and have your name and phone number on them. Small gestures like this show you care.

Communicate...

• Today's powerful CRM programs make this easy. The smartphone can be the most effective way to present needed work found during vehicle inspection.

- When the vehicle is in the shop, texting with pictures attached, is an ideal way to communicate. Ninety percent of texts are opened. If your customer is OK with texting (get their permission) you've found an ideal way to show estimates and pictures of needed repairs (quick, easy, efficient). It is important that a verbal discussion follows a text. Don't let the customer alone with too much information.
- E-mail. Be sure the subject line is strong to insure a read. Just like a phone call the e-mail is for follow up and opens easy communication back to your business. Have a call to action. A simple reply regarding satisfactory work and problem resolution. Ask for a 5-star review.

Social Media and Community...

- Are you using Facebook, Twitter and Instagram to engage communication and content with your customer (followers)? Once you get your customer to like your FB page or to follow you on Twitter, you'll need to create good content to keep your customer engaged. It does not always need to be automotive-related.
- Meaningful conversations is the new rule for Facebook.
- Share birthdays, new hires, recent certifications, promote vehicle safety and team members. Write posts that will engage a reply. Engage your customer with your business family.
- Along with the happenings at your shop, provide automotive education and news to keep your customer engaged in your social pages/tweets/posts. New Facebook policies (January 2018) are going to shape the way you post and engage with your customers. You must post to elicit a reply. Consider video.
- Be involved in community events and include your customers whenever you can.
- Promote events in your community.

Invite Your Customer to Be Involved...

- Host events at your business. Women's clinics, Automotive STEM classes for students, and tours for Boy Scouts.
- Have a safety inspection day for the community.

Promotions...

- Offer your loyal customer the same offer you would a new customer. Don't give anything to a new customer you wouldn't give to an established one.
- Loyalty and referral programs are driving growth for many shops today.
- Specials create buzz, keep it fresh. Remember your buzz is really your brand and culture. You create it every time you have an interaction with a customer, prospect or community.

Millennials, Gen X, Boomers...

- Much talk of late on the millennials. They make up the largest part of the work force 78 million (slightly more than boomer's). They and the Gen X-ers are sometimes called 'Digital Natives'. How will you be communicating to them? They typically communicate through sound and video. They may not have the best loyalty to brands, so you will need to keep in front of them, with permission. Get them involved in your social streams.
- Be sure your website and social streams are exciting and mobile friendly.
- Offer amenities that millennials like such as free WiFi. Share information on their repairs, they've most likely already done the research.

Communicating with your customer base helps build customers for life and will keep your business top of mind. Retention works when you engage at many levels.

Ethical Sales & Full Disclosure

By Bob Cooper, President & Founder/EliteWorldwide

Bob Cooper

Since 1990, Bob Cooper has been the president of Elite, a company that strives to help shop owners reach their goals and live happier



lives, while elevating the industry at the same time. The company offers coaching and training from the industry's top shop owners, service advisor training, peer groups, along with online and inclass sales, marketing and shop management courses. You can learn more about Elite by visiting www.EliteWorldwide.com, or calling 800.204.3548.

I am sure you will agree that in our industry there are a number of unwritten rules shop owners have followed for decades. They know that they have to hire gifted technicians, stay at the forefront of vehicle technology, and can never jeopardize relationships with their customers; just to name a few. Unfortunately, there is another rule far too many shop owners (and service advisors) have believed in for decades. It's a rule that's been passed down from one generation to the next; the one that says whenever you have first-time customers in your shop, and you discover their vehicle needs a lot of work, you are better off holding back on some of the recommendations.

The basis for this belief is with first-time customers, too many recommendations will scare them off. These owners and advisors typically feel they are better off just recommending the repairs or services the customer brought the vehicle in for, building a relationship with the customer, and then discussing the other required services during the next visit. There is no question these owners and advisors typically have good

intentions. They believe in their hearts since they are not trying to sell their customers something they don't need, they're not crossing any ethical lines. Unfortunately, that's the furthest from the truth.

When customers entrust you with their vehicles, they have a presumption of full disclosure and honesty. Rightfully or wrongfully, I am sure you will agree, your customers also have an expectation every time their vehicle enters one of your service bays, your technicians will immediately pick up on everything that needs to be done.

So do this...

Have a shop meeting and pull up an extra chair. Tell your entire staff the empty chair represents the spirit of your customer, and everything that is discussed during the meeting should be able to be said in front of the customer without hesitation. Start the meeting by reinforcing your commitment to both ethics and customer service. Review your vehicle inspection process. I strongly recommend using well-constructed vehicle inspection forms, and taking advantage of a variety of those forms: A form for complete vehicle inspections, a safety inspection form, forms for the inspection of specific systems, etc. You should then let all your employees know every vehicle will be inspected in a manner that complies with your company policies, all discoveries are to be documented, and the inspecting technician is to sign the completed inspection form.

Once the completed form is turned over to the advisor, all recommended repairs and services are to be estimated, and everything is to be fully disclosed to your customers. Not only is this the professional thing to do, but equally as important, it's the ethical thing to do. Your customers have the right to know about everything you discovered, and the timing of the needed service. They

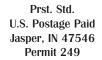
have the right to know how much the repairs and services will cost if authorized.

I am sure you will agree; when it comes to ethics, there are no exceptions. Yet many shop owners and advisors will argue if they have a vehicle that is worth \$1,000, and they discover that it needs \$5,000 worth of work, then there is no sense in putting together an estimate. At Elite, we adamantly disagree. The vehicle belongs to your customer. It's their money, and it's their choice. Add to that, just because an advisor feels a vehicle is not worth fixing, it doesn't mean the customer will feel the same way. The vehicle may hold a special place in the customer's heart - a gift from a loved one, etc.

Mandate complete and professional vehicle inspections that meet with your policies, and insist on full disclosure to your customers. They may not buy everything your advisor has recommended, but a few things are for certain: Your customers will know about everything that needs to be done, the timing of the repair, and you'll have detailed records, your sales and profits will go up, and you will be doing the right thing for the right reason. If you follow this advice, and if you never put money ahead of people, you can't lose.

Editor's Note: Since 1990, Bob Cooper has been the president of Elite, a company that strives to help shop owners reach their goals and live happier lives, while elevating the industry at the same time. The company offers coaching and training from the industry's top shop owners, service advisor training, peer groups, along with online and in-classroom sales, marketing and shop management courses. You can learn more about Elite by visiting:

www.EliteWorldwide.com





100% Associate Owned

JASPER ENGINE AND TRANSMISSION EXCHANGE 815 Wernsing Road · P.O. Box 650 · Jasper, IN 47547-0650 e-mail: sales@jasperengines.com

www.jasperengines.com









The JASPER Co-op Program... What Is It?

The JASPER Independent Repair Facility Co-op Advertising Program is available to JASPER customers who have reached a minimum of \$7,500 or more in previous year sales. Customers will receive a 3% allowance based on their previous year total sales towards their Co-op allowance.

JASPER may reimburse up to 50% of the invoice total of qualified and approved advertising. A credit towards your JASPER account or a check will be the two forms of reimbursement after the claim has been processed. Any unused Co-op funds will expire at the end of each calendar year. You can find more detailed information about the JASPER Co-op Program on the JASPER Co-op webpage.

Why Advertise with JASPER?

You, the Customer, will benefit through the sale of JASPER products, which adds profit and satisfied customers to your business. You further benefit through the Co-op program with qualifying advertising that actively promotes your sale of JASPER products. Our program is more than just placing the JASPER logo in your ad, it's about a strong sales message that actively works to bring customers to your shop!

Where can I go to see my co-op allowance?

Step 1: Log onto or Create a MYJASPER account. (www.myjasperaccount.com)

Step 2: Click on "MY ACCOUNT" icon • Select "Account Information & Preferences"

Step 3: Scroll just below the "activity"

Step 4: Look for the header CO-OP ADVERTISING FUNDS (based on previous year-to-date sales).

Important JASPER Co-op Information

Advertising Deadline

December 31st, 2018

Wearable Deadline

December 31st, 2018

Co-op Phone Number 800-827-7455, Ext 12084

Co-op Fax Number 812-481-0217

Co-op E-mail

jennifer.hohl@jasperengines.com

www.jasperengines.com/coopadvertising.com