

NAPA

Outlook

VOL 21 NO 10

DECEMBER 1988



Lead On

SCF-NAPA-2675



It's time to REACT

Escalating antifreeze prices coupled with an uncertain industry forecast are forcing consumers to REACT! Mac's ReAct™ Radiator Antifreeze Reactivator replaces necessary protective additives, such as rust and corrosion inhibitors, which are depleted from normal automotive use. Instead of costly radiator flush or refill, use ReAct. Will not alter the freezing or boiling point of antifreeze. Safe for all automotive cooling systems.



Mac's
Division of Ashland Oil, Inc.
Lexington, Kentucky 40502



Glycol Makers See Antifreeze Shortage

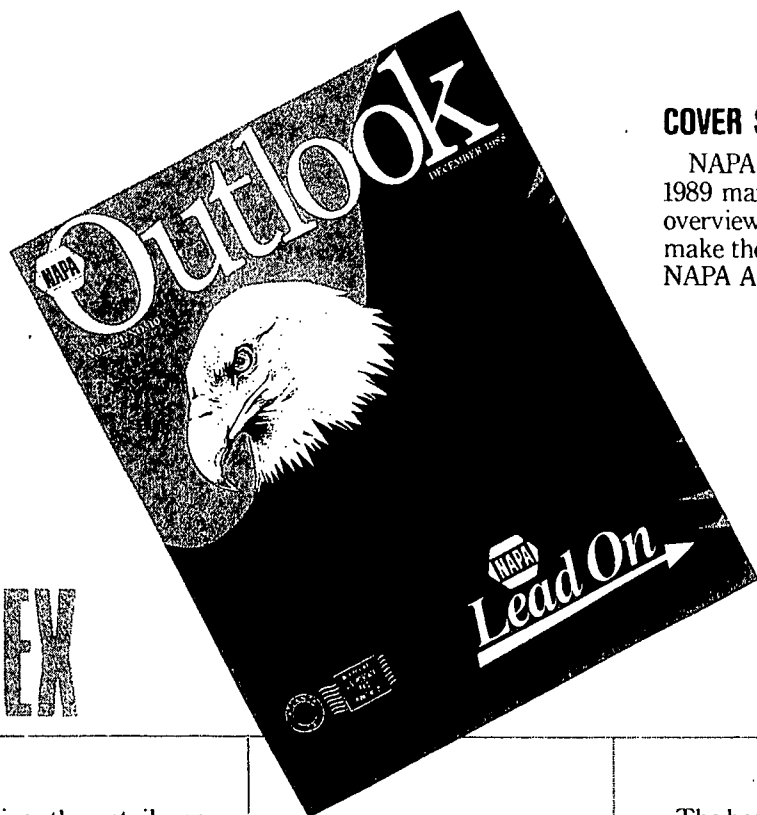
The ethylene oxide and glycol industry is enjoying a return to profitability as a result of substantial price increases last month. Along with profits, concern is also growing as companies threaten to sharply cut back on public this Fall and being offered for prices in the industry's worst range. Industry sources say that the main reason for the recent price hike is the reduction in supply since the restart of the ethylene oxide plant at Port Arthur, Texas. The restart of the plant will contract among ethylene glycol producers and allocation of its production to the Texas area. Glycol makers are also concerned that they will not be able to meet the demand for more like

THE OIL DAILY, THURSDAY, AUGUST 11, 1988

PACKAGING REPORT

Antifreeze Prices Continue to Soar
\$ Tight Ethylene Supply Lingers
ETHYLENE supplies, which have been in a tight market since the restart of the ethylene oxide plant at Port Arthur, Texas, are still being hoarded by some buyers, could last up to a month, according to industry sources. Meanwhile, antifreeze prices are expected to continue to rise. Antifreeze prices are expected to rise 10% to 15% in the next few months.

INDEX



COVER STORY

NAPA President Bob McKenna introduces NAPA's 1989 marketing theme—NAPA Lead On—and gives an overview of the current and new programs designed to make the coming year one of the most profitable for your NAPA AUTO PARTS store.

Page 4.

Reaching the retail consumer is becoming more and more important to the automotive aftermarket. That's why in 1989 you and your employees will have the tools you need to understand the requirements of these customers and how to best go about meeting those needs.

Page 12.

On November 17, NAPA lost one of its strongest and most effective leaders when J.R. (Dick) Degnan died. Degnan, who was vice president and general manager of NAPA from 1963 until 1975, is credited with bringing the organization into the modern marketing age. A tribute to Dick Degnan appears in this issue.

Page 8.



The best programs NAPA has offered you in the past are back for the coming year. Programs that, when combined with NAPA's newest additions, will make for the strongest selling year we've ever known. Take a look at the improvements made to these programs and determine how they'll work best for you and your marketplace. Beginning on...

Page 16.



Vol. 21, No. 10
December 1988

Kathy Randall
Editor &

Communications Manager

Elizabeth Wong

Assistant Editor &

Communications Coordinator

Margaret Hall

Assistant Editor &

Publications Coordinator

Published periodically in the interest of NAPA AUTO PARTS stores, Distribution Centers and Manufacturers across the nation. When notifying us of a change of address, please mention NAPA Outlook and give us the old address and zip code.

Litho in U.S.A.

NAPA HEADQUARTERS

2999 Circle 75 Parkway

Atlanta, Georgia 30339

©1988 National Automotive
Parts Association

No part of this publication may be reprinted without the expressed permission of the National Automotive Parts Association.

That's right. In 1990 NAPA AutoCare Centers, NAPA AUTO PARTS stores and automotive specialists have the opportunity to find out about the latest innovations in the automotive aftermarket when the NAPA AutoCare Congress takes place in Las Vegas. The "Spotlight On The Future" will be shining brightly. Details on the AutoCare Congress and the 1989 AutoCare Program.

Page 14.

NAPA Batteries... **Page 28**

NAPA Credit

Card Program ... **Page 5**

NAPA Echlin ... **Page 26**

NAPA Oil &
Chemical..... **Page 2**

NAPA Tapered

Roller Bearings... **Page 11**

NAPA United ... **Page 23**

NAPA

Wearables **Page 25**

Parts Craft **Page 27**



Lead On

IN 1989



by Bob McKenna,
NAPA President

When those 28 men met in April of 1925 and built the organization which is now known as NAPA, they more than likely had no idea of how large the National Automotive Parts Association would become. In a short 63 years—less than one lifetime—NAPA has become the largest and best source of automotive replacement parts in the country.

As we enter into the final year of the 1980s, NAPA will "Lead On" in the '90s.

"NAPA Lead On" is our marketing theme for 1989 and we believe it's one which sums up exactly what all levels of the NAPA system will continue to do in the future. But in order to lead on both nationally and on the local level, the programs must be available to assist you, the NAPA AUTO PARTS store owner and manager, in maintaining your leadership position.

In this issue of *Outlook* we have compiled an overview of the programs which are available to you for the coming year. On the following pages you'll be able to see how the marketing efforts against all five market segments are going to become larger and stronger.

For the traditional customer, the AutoCare Program and the establishment of more NAPA AutoCare Centers will be the focus. To offer those AutoCare Cen-

ter customers even more, we're announcing the NAPA AutoCare Congress to be held in Las Vegas during March of 1990. You'll also see how the Real Deals Program and the P.B.E. Flyer are being improved.

To assist you in gaining a larger share of the retail market, we've developed a program which brings all of your retail efforts together—the Retail Marketing Program. The purpose of this program is to make it easier for your store to implement a sales event which brings consumers into your location and by doing so increases your overall sales and profits. But for so many NAPA AUTO PARTS stores retailing is a different way of doing business. So to help you understand more about the hows and whys of retailing we've also developed the Retail Training Seminar, a two-day course which demonstrates the most effective method for being an effective retailer.

The farm market will continue to be a key segment and there have been major improvements with the Farm Circular Program. You'll be able to successfully market for these customers with the Farm Impact Kits and a sweepstakes whose spring winner will win a trip to Hawaii and the fall winner, a Chevy S-10 pickup.

The marine market will have a brand new catalog and you'll be able to offer special promotions from NAPA Manufacturers which will bring marine customers directly into your store.

The heavy duty marketplace will go further in reaching its full potential next

year with an emphasis on brake systems. You'll also see a greater emphasis on training for this market in the months ahead.

In this issue you'll also read a message from Larry Prince, president and chief operating officer of Genuine Parts Company and a member of the NAPA Board of Directors. His message is an important one, giving us insight into our business from both an historical and a futuristic perspective.

Additionally, and on a sadder note, this issue contains a tribute to Dick Degnan, vice president and general manager of NAPA from 1963 until 1975. Dick passed away last month and we join together in mourning the loss. One thing I can tell you with certainty is that Dick Degnan was pleased with the direction in which NAPA is moving. He was a strong believer in the future of our organization and, in fact, laid much of the groundwork for the programs and success we have today and will continue to have in years to come.

Our best programs return in 1989—the NAPA Store Design Program, the NAPA Credit Card Program, the Yellow Pages Advertising Program, the NAPA National Warranty Program, Customized Classification, Computer Cataloging and 1-800-LET-NAPA to name a few—and in returning join together with our recent additions to give you the best in what the automotive aftermarket can offer.

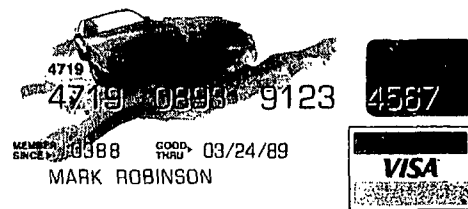
So, once again I invite you to read through this special issue of *Outlook* and discover for yourself just how NAPA will "Lead On" in 1989 and beyond.

Our best programs return in 1989 and in returning join together with our recent additions to give you the best in what the automotive aftermarket can offer.

YOUR CUSTOMERS DESERVE MORE CREDIT.

Rocky Mountain BankCard System™

NAPA NAPA AUTO PARTS



And so do you. The NAPA Credit Card Program has the answer. It includes four services rolled into one program to cover all of your credit and check needs:

- A NAPA identified Visa card.
- Electronic authorization and payment for MasterCard and Visa charges.
- Check guarantee service for checks and authorizations for other major credit cards.
- A national discount-rate program for American

Express charges.

All of these services work together to help you and your customers. The NAPA/Visa card promotes customer loyalty and recognition. The credit card processing and check guarantee services offer you nearly unbeatable discount rates.

You will be receiving a complete packet of enrollment information from your Distribution Center. If you have not received it, give them a

call today.

If you have any questions about the NAPA Credit Card Program, call U.S. BankCard Center at 1-800-528-9129 (800-233-2470 in Tennessee) or American Express at 1-404-395-7923 or 1-213-543-6882.

NAPA

All the right parts in all the right places®

The NAPA/VISA credit card is offered by Rocky Mountain BankCard System. U.S. BankCard Center and First National Bank of Omaha provide bank card processing service. Telecredit check guarantee service is made available through U.S.B.C. American Express Travel Related Services Company, Inc. provides American Express processing services.

A LOOK AT LEADERSHIP



As a result of NAPA's renewed leadership attitude, new programs have been started and old ones have been reinforced.

Editor's Note: The following article is based on a speech made by Larry Prince, president and chief operating officer of Genuine Parts Co., at NAPA's 1988 Annual Meeting, held October 16-19 in Atlanta, Georgia. Because Prince's message is crucial to everyone within the NAPA system, it is important that you, the NAPA AUTO PARTS store owner or manager, have an opportunity to read it.

Recently a great deal has been said about NAPA's market leadership. In fact, our 1989 marketing theme "Lead On" expresses our reputation for leadership in the industry and our desire to continue in this position.

Currently, NAPA is significantly outpacing the growth of the industry. This is a wonderful situation to be in. But while we appreciate our success, we must also acknowledge that we have not always enjoyed this position. A closer look at our record indicates we can't afford to become comfortable or to take our present situation for granted.

If we look back at our record for the past ten years, 1978-1987, we get a clear perspective. During seven of those years, NAPA's sales growth exceeded the industry's by a range of .2% at the lowest to a high of 2.5%. Only in 1987 did we begin to substantially outpace the industry. Our growth that year exceeded the industry's by about 7%. This was our best performance since 1971, when our growth surpassed the industry's by almost 8%. It appears that 1988 will be another

strong year for us, and we should again significantly outperform the industry.

Perhaps this ten year picture surprises you. Viewing our growth pattern over these past ten years raises two questions. Why weren't we better in several of these years and what caused us to do better in 1987 and 1988? In order to sustain our current level of performance, we need to look closely for the answers to these questions.

From time to time we find ourselves speaking with investor groups or potential investors, analysts, brokers and portfolio managers. The recent improvement in our NAPA parts business has not gone unnoticed by these people. In 1985 and 1986 they wanted to know why we weren't doing better. Then, after 1987, they began asking why we were doing better. I assure you, these are questions we have seriously considered.

From 1978 to 1986, we were slightly ahead of the industry, about 1.5% on average. Though our sales increases during those years weren't bad, they were made up quite heavily of substantial price increases. In 1978 and 1979, for instance, sales growth was 13%, but price increases were 6-7% of this. In 1980 we actually lost ground with inflation exceeding our total sales increase.

Admittedly, we had many negatives to deal with during those years. The country faced an energy shortage and general economic problems. The number of miles being driven showed little or no growth, and in six of these years, our

target vehicle population declined. The demographics of vehicle registration were against us.

But these factors also affected our competition. Our concern should not be that we had negatives facing us, but that we didn't lead our competition in dealing with them. Why didn't we? There is no single, simple answer to this question. We've all worked hard, we offered premium service, our products were of the highest quality, we collected our money and paid our bills.

But, perhaps our poor showing was caused by something less tangible than level of service or product quality. Perhaps the problem was with our attitude. We were getting along fairly well, our sales were okay and we managed to make a pretty good profit. But it may be that we had become complacent and consequently our leadership position in the industry was slipping.

So how did we turn this around in late 1986? What stimulated the growth we saw in 1987 and continue to see in 1988? I believe somewhere along the way we came alive and started working harder in the areas of sales and marketing. NAPA Headquarters' move to Atlanta in 1984 consolidated all marketing activities and more clearly focused the communication between NAPA Manufacturers, Distribution Centers and NAPA store owners. This move seems to have been a major catalyst for the progress we have experienced. As a result of NAPA's renewed leadership attitude, new programs have

been started and old ones have been reinforced.

In 1984 we created the NAPA National Advertising and Marketing Council. This group initiated the Pipeline Program (the NAPA Store Design Program) which is creating a national identity for NAPA and boosting the sales of the stores that are participating. It established the successful National Warranty Program and encouraged D.C. and Division Ad Councils to involve and assist NAPA stores with advertising. Also, under the council's guidance NAPA's import efforts evolved into a calculated program and the AutoCare program was launched.

Additionally, in 1986, NAPA introduced an improved Customized Classification Program. Today we have the most accurate inventory system in the industry.

Currently we are reexamining our market position on every product line. The product management team at NAPA Headquarters is closely monitoring and analyzing all our programs. A good example of this effort is the NAPA Battery Program.

In recent years, we and our two suppliers of batteries had become comfortable with our battery program even though we were experiencing little or no sales growth and we were getting whipped in the marketplace. Finally, after a close examination of the situation, we made the necessary steps to turn things around. In partnership with Exide, we have seen outstanding growth. So far in 1988, battery sales are up over 30%.

In 1984, the NAPA MultiLine Program was established to aid NAPA AUTO PARTS stores in boosting sales of products from several of our important smaller and medium volume lines, such as NAPA Lamps, NAPA Battery Chargers, NAPA Windshield Products and NAPA Tire Hardware. Today we have 89 salespeople representing 22 such lines.

Our list of positive changes in recent years could go on, and our sales improvement has been no accident. But we can't help but worry about the tenuousness of our position. Success carries with it no guarantees; it takes vigilance and effort to stay at the top, especially in our constantly changing industry.

How can we ensure our continued growth? How can we meet our goals and stay at the forefront of our industry? I believe the answer lies in determined and aggressive leadership. It will take leadership effort from everyone throughout the NAPA system—from you, the NAPA AUTO PARTS store owner or manager, from our NAPA Manufacturers, from Distribution Center personnel and from NAPA's Headquarters staff.

We take this opportunity to challenge you to make the decisions necessary for your NAPA AUTO PARTS store to be the leader in your marketplace. Are your stores pipelined? If not, you're missing an opportunity to substantially increase your sales, because the sales increases of pipelined stores are, on average, twice those of nonpipelined stores. And without the pipeline you're not contributing to or taking advantage of NAPA's national identity of quality and reliability.

Are you participating in the AutoCare program? Are you taking advantage of NAPA's training opportunities so your employees can provide customers with the best possible service? Have you signed up for the 1989 Retail Marketing Program which has been designed to boost retail business for your store and for NAPA? Are you getting the most out of the programs and suggestions offered at your Marketing Conference?

Likewise, NAPA's Distribution Center personnel and manufacturer representatives must give the support and service you need to be the best. And they too must be committed to the NAPA system and its programs and goals.

NAPA Headquarters is continuing to monitor the factors that affect your business and the industry. Several big issues that we face today are extended warranties and technology that could force more service work to car dealers; increasing numbers of repair specialists; the strengthening of retailers; growing import registration; and the proliferation of parts. NAPA currently has programs under development or in place to help you combat and even benefit from these "negatives." I believe NAPA is in the best

position to lead the industry in facing these new challenges, but it will take your commitment to these programs to do so.

There are also other opportunities that NAPA is taking advantage of. Our Jobber Sales Assistance Program has added a new dimension to our outside sales effort. And we are in the process of structuring ourselves to be a leader in the heavy duty market—it's a natural for us.

Nineteen eighty-eight is destined to be another good year for NAPA. But how about 1989 and beyond? Is our current success a fluke or do we have the grit, determination, and dedicated people to take our programs to our customers and make them work?

Together in recent years we have all seen our NAPA programs become even more valuable to us in our marketing and management efforts—the results are now clearly telling us this. But these new programs are not simple ones. They are complex and reach into all areas of market opportunity. Our success in the future will hinge not on the programs themselves but on how committed we are to making them work for us. We believe the commitment is there and NAPA will continue to be the *leader* again in 1989 and the future.

***We take this opportunity to
challenge you to make the
decisions necessary for your
NAPA AUTO PARTS store to be
the leader in your marketplace.***

J. R. "DICK" DEGNAN

MAY 25, 1910 - NOVEMBER 17, 1988



J.R. "Dick" Degnan

With the recent death of Dick Degnan, NAPA has lost one of its greatest friends and supporters. During his 12-year tenure as NAPA's vice president and general manager, from November 1963 to December 31, 1975, Degnan brought NAPA into the modern marketing age and led the organization to new heights in sales and service.

Joseph Riluf Degnan was born in the early part of this century in a rural New Jersey town called High Bridge.

In 1929, when he was 19 years old, he left High Bridge to begin his career with the Standard Oil Company at their headquarters in New York City. Unfortunately, with the stock market crash following soon after this, his career with Standard Oil was short-lived.

Not one to be easily discouraged, Degnan soon found a position with Beckwith Chandler Company, a paint manufacturer, in Newark, New Jersey. He began as a quality control clerk and in just two years, he was appointed plant manager. In this position, he acted as a one-man sales force canvassing the entire eastern United States until 1937.

In that year, Degnan decided to leave Beckwith Chandler for a position with Martin-Senour Company. In the forties, he was moved to the west coast and assigned the task of developing the market there for Martin-Senour automotive finishes, something the company had not been able to accomplish in the past.

He was so successful in opening up this market that only four years after he was sent to the west coast, he was transferred to Chicago as midwest manager of the Trade Sales Division. Not too many years later he returned to the west coast as regional manager of Automotive Finishes Trade Sales and Industrial Finishes.

He returned to Chicago in 1955 as vice president and general sales manager. During his years with Martin-Senour, he helped pioneer the company's growth that established it as a nationally recognized supplier of quality paint lines.

In his many positions at Martin-Senour, Degnan had daily contact with NAPA. He worked with many NAPA Jobbers throughout the country, as well as with the Distribution Centers. He was active on the NAPA Manufacturer's Council and was thoroughly knowledgeable of NAPA's uniquely successful distribution system.

In 1963, when NAPA was looking for just the right person to fill its top position as vice president, general manager, Degnan was the perfect choice. He accepted the position and moved to NAPA Headquarters, then in Chicago, Illinois.

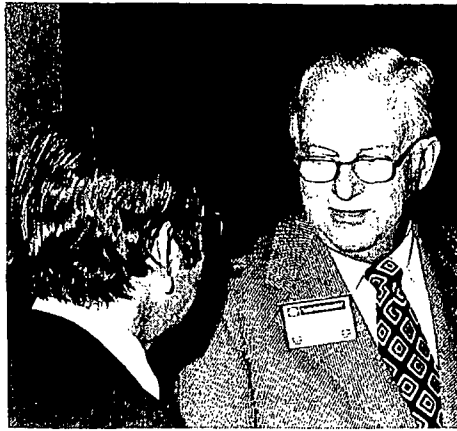
When he came aboard, NAPA was recognized as having the best distribution system in the business. The system was established and, besides the normal small crises, it ran smoothly and effectively. As a master salesman, Degnan took NAPA's distribution strengths, applied his marketing expertise and built an integrated system that has allowed NAPA to continue to lead the automotive aftermarket industry in the market-driven economy of the past decades.

One of his most important undertakings during his career at NAPA was the revitalization of the NAPA logo. Not long after he began as vice president, general manager, he decided that NAPA's logo needed to be modernized.

As was his style, he solicited and got the support of all those involved in the NAPA system for the logo change. Under his leadership the present NAPA seal, known nationwide, came into being.

With his sales and marketing instincts working overtime, Degnan then chose new colors for the NAPA logo, blue and gold.

The logo with its simple design and vivid colors has proven over the years to be one of NAPA's most effective and important marketing tools. It has become recognizable throughout the United States and Canada as a symbol of quality auto parts.



His emphasis on marketing gave rise to his "Wonderful World of Sales" program and the "Magic of Marketing" meetings. His energy and enthusiasm inspired individuals at every level of the NAPA system. He was indeed a motivator, and his energy could turn explosive if he felt that someone was not doing his utmost to further the NAPA cause.

He knew as many NAPA Jobbers as any one person could and related to them on an individual basis. If he needed something done or support for one of his many ideas, he would pick up his phone and call several managers around the country. He was also a friend of NAPA's suppliers. As a result of his relationships at all levels of the NAPA system, he was able to get

the support he needed to implement his marketing ideas.

He masterminded the creation of the first product lines manufactured under the NAPA name. NAPA Filters and NAPA Batteries began a whole string of NAPA name brands that, through the years, have increased consumer recognition of NAPA and reinforced its reputation in the industry.

After his retirement at the end of 1975, Degnan moved to California but continued to have a keen interest in NAPA. It was not unusual for him to drop in on jobbers in his area just to say hello and make sure everything was going all right.

For many years, he worked with GPC's Western Division staff, calling on jobbers primarily serviced by the San Diego and Los Angeles Distribution Centers. He continued to be active in the sales and marketing arena, attending Marketing Conferences, sales meetings and jobber meetings. Even after he was no longer able to continue his travel schedule, many jobbers continued to visit him because of the special relationships he cultivated with them as adviser, teacher and friend.

Because of his charisma and the rapport that he was able to build with his colleagues during his years with NAPA, Degnan will be missed by many not only as an inspirational, energetic leader but also as a personal friend.



At his retirement from NAPA, Degnan (third from left) received a plaque recognizing his years of leadership as vice president, general manager. Making the presentation were (from left) Paul Rollins, Vice President and General Manager of NAPA; Fred Mancheski, Echlin; Bill Jasperson, General Automotive Parts; and Charles Lansdale, Tenneco Automotive.

NAPA & MIDAS — A WINNING COMBINATION

A year ago, NAPA began its National Accounts Program with Midas International. What started out as a 19-store test program in Tampa, Florida, in January of 1987 has grown into a nationwide operation that supplies auto parts to over 1,100 Midas locations.

The NAPA-Midas relationship began in early 1986, when management representatives from the two organizations met to discuss the possibility of a National Accounts Program. From the beginning, it looked as if the program would be beneficial to both NAPA and Midas.

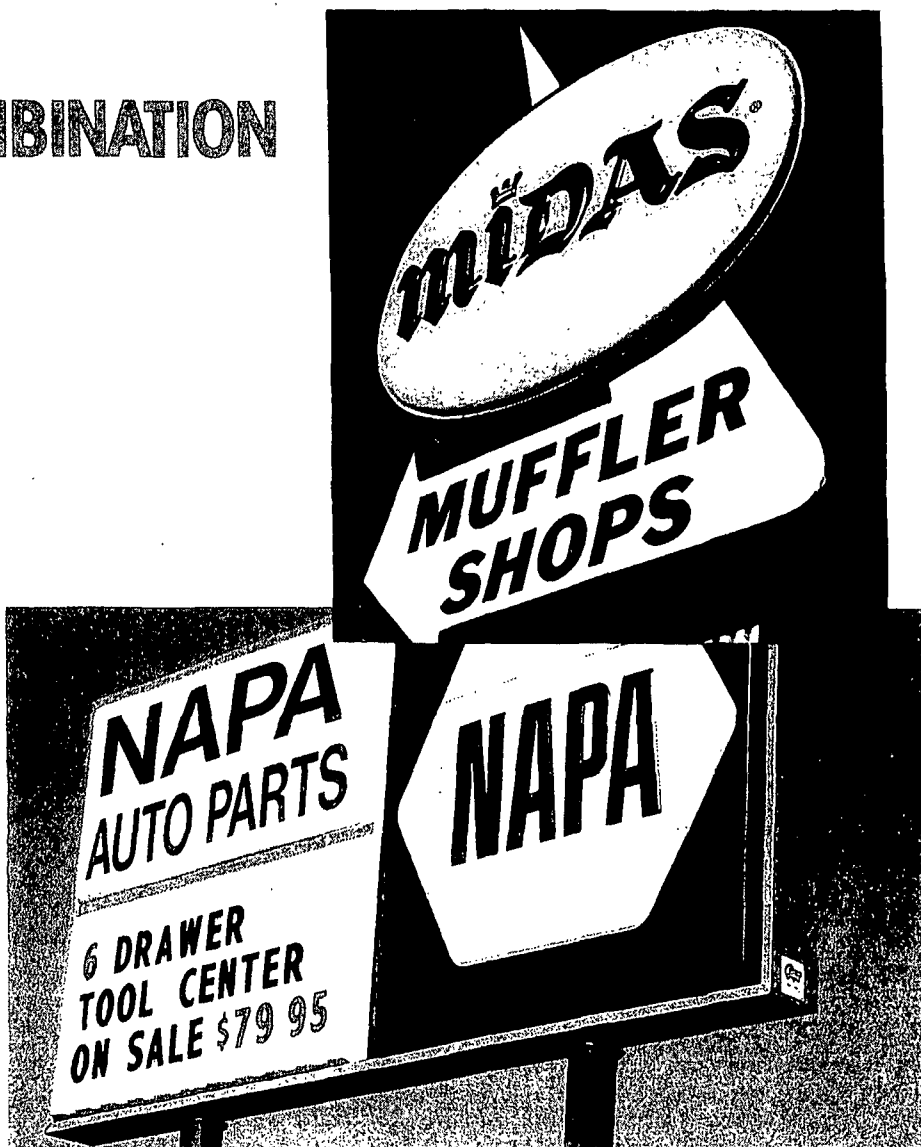
Though Midas has its own distribution system, its various distribution centers do not carry 100% of the automotive replacement parts and products sold by Midas stores. For years individual Midas stores had to find suppliers for those parts that its distribution centers didn't carry. Plain logic told Midas that an integrated system of supply for these parts would take a burden off of their local stores. It was also evident that an established relationship with one outside supplier would prove economical in the long run. And NAPA, with its reputation for high quality products, premium service and the best distribution system in the business, fit their needs exactly.

The National Accounts Program that resulted from that initial test in Tampa has proved successful for both Midas and NAPA. By supplying Midas with the parts they need, when they need them, participating NAPA AUTO PARTS stores have increased their sales and their profits.

Mike Malone, sales manager of Midas locations in Green Bay, Eau Claire and Schoefield, Wisconsin, describes his business philosophy as providing "good quality parts at competitive prices and above all giving our customers the best service we possibly can."

NAPA AUTO PARTS of Schoefield, Wisconsin, services Malone's Schoefield location. And Malone has come to rely on the store because he has learned that they do business under his same philosophy of quality products and first-rate service.

Though starting the program with Midas took extra effort, Jeff Heinz, outside salesperson for the Schoefield NAPA store, emphasized that it was worth it from a profit standpoint. In a year's time he has seen the store's business with Midas jump from \$300-\$400 a month to



\$3000-\$5000 a month. "We've bent over backwards to provide the Midas location with what they need, but we've more than made up for our efforts with volume and profits," he explained.

To help smooth the transition for Midas, Heinz has scheduled technical clinics, and he often brings local NAPA factory representatives to the Midas outlet to make sure the reps are familiar with developments and product information.

Ed Becher of NAPA AUTO PARTS in Rochester, Minnesota, acknowledges that supplying Midas usually requires a store to increase its inventory, but "we realized that if we've got the inventory on hand, Midas is going to buy it." Becher's store also added delivery drivers and counter-people to ensure that Midas and the rest of their dealer customers received needed parts quickly. As with the increased inventory, this extra effort has paid off in sales and profits.

Describing his store's relationship with Midas, Lucky Wells, manager of NAPA

AUTO PARTS in North Olmstead, Ohio, echoes the enthusiasm of Heinz and Becher. "Midas calls us first because of our prompt delivery service and the availability of hard-to-find parts through our NAPA Distribution Center."

The future looks bright for NAPA's National Accounts Program with Midas International. Midas has begun an aggressive front end and suspension advertising program that will increase chassis and suspension work substantially. And NAPA is committed to providing the parts and service Midas needs. Only a year old, NAPA's program with Midas is already running strong and getting stronger.

If you are interested in receiving information on how to participate in the National Accounts Program with Midas, contact Alan Rideout, national accounts manager, NAPA Headquarters, at 404-956-2200.



WHEN YOUR REPUTATION
FOR QUALITY IS AT STAKE,
TRUST OURS.

NAPA TAPERED
ROLLER
BEARINGS

TIMKEN
TAPERED ROLLER BEARINGS

INCREASE RETAIL MARKETSHARE WITH 'THE LOOK OF THE LEADER'

With over two-thirds of NAPA's business stemming from traditional dealer customers, you may find yourself focusing on the larger base—but what about that other customer base? Are you and your employees taking advantage of a nearly untapped market to continue to lead the aftermarket business and stay competitive?

A retail sales area increases profit per square foot by bringing products from the stockroom onto the sales area. By properly merchandising the display area, your sales will start to rise. Retail marketing can increase your gross profit. Unlike traditional customers, retail customers do not receive the price breaks that reduce your gross profit margin.

Therefore, when your retail sales increase, your total gross profit will also increase. On the average, retail shoppers are fairly constant consumers who are not impacted by business fluctuations as traditional customers are. Retail marketing evens out your business cycles.

To maximize your retail marketing efforts, "The Look of the Leader," a new retail marketing seminar, has been developed to cover vital information on retail strategy and marketing. It is available through your Distribution Center. The seminar is divided into two portions. The first consists of a two-day seminar for store owners and managers. The second section is a self-study course for store personnel to complete on their own.

The two-day seminar brings together NAPA AUTO PARTS store owners and managers who have made a commitment to strengthening and expanding their retail business focus. The seminar identifies the following elements necessary to reach that goal.

- **Store design** is a strong influence upon retail shoppers' decision to buy or not to buy. A pleasing, yet professional, exterior brings them in. An open, well displayed interior, as well as merchandising techniques, encourages them to purchase. Store layout is another important design aspect covered.

- **Promotional advertising**, followed up with displays, is an important method to reach the retail audience. Advertising is an important tool to solidify your place in retail. One session is devoted to identifying and using the most effective means of advertising, including signage, in your area.

- Hands-on activities about **serving retail customers** will help you and your employees successfully sell to this market and deliver the service that keeps them coming back.

The self-study portion allows your employees to learn the elements of effective merchandising and how to best use the tools of the trade that NAPA offers. Once your store has achieved the retail niche, don't allow yourself to become complacent. Store maintenance is a key to upholding your professional image. Retail customers will look to you as the leader—if you project the appearance.

The seminar reinforces retail ideology with exercises and activities you can use in your store. Group discussions will bring to light the experiences of others, allowing you to profit from the ideas that work. As part of the seminar, your employees will have the opportunity to complete a self-study videotape course and accompanying workbook to learn the basics of retail business and its implementation.

The retail marketplace offers a tremendous potential to increasing your sales. "The Look of the Leader" helps ensure that you are prepared to serve those customers and operate a successful, profitable retail marketing program. The nominal investment of \$200 per participant will bring a significant increase to your retail business and gross profit. Contact your Distribution Center for registration information.



REACHING THE RETAIL MARKET

Increasing the sales of NAPA AUTO PARTS stores. It's a goal each and every NAPA store, as well as the entire NAPA distribution system, shares. In some NAPA programs this is accomplished with incentives for the traditional market. In others it's done with incentives for the farm, marine and heavy duty markets. In 1989 increased sales to the retail market will be realized with a brand new initiative—the Retail Marketing Program.

Basically the Retail Marketing Program is one which establishes common dates and materials for six two-month periods, bringing together all the elements of both national and local promotions and specials. And by bringing them together, produces a more effective and simpler means for NAPA AUTO PARTS stores to reach the retail customer.

The program merges parts of past and current NAPA promotional programs—Bargain Buys, Car Care Days, national price/product promotions and advertising and merchandising kits—with specials from NAPA Manufacturers. The Retail Marketing Program provides all of the elements a NAPA AUTO PARTS store needs for a promotion (products, plan-o-grams, point-of-purchase and advertising materials) and incorporates those elements with the flexibility needed to conduct an effective sales event in the local marketplace.

The six promotional periods in 1989 are February/March, April/May, June/July, August/September, October/November and December/January 1990. Each promotion will have an average of six to eight products which will be store traffic builders, featuring special incentives such as manufacturers' rebates, sweepstakes and very competitive pricing, in addition to other high demand items.

Prior to each of the six promotional periods, each participating NAPA AUTO PARTS store will receive a kit which contains plan-o-grams, four-color shelf talkers, danglers, window posters, newspaper ad slicks, radio scripts and instructions. NAPA AUTO PARTS stores will then be able to choose the products, prices, length of the promotion and local advertising they would like to use within the two-month period.

Customarily, the two best selling seasons for these types of promotions have been spring and fall. And that's the reason national promotions will be tied into the April/May and October/November



periods. Common themes, graphics and national advertising will be used to communicate that a sales event is occurring at the local NAPA AUTO PARTS store. The key dates for these two promotional periods are April 15-30 and September 30-October 15 and network television will be used to draw additional attention to the sales events.

For these two key selling seasons and for the summer season as well, NAPA AUTO PARTS stores will have the opportunity to utilize another national advertising method—the National Circular Program. These three circulars will be four-color, four-page tabloids, each featuring 30 to 40 fast moving products.

Along with the pre-determined products in each circular, an advance listing of possible additional items, to be included in a seasonal circular, will be provided. These

"You Pick'em Lists" may be used if a circular is being customized to a store's trading area. Your Distribution Center will be able to tell you if the circular(s) is being customized for your area.

The circulars may also be imprinted with the name and address of a store or group of stores. For those stores who do not wish to personalize an imprint, the message will read, "Available at participating NAPA AUTO PARTS stores. Call 1-800-LET-NAPA for the NAPA store nearest you."

The circulars can be distributed to customers in a number of ways, such as solo direct mail, marriage mail and newspaper inserts. NAPA stores may choose to participate in all three circulars or in just one or two.

To assist NAPA AUTO PARTS stores in more aggressively pursuing the retail market and in making the Retail Marketing Program work even more effectively, the Retail Training Seminar is available. Read more about it on page 12.

LEAD ON WITH NAPA AUTOCARE PROGRAM



The NAPA AutoCare Program continues to be one of the top customer benefits you can offer to traditional service installers. The program assists them in effectively marketing and promoting their businesses in a way that no other competitor can match. Let installers know that NAPA understands their needs and wants to make them more successful. To assist you in that effort, NAPA AutoCare Program Manuals, along with seasonal updates in the spring and fall, have been provided.

Spring and fall AutoCare promotions, based upon seven automotive systems, will again be available to NAPA AutoCare Centers in 1989. The seven systems are: batteries, brakes, cooling and heating, exhaust, oil and filters, tune-up and shocks, and suspension and drive train. The promotions will be supported with AutoCare P.O.P./Ad Kits, containing P.O.S. materials and radio and newspaper ad materials.

In addition, two-week national television advertising periods featuring the "Best Garages in America" commercials will remind viewers that NAPA AutoCare Centers employ the best technicians, offer the best service and install the best parts. The seasonal commercials will remind motorists that now is the time to take care of their cars. National advertising also encourages service consumers to look for local specials on service work related to the seven automotive systems, making local advertising vital to the success of this segment of the national television advertising.

To ensure that you and your traditional customers take full advantage of the NAPA AutoCare Program, a booklet has been developed covering 10 steps to "Building a More Successful AutoCare Program." The suggestions serve as an excellent guideline to nurture the personal commitment necessary from NAPA AutoCare Centers in order for the program to prosper.

The NAPA AutoCare Program is the link to building a better relationship with your best customers. It gives them the edge to compete with national chains. "I see AutoCare as the centerpiece of my business future as a NAPA Jobber," says Lenn Lee, owner of NAPA AUTO PARTS/Westbrook Supply, Inc. in Texarkana, Arkansas (served by NAPA Dallas).

To continue to help sell NAPA AutoCare, the dealer leave-behind brochure continues to be available at a minimal cost of 75 cents each from NAPA Headquarters. Dealer advertising in major automotive magazines such as *Motor*, *Motor/Age*, *Super Automotive Service*, *Service Station Management* and *Import Service* will continue to run in 1989, a spotlight on the future of the automotive aftermarket with the NAPA AutoCare Congress in early March of 1990 in Las Vegas, Nevada. This is an excellent opportunity for you and your traditional customers to hear top industry speakers, see manufacturers' exhibits and talk to representatives about changes in advanced automotive technology and vehicle servicing. A 100,000-plus-square-foot exhibition hall will feature all NAPA

product lines as well as major service equipment.

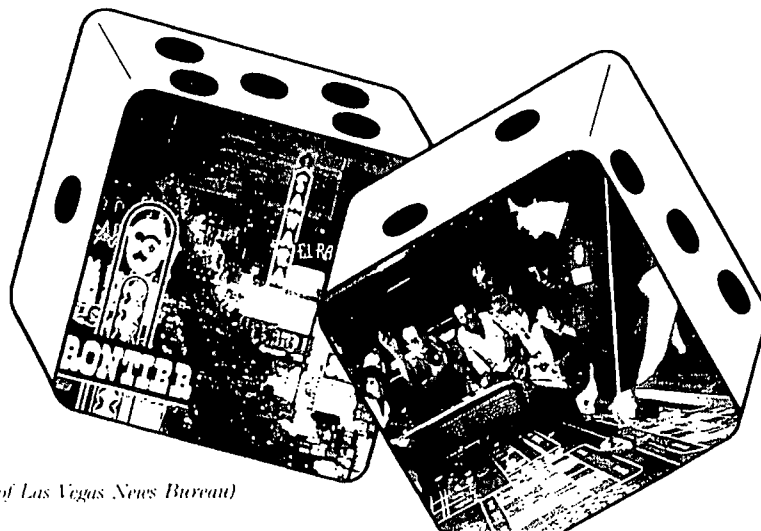
Three days of seminars and four days of illuminating exhibits will be offered in hotels along the Las Vegas Strip. The 1990s bring a decade of new technology, innovative marketing and increased competition. Make sure that you and your dealer installers are ready to meet the challenges. It's a chance that you and your best customers won't want to miss.

An effective way to communicate information about the AutoCare Congress and enroll participants is to hold dealer meetings in January and February. Another incentive to encourage sign ups is to develop an earnback program. The final enrollment deadline for the AutoCare Congress is March 15, 1989. All participants are automatically eligible for the enrollment sweepstakes as soon as they sign up for the AutoCare Congress. Prizes include air transportation for two couples to London, Paris or Madrid and air transportation for two people to Australia with a stopover in Hawaii.

Billings will be sent in three invoices: June 15, September 15 and December 15. To help defray expenses, many NAPA Manufacturers will offer NAPA Dollars throughout 1989 as part of product specials. NAPA Dollars may be ordered for your own use and are available in denominations of \$1, \$10 and \$20.

The AutoCare Congress, developed for you to offer to your customers, is a way to present the latest information on the aftermarket industry that only an organization like NAPA could promise and deliver. Don't be left in the dark. Sign up to place a "Spotlight On The Future."

Join the 1990 NAPA AutoCare Congress in Las Vegas!



(Courtesy of Las Vegas News Bureau)

PBE AND \$9.2 BILLION IN SALES

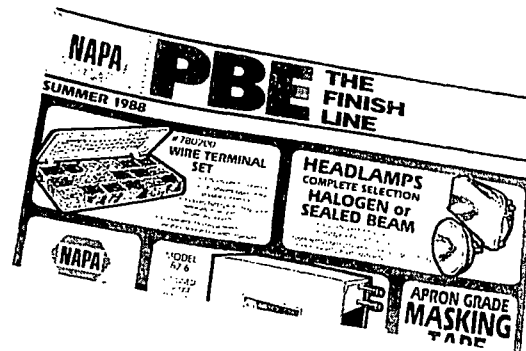
It's out there. Over 9.2 billion dollars in sales to paint and body shops across the nation. But for the stores supplying the products, it's a sure bet that they must tell paint and body shop owners about what they can provide in order to get the biggest share of that 9.2 billion dollar market. In 1989 your NAPA AUTO PARTS store will be able to do just that with the PBE Flyer.

Entering its second year, the PBE Flyer promotes NAPA's coverage and product availability to the paint and body shops in your marketplace. And it drives home the fact that NAPA can service the total needs of these customers.

PBE Flyers will be distributed in the coming year for three promotional periods—March/April, June/July and September/October. Each flier is a four-color, four-page tabloid which offers select product specials and highlights an average of 38 different items. The fliers can then be distributed to paint and body shops. The cost for all three of the fliers is \$25.00, which provides you with 25 copies of each issue.

Prior to each promotional period, participating NAPA AUTO PARTS stores will receive information which details the elements of the upcoming flier. Product orders will be shipped between the 15th and 25th of the month preceding each promotion and the fliers themselves will arrive at approximately the same time.

Getting the paint and body shop business. That's what the PBE Flyer is all about. Make sure you get your share. Sign up today.



GET A REAL DEAL IN 1989

In some instances, it's a combination of the old and the new which makes the present and the future better. By taking the best from what came before and adding to it, a program is improved. And that's exactly what the NAPA Tool and Equipment Group has done for 1989.

It all begins with the return of the Real Deals Program, one of the most successful NAPA programs around. Again in 1989, there will be three Real Deals promotional periods, each with its own eight-page tabloid. And again in 1989, the Earn or Return option is available to let you sell NAPA tools and equipment and return anything you don't sell at the end of each Real Deals promotion (within 30 days of the promotion's end). To help you in getting those Real Deals sales, the promotions will also be backed by national print advertising in *Motor* magazine.

As has been done in the past, there are two plans available for your Real Deals program. Plan A gives you copies of the tabloid and leaves the means of distribution in your hands. Plan B handles all the aspects of distribution for you.

But whichever plan you choose, you'll receive something else in the coming year that is going to push your Real Deals sales even higher. Each of three

promotions will have its own set of brand new merchandising materials, including window banners, shelf talkers, tabloid counter stands and price tags. Thereby, making it easier to merchandise Real Deals products and easier to increase sales.

Once your Real Deals displays are up, you can win by entering the NAPA Tool and Equipment Group's Focus On Merchandising Sweepstakes. By just setting up your Real Deals displays and following the guidelines provided in the sample photograph included with each Real Deals information packet, you'll be eligible for the Focus On Merchandising drawing. Just send in a photograph of your Real Deals display (with your name, your store name, address and telephone number on the back) after each promotion and you could be the winner of an RCA VHS video camcorder. But if you don't win the camcorder and you're one of the first 500 stores to send in a photo for any of the three drawings, you'll still win. Because you'll receive a Kodak Flaming self-contained camera absolutely free.

New for 1989 are the pocket-size brochures which will come out prior to each of the three Real Deals periods. These brochures contain product descriptions, feature benefits and suggested applications—in short, all the information you'll

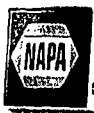


need to have at hand about the featured products.

The NAPA Van Program is also going to make a big impact on your 1989 Real Deals sales. With the expanded Van Program you can bring Real Deals products directly to your customers, both current and prospective. Your Distribution Center will be able to tell you more about the expanded Van Program.

Over 4,400 NAPA AUTO PARTS stores realized the value of the Real Deals Program in 1988. Join them in 1989 and watch your tool and equipment sales take off.

NAPA PIPELINE CONTINUES TO RAISE SALES



NAPA AUTO PARTS

Pipelining works. Sales increases for pipelined stores are more than double increases recorded by stores without the blue and grey exterior accented with a gold pipeline.

The NAPA Store Design Program has celebrated its third anniversary with more than half of the 6,600 NAPA AUTO PARTS stores as participants. The program's strength lies in the number of stores able to take advantage of the local and national recognition and tie in immediately with image advertising, successfully used in 1988 and continued for 1989 to increase consumer awareness. Image advertising during sporting events will be a primary means of effectively reaching the service installers, service consumers and DIYers. In addition, network and cable television will be the work

horses of the 1989 advertising schedule.

If you're still considering adding the gold pipeline to enhance your store's exterior, remember that 1989 is the final year to include pipeline material and NAPA AUTO PARTS letters for co-op reimbursement. The pipeline is undeniably an immediate way for motorists to spot a NAPA AUTO PARTS store as they travel anywhere in the country. Don't hesitate and bypass this wise business investment opportunity.

The gold pipeline easily distinguishes NAPA AUTO PARTS stores from the competition, symbolizes the basic common thread unifying the nation's largest auto parts distributor and reminds the public of the thousands of activities that must happen to get all the right parts in all the right places.

Color is an important element of the NAPA Store Design Program, which covers the interior as well as the exterior. The neutral grey hides dirt and, when combined with blue accents, will make your store appear larger.

The comprehensive interior design includes everything from fixture layout and counter design to product placement and track lighting location. Fixtures placed at 45° angles open up the store's aisles, encouraging customers to walk through the aisles. Counter design can motivate impulse buying by adding sales snapper fixtures. Banners strategically placed throughout the store tell customers where they can locate merchandise and seek top service and technical expertise. Blue floor tape subtly draws consumers to walk throughout the store and also prompts impulse purchases. Track lighting places the spotlight on featured products and helps to make your store look open with well lit store front windows. The visual image projects a professional statement about your business.

For information, contact the NAPA Store Design Group at 404-435-3522, or your NAPA Distribution Center sales department.

CHARGE IT THE NAPA WAY

In 1988, NAPA launched its Credit Card Program to make shopping at NAPA AUTO PARTS stores easier, thereby increasing your business. The program also makes credit card and check transactions simpler and less expensive for you.

Already over 1,000 NAPA AUTO PARTS stores are displaying the NAPA/Visa card application form. The credit card is a big benefit for you because it increases sales and customer loyalty, encourages repeat business at your NAPA store, and, most importantly, increases consumer recognition of the NAPA logo. Cards are available to your business accounts as well as to individual consumers.

Consumers benefit from carrying the NAPA/Visa card as well. Owners of the card do not pay an annual credit card membership fee and they receive additional cards for family members at no cost. Additionally, they are offered car rental discounts and travel, accident and group insurance. The card, which can be used anywhere Visa is accepted, can also be used to get cash at some 15,000 Plus System automatic teller machines.



As part of the program, you can have electronic terminals installed which authorize charges on Visa, MasterCard, American Express, Diner's Club, Carte Blanche and Discover cards in seconds. Because Visa and MasterCard transactions are transmitted electronically, cash is deposited into your account in only days after a purchase. And you'll receive a discount rate of only 1.87%.

The electronic terminals also allow you to receive instant guarantees on checks of up to \$600. Additionally, check authorizations only cost you 1.9% of the face amount of the check with a min-

imum 50 cent transaction fee and a minimum \$50 per month charge.

The electronic terminal costs only \$250 or you can lease it for just \$16 a month. And the equipment carries a 30-day money back guarantee and a one-year warranty. There is a one time installation and set-up charge and during the second year, there is a monthly maintenance and support fee. These installation and maintenance fees cover all replacement and repair charges. If you already have a compatible terminal, all you have to pay is a one-time, reprogramming fee.

Finally, with the Credit Card program, you have a choice of how you want your American Express charges processed. You can choose electronic or voice authorization. And, depending on the payment plan you choose, you can get reimbursed for charges in as little as three days at a 3.25% discount rate to 30 days with a discount rate of 2.75%.

To get more information about NAPA's National Credit Card Program or to receive your NAPA/Visa In-store Sales Kit, contact U.S. BankCard Center 1-800-528-9189 or 1-800-233-2470 (in Tennessee).

HEAVY DUTY LEADER

The heavy duty marketplace is a customer base that, in the past, has not reached its full potential for NAPA. Those days are over.

To meet the challenge of the heavy duty sector, NAPA has focused on one system at a time in order to secure a foothold in the market. In 1989, the attention will be on brake systems. Some of the features of the heavy duty brake systems program are:

- Price reduction on LRS, AFS and RS series thick block brake shoes.
- Increased coverage by adding 38 heavy duty brake drum part numbers and 428 part numbers for wheel attaching hardware.
- Introduction of a low end, non-asbestos block program.
- Addition of a remanufactured valve and compressor program.
- Expansion of the heavy duty oil bath seal line along with additional installation tools.
- Distribution of a complete heavy duty brake systems catalog.

To complement the extensive heavy duty parts coverage, training—technical clinics and employee programs—will be a key to securing an increased share in the marketplace.

1989 MARINE PROGRAM

In 1989, NAPA is introducing a comprehensive Marine Program to let marinas know that NAPA has the parts and supplies they need.

As part of its new Marine Program, NAPA has compiled a complete Marine Catalog of those NAPA products that have marine applications. In early 1989, NAPA will distribute the Marine Catalog to some 14,000 marinas across the country.

To support the catalog and extend NAPA's coverage of the marine market, NAPA Manufacturers who produce marine parts and supplies are stepping up their promotions of these products.

For example, NAPA Batteries is reducing the suggested jobber net prices on marine batteries, such as the Marine Deep Cycle and Commander's Edge, so that you can offer competitive retail prices to your customers. In addition, Batteries is offering an extra 2% to 4% discounts for large orders of specialty batteries, including marine. They have also relabeled their batteries to help your customers immediately identify the batteries' varied purposes—marine, RV, lawn and garden.

For more information on NAPA's Marine Program, and how you can take advantage of it, contact your Distribution Center's sales manager.

TAP INTO THE FARM MARKET

The farm and rural DIY market is a natural one for NAPA. Because farmers and rural DIYers are often miles from the nearest automotive repair shop, they must maintain and repair their vehicles and much of their farming equipment. Consequently, they have become the leading group of do-it-yourself auto mechanics.

To help you and other NAPA AUTO PARTS stores tap into this market, NAPA launched its National Farm Circular Program in 1988. The circulars came out twice a year, during planting and harvesting, and included 12 pages of product specials as well as a listing of NAPA

AUTO PARTS stores and their locations. These circulars were distributed to farmers and rural DIYers through direct mail, newspapers, shoppers and handed out at NAPA stores.

In addition to the circulars, the program was supported by point-of-purchase displays and ad slicks that were used in local advertising.

The 1988 program proved so successful in targeting the farmer and rural DIY customer and bringing more of their business into NAPA AUTO PARTS stores that it has been continued and enhanced for 1989. The highlights of the coming year's program will be the 1989

Farm Sweepstakes and the accompanying national advertising campaign. The sweepstakes' grand prize giveaways include a trip to Hawaii for the spring winner and a Chevy S-10 pickup for the fall winner.

The 1989 Farm Circular Program will once again revolve around spring and fall promotional periods. This year's circulars will feature specials on over 200 products from 28 of NAPA's Manufacturers. The spring circular period is planned to run from February 15 through April 30 and the fall circular is scheduled to begin July 3 and end October 31.



NATIONAL WARRANTY PROGRAM ENSURES CUSTOMER SATISFACTION



In 1986, NAPA introduced its National Warranty Program. Almost three years later, NAPA's warranty coverage is still the most extensive in the automotive aftermarket.

Simply, the NAPA National Warranty Program says that every NAPA branded part, purchased or installed anywhere in the country, is covered by the manufacturer's warranty. If a part is defective, it will be handled by any participating NAPA AUTO PARTS store or service dealer, even if the part was not sold at that particular location.

The program has given you, the NAPA store owner and manager, an edge over your competition. Customers will associate the level of service they receive at one NAPA AUTO PARTS store with the NAPA system and name as a whole. That's why the National Warranty Program is so important; it reinforces NAPA's reputation by ensuring that wherever customers may travel or live they can depend on the same NAPA quality and service.

Dealer customers know the parts they buy from NAPA and install in their customers' vehicles are of the highest quality and they can pass this assurance along to their customers. No other automotive product supplier can give them as complete a guarantee on their products as you can. And because their customers benefit, the warranty program helps improve your traditional customers' business, which is the best incentive for them to continue using NAPA auto parts.

Motorists who are aware of the National Warranty Program, as more and more are, look for service installers displaying NAPA signs because they know they'll receive quality parts and reliable service.

NAPA's National Warranty Program is a plus for everyone involved in the NAPA system. It's good for you, the NAPA store owner and manager, because it means more customers for you. And it's good for your dealer accounts, because it gives them a way to ensure their customers' satisfaction.

DIAL NAPA FOR QUALITY AND SERVICE



For almost three years, NAPA's toll-free referral number, 1-800-LET-NAPA, has put NAPA at the fingertips of consumers. Not only has the service helped consumers who are trying to find a reliable parts supplier, but it has also assured motorists across the U.S. that no matter where they are, they can find the quality auto parts and service they've come to depend on from NAPA.

When a caller dials 1-800-LET-NAPA, the call is answered by a marketing representative who gets the caller's location and then directs him or her to the nearest participating NAPA AUTO PARTS store. If the caller needs repair service, the NAPA store refers him or her to a NAPA service dealer.

Currently 1-800-LET-NAPA receives an average of 40 calls every day. During promotional advertising, this average can jump to over 100 calls a day. The toll-free number generated almost 15,000 prospective customers in 1988. This number is expected to climb as the program becomes more established and more and more consumers are aware of the service.

If you have participated in the National Advertising Program, you've already received customers as a result of the toll-free number and therefore you realize the benefits this NAPA service offers you. But in addition to bringing more customers into individual NAPA AUTO PARTS stores, the service lets motoring consumers know that NAPA is ready and able to meet their automotive supply needs, wherever they may be. You can bet with service like this, NAPA will continue to be the automotive supplier more and more consumers choose first.



FINE TUNE YOUR INVENTORY WITH CUSTOMIZED CLASSIFICATION

More muffler and exhaust system parts are stocked and sold in New England NAPA AUTO PARTS stores than other areas of the country. Radiator hoses are a popular item in St. Louis. On the West Coast, parts for import vehicles are fast sellers.

With more than 125,000 part numbers in the NAPA classification system, how do you, as a NAPA AUTO PARTS store owner, keep an inventory sufficiently stocked and customized to meet your customers' needs?

NAPA provided the answer to that question in 1986 with its Customized Classification Program.

This system suggests to New England jobbers that customers purchase mufflers and exhaust system replacement parts more frequently in the Northeast—a region that salts the roads, a process that leads to faster deterioration of mufflers and exhaust systems as well as clearing roads of snow and ice. On the other hand, import part numbers are popular items from Seattle down to San Diego.

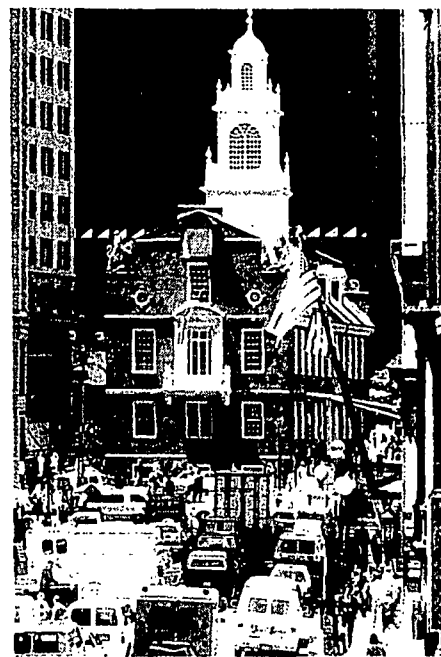
The customized classification categories of D, C, B and A were set up for you to identify fast moving parts in the area serviced by your NAPA Distribution Center. The suggested classification code lets you know how frequently motorists in your area purchase a part. Not only does the listing suggest popular parts to stock but it also protects your inventory from obsolescence.

Due to the size of the customized clas-

sification book, the annual part review process occurs over three periods rather than within one designated time frame. You then receive the updated customized classification catalog in shipments during January, May and September.

Using the sales records for your area, NAPA's Classification Department will analyze each part number to determine how often it was replaced, overall part sales by the manufacturer, the age and types of vehicles using a certain part and the number of registered vehicles in a particular area. After gathering and reviewing the information, each part number receives a classification code based on sales history and potential.

Positive results prove that the Customized Classification Program works. This is just another example of how NAPA continues to develop better ways for NAPA AUTO PARTS stores to operate their business.



Muffler and exhaust systems are purchased more frequently by vehicle owners in New England.

(Courtesy of the Greater Boston Convention & Visitors Bureau)



Customized classification identifies parts for import vehicles as popular selling items for Northern California NAPA store owners.

(Courtesy of Golden Gate Bridge Highway and Transportation District)

NAPA YELLOW PAGES: THE EASY WAY TO ADVERTISE

When potential customers let their fingers do the walking through your local yellow pages to find an auto parts supplier, you hope that they come to rest on your NAPA AUTO PARTS store ad. To help you ensure that they do, NAPA has a National Yellow Pages Program through Telephone Directory Advertising, Inc. (TDA).

TDA can help you simplify yellow and white pages advertising in several ways. If you've been confused by the options open to you—Should you list your store in more than one directory? Should you run your ad under more than one heading? Do you need a display ad?—you don't

have to be anymore. TDA advises you on where and how to advertise in your local white and yellow pages so that your advertising dollars are used as effectively as possible. They recommend which directories will give you maximum coverage of your market and how you should run your ad to attract potential customers.

When it comes time to renew your ad, they'll notify you of your deadline 60 to 90 days ahead of time. Then, once you've given them the updated information for the ad, they'll renew it for you and follow up on the details. It couldn't be easier.

Probably the best way TDA helps you is by coordinating joint yellow pages

advertising with other NAPA AUTO PARTS stores in your area. Not only does listing your NAPA store with others save you money but it also lets you capitalize on the NAPA name and reputation. You get more advertising impact for less money and it's all taken care of for you.

To sign up for the program or to receive additional details, contact your Distribution Center or call TDA toll-free at 1-800-422-0355 or 404-993-3222 (in Georgia).

COMPUTER CATALOGING— RAISE SALES WITH A WISE INVESTMENT



"Computer cataloging is the way to do business now."

Better than one of every 10 NAPA AUTO PARTS stores can attest to the success of the program. After nearly one year since starting up computer cataloging, 700 NAPA AUTO PARTS stores have installed the efficient, paperless system and increased their sales.

Counterpeople can spend more time with customers rather than looking up part numbers in a paper catalog. With

computer cataloging, counterpeople simply enter the make, model year and engine size of a vehicle into the computer to look up a part. In addition, the computer can suggest related sale items the customer may use.

The computer cataloging system consists of 12 major categories: tune-up and filters; belts and hoses; brake systems; fuel systems; heating and engine cooling; exhaust systems; steering and suspension; drive train; vision and safety; engine parts; electrical; and air conditioning systems. In turn, each category is divided into subcategories.

Stores have gained counterspace by exclusively using computer cataloging, doing away with cumbersome catalog racks. The computer cataloging program completes the full line of services available through TAMS. Now all business activity is housed within the one comprehensive system.

Computer cataloging also works for your traditional customers, who may tie into the system through the customer inquiry terminal. With an investment of a

computer terminal or CRT screen and a telephone modem, dealers can easily:

- Check the availability of a part number—is it in stock?
- Look up parts.
- Order the parts and leave a message, if necessary.

With a dealer terminal installed, your customers will automatically think of NAPA first when ordering parts because they save time by placing an order the first time rather than receiving a busy signal or being placed on hold.

The dealer terminal is an additional benefit for important traditional customers. It is another symbol that NAPA offers better, more complete services than competitors. What customer could turn down an opportunity to run a business more effectively?

If you do not yet have computer cataloging or wish to offer the dealer inquiry system to your customers, contact your Distribution Center to set up a winning investment in your business future.

NAPA SILVERLINE CONTINUES TO BE A 'STERLING' PERFORMER

In 1987, NAPA introduced NAPA SILVERLINE to target the more price-conscious shopper and thereby attract more business to NAPA AUTO PARTS stores. This lower-priced product line, with its own packaging and marketing concept, has become one of NAPA's most successful programs.

NAPA SILVERLINE is an extensive line of auto parts designed to give your D-I-Y and traditional customers a range of products and prices from which to choose. And like any NAPA part, NAPA SILVERLINE products are covered by the NAPA National Warranty Program. With NAPA SILVERLINE, you are better able to meet all the automotive needs of all your customers.

The program has been successful because it includes its own advertising, merchandising and sales techniques in addition to its competitively priced, quality parts. By advertising the low prices of NAPA SILVERLINE products in your local market, you are able to draw more customers. Once the customers are in your NAPA store, the product line offers



you the chance to sell up to the NAPA brand line or sell products related to the NAPA SILVERLINE part they are purchasing.

You can also use NAPA SILVERLINE to attract customers who call for information on a certain part and its price. By giving them the price of the NAPA SILVERLINE product, you let them know that NAPA has a range of prices that are competitive with other parts stores. For example, if a customer calls to inquire about your muffler prices, you can tell him or her that you have mufflers starting at \$19.95. When the customer comes in you then have an opportunity to show

all your mufflers, NAPA SILVERLINE and NAPA brand, explain the differences and suggest related products such as muffler clamps and muffler hangers.

Special merchandising for the line includes NAPA SILVERLINE gondola information panels that give product information and installation tips. The panels also explain the differences between NAPA SILVERLINE and the NAPA brand line to help customers choose the auto part that will best fit their applications. There are also other basic merchandising techniques that are effective when used with NAPA SILVERLINE.

Since its inception, the NAPA SILVERLINE program has grown to include over 1,000 part numbers. In 1988 several lines experienced hefty sales increases, evidence of the program's success. Martin-Senour introduced a NAPA SILVERLINE Spray Paint and Belden added 33 new custom wire sets for domestic and import applications. Belden also introduced a 5 year/50,000 mile warranty for all its NAPA SILVERLINE products.

COUNTDOWN TO SUCCESS— PLAN TO ATTEND THE 1989 NATIONAL BUSINESS CONFERENCE

Bigger and better—that's the best description of offerings from the 1989 National Business Conference in New Orleans. The New Orleans Hilton, rated a top four star by Mobil and four diamond by AAA, is the site of the NBC. Approximately 95,000 square feet has been reserved for new product and technology exhibits, making this showcase one of the largest ever during an NBC.

From March 16 to 19, the Crescent City will be geared up to provide you with quality entertainment and activities. The Riverwalk Festival Marketplace, offering casual and fine dining along with more than 140 specialty shops, is within walking distance of the Hilton. In addition to the French Quarter, the New Orleans Superdome and business and shopping districts are in close proximity to the NBC site. While you are at the mouth of the mighty Mississippi, take advantage of the paddlewheelers, the Creole and Cajun Queen, and enjoy a sightseeing trip on water. No trip through New Orleans would be complete without a ride down St. Charles Avenue in a street car, part of the oldest continuously operating street railway system in the world.

Dining in New Orleans is one of the most palatable trips you can make. From the spicy seafood gumbo to desserts of bananas foster or a cup of chicory and a beignet and almost anything in between, you can satisfy nearly any craving. (See August/September *Outlook* for New Orleans restaurant guide.)

While New Orleans offers these fine selections, you will be coming primarily to attend the National Business Conference and find out how you can operate a more efficient, productive business and that's what you will learn. The NBC agenda includes the following:

- **NAPA AUTO PARTS store:** View the model equipped with the latest in merchandising items and techniques to make the most of your sales area. An effective display, covering the interior and exterior, of the NAPA Store Design Program will be shown at this exhibit.

- **Machine Shop:** Displaying more equipment than ever before, the exhibit will run the gamut from the very basic to the very sophisticated. Learn how to plan the best business strategy to invest in this lucrative market.

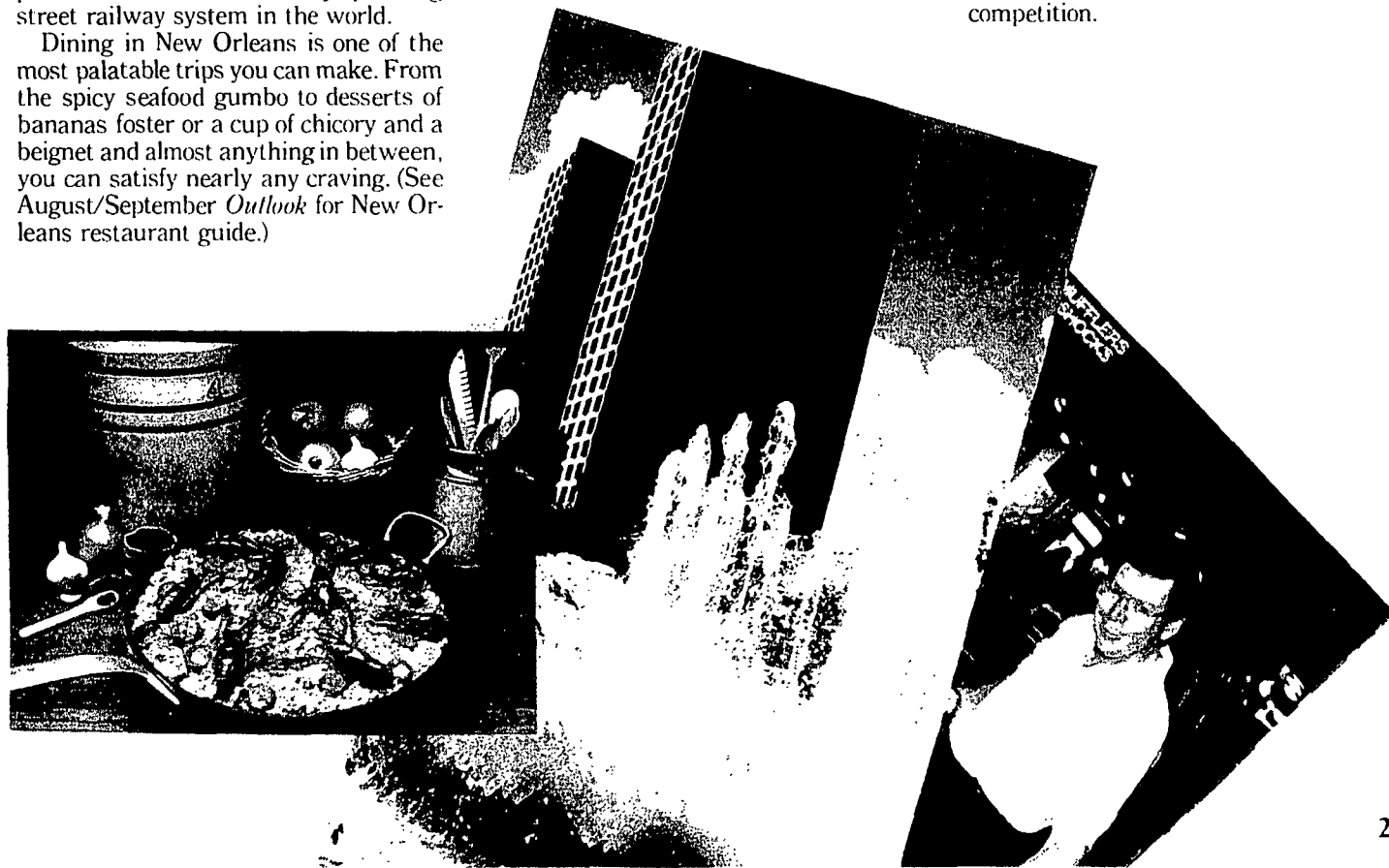
- **Manufacturers' Exhibit Hall:** See one of the most expansive arrays of NAPA products ever assembled under one roof. Meet with your suppliers and find out what they have to offer not only along

product lines but also in the important area of technical training.

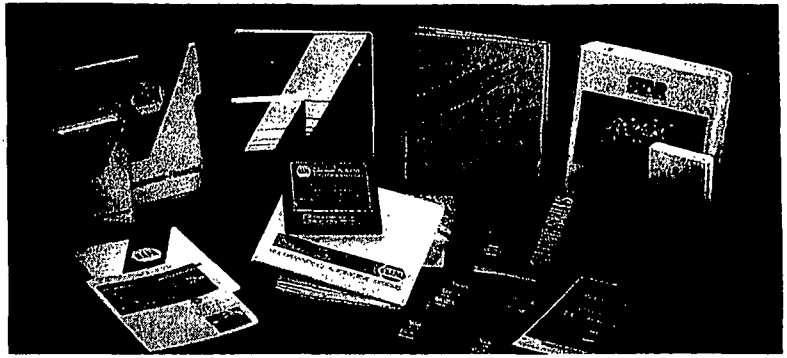
- **General Session and Seminars:** Industry leaders will be among featured speakers to discuss the state of the aftermarket. Timely seminars have been developed to meet your business needs. Specialized seminars will answer your questions about how the new tax laws affect you, developing a well-rounded employee team, increasing your profits and employee productivity. The NBC is not all work, you can also let the good times roll at a Mardi Gras party for attendees.

For NBC flyers, American and Delta Airlines are offering special discounted air fares. For the best rates, call either American Airlines at 1-800-433-1790 and give the NAPA STAR number 597074 or Delta Airlines at 1-800-241-6760 and give the NAPA File number E0015. While in New Orleans, Budget RentACar is offering economical rates. Call 1-800-772-3773 and indicate that you are with the NAPA Convention.

Registration deadline is February 13, 1989. Act now to get a head start on the competition.



TRAINING = SUCCESS



NAPA's training programs give you all the resources you need to have the competitive edge in the automotive aftermarket and they have been developed explicitly to meet your needs.

NAPA's Management Training Courses are designed to help you run the most effective business you can. In 1988, NAPA introduced the NAPA Sales Management Seminar to teach you how to organize and manage your outside sales program. Along with its companion course, NAPA Professional Sales Training, this course provides you with a complete approach to building your store's sales. And the latest addition, "The Look of the Leader" (see page 12), joins the line-up in 1989.

One of the most popular courses in the Management Training area is the STAR self-study program. This course teaches you how to manage your time, how to build an effective team of employees and how to set management goals for your NAPA store.

The second broad area under the NAPA Training umbrella is Employee Training. Courses in this area give your employees the skills they need to be personally and professionally successful. The NAPA Professional Sales Training Seminar is a favorite Employee Training course. Previously called the Outside Selling Skills Program, the course has "graduated"

almost 10,000 people and was revised in 1988 to be even more relevant to today's outside salespeople. It teaches basic selling skills; how to analyze the market; and how to find, build and keep accounts.

A new video/workbook program, Inside Opportunities at NAPA, has been added to the Employee Training program. If you have new employees inside your NAPA store—cashiers, counterpeople or merchandisers—this course is the perfect way to introduce them to their responsibilities and the opportunities they have within NAPA. It also covers the different types of NAPA customers and how inside employees can encourage their continued business. And, it explains the tools a counterperson uses, from catalogs to the ordering and delivery system.

The third category of NAPA Training, Store Customer Training, ensures that your traditional customers can handle any automotive repair problem. The Automotive Service Management Course teaches independent service and repair

professionals the management skills they need to recruit employees, maximize profitability and productivity and, most importantly, get new customers and keep old ones. This course won an Automotive Training Managers Council Achievement Award for the value and scope of its content.

The Store Customer Training program also includes a multitude of technical clinics and videotapes developed by NAPA Manufacturers to explain the application, installation, maintenance and repair of their products.

NAPA's training program gives you what you need to win in the automotive aftermarket. If your business is to succeed in this changing industry, it is crucial that you take advantage of the training resources available to you, your employees and your customers. For details on the various seminars, self-study courses, videotapes and workbooks available, contact your Distribution Center.

STAY AHEAD WITH NAPA COMMUNICATIONS



NAPA's communications efforts are designed to keep you up-to-date on developments in the automotive aftermarket and familiarize you with the latest programs available from NAPA. And NAPA does this through its publications *Outlook*, *NAPA News* and *Update*.

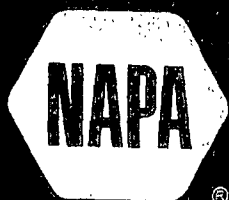
To make sure you get the information you need to stay on top of the automotive aftermarket, NAPA began publishing *Outlook* 10 times a year in 1988. The magazine features news about NAPA's marketing and advertising programs, as well as developments throughout the industry that may affect your business. As in the past, every NAPA AUTO PARTS store receives a free copy of *Outlook*. Additional copies are available by contacting your Distribution Center's sales manager.

NAPA News, NAPA's longest-running publication, is published three times a year—spring, summer and fall. This technical publication is geared toward professional service technicians and serious do-it-yourselfers. It contains service and installation tips and information about the industry's latest products and equipment. A subscription to *NAPA News* costs \$42.00 a year and gets you 100 copies each of all three issues. In addition to being a valuable and timely source of automotive information for you and your

employees, the publication is an effective marketing and public relations tool. By distributing copies to your customers, you let them know that you are dedicated not only to providing them with top quality NAPA parts, but also to supplying them with the latest automotive information. When left behind by your outside salesperson during sales calls, the publication helps keep NAPA on the minds of existing and potential accounts.

The newest NAPA publication, *Update*, is published monthly and contains information on NAPA programs, industry trends, discount programs from manufacturers, special rebate offerings, and other timely issues. This two-page newsletter contains brief news items announcing critical developments. Its format has been designed so that you get a great deal of valuable information in a short time. *Update* is free to all NAPA AUTO PARTS store owners and managers.

VISUMATIC...



UNITED

**Quality
Brake
Parts**



UNITED

**Professional
Brake
Service**

Profit Center that Never Stops Selling

Every United VISUMATIC Business System you put into a dealer's shop increases your profit because it never stops selling brake parts. It's a constant reminder that professional brake service is the dealer's specialty. VISUMATIC is a proven brake service business builder.

But what's *inside* the VISUMATIC is what pays off for your dealer: customer Master Cylinders, Wheel Cylinders, Brake Hardware, Repair Kits, Brake Hoses, and more parts immediately available for the domestic and import vehicles he's working on. The dealer can do more brake jobs, do them faster, and free up bays quicker because he will have the right parts when he needs them. Plus, the VISUMATIC System incorporates a simple foolproof method of re-stocking parts; a quick glance shows which parts have sold and require replacement.

And the best part is that every dollar invested by you and your customer is 100% protected by the VISUMATIC System against obsolete parts. Get complete details on the VISUMATIC System. It's a money-maker that never stops selling.

ANNUAL MEETING KICKS OFF '89 MARKETING PROGRAMS

NAPA held its 1988 Annual Meeting in Atlanta, Georgia, October 16-18. Focusing on the 1989 marketing theme, "Lead On," the meeting launched the marketing programs for the upcoming year.

Over 700 Distribution Center personnel, NAPA Manufacturers' representatives and other invited guests convened in Atlanta to hear about the progress made in 1988 and about the plans to expand on this progress in 1989.

Robert E. McKenna, NAPA president, set the tone for the Annual Meeting in his opening speech "NAPA Lead On." Highlighting 1988, he said that sales were already up significantly. He challenged the Distribution Center and manufacturer representatives to lead in their areas so that NAPA can continue its phenomenal growth of the past two years. He also outlined factors in the industry that would work to NAPA's advantage in the coming years. He mentioned that new vehicle sales have increased, the average age of cars and trucks have leveled off at 7.6 and 8 years respectively, the number of miles traveled continues to set new records and that design and technological changes are pushing more repairs to the service market. Several other NAPA and Genuine Parts Company (GPC) executives gave state-of-the-organization addresses including Larry Prince, president and chief operating officer of GPC (see page 6).

A highlight of the meeting was the announcement of Alan W. Keyes as the 1988 NAPA/ASE Technician of the Year. Keyes, who was nominated by Gerald Peters, owner of NAPA AUTO PARTS/Mohawk Valley Auto Parts in New York Mills, New York (served by NAPA Syracuse), received the award and addressed the audience during the first morning's session.

Another highlight was the announcement of NAPA Belden as the 1988 Spirit of NAPA Award recipient. This award, given annually, recognizes the NAPA Manufacturer that has shown overall excellence in supplying and servicing NAPA Distribution Centers during the past year.

During the two-and-a-half days of the Annual Meeting, participants attended seminars and workshops to get details on the marketing programs planned for 1989. The sessions covered retail marketing programs, the AutoCare program, marine and farm programs, the heavy duty program and the new NAPA Credit Card Program.



NAPA President Bob McKenna presents Alan Keyes, 1988 NAPA/ASE Technician of the Year, with a replica of the 1989 Chevy S-10 pick-up truck he will receive, along with prizes from NAPA Manufacturers.

Wayne Waterfield (at left), vice president and general manager of Parts Craft and 1988 chairman of NAPA's Manufacturers' Council, passes the gavel to Dick Erler, 1989 chairman, during the Annual Meeting. Erler is vice president of sales and marketing for NAPA Mufflers and Shocks.



Representatives from NAPA Belden proudly display the Spirit of NAPA banner and the plaque they received for winning the 1988 Spirit of NAPA Award.

Win a New Pontiac Fiero or One of 415 NAPA Echlin Prizes!



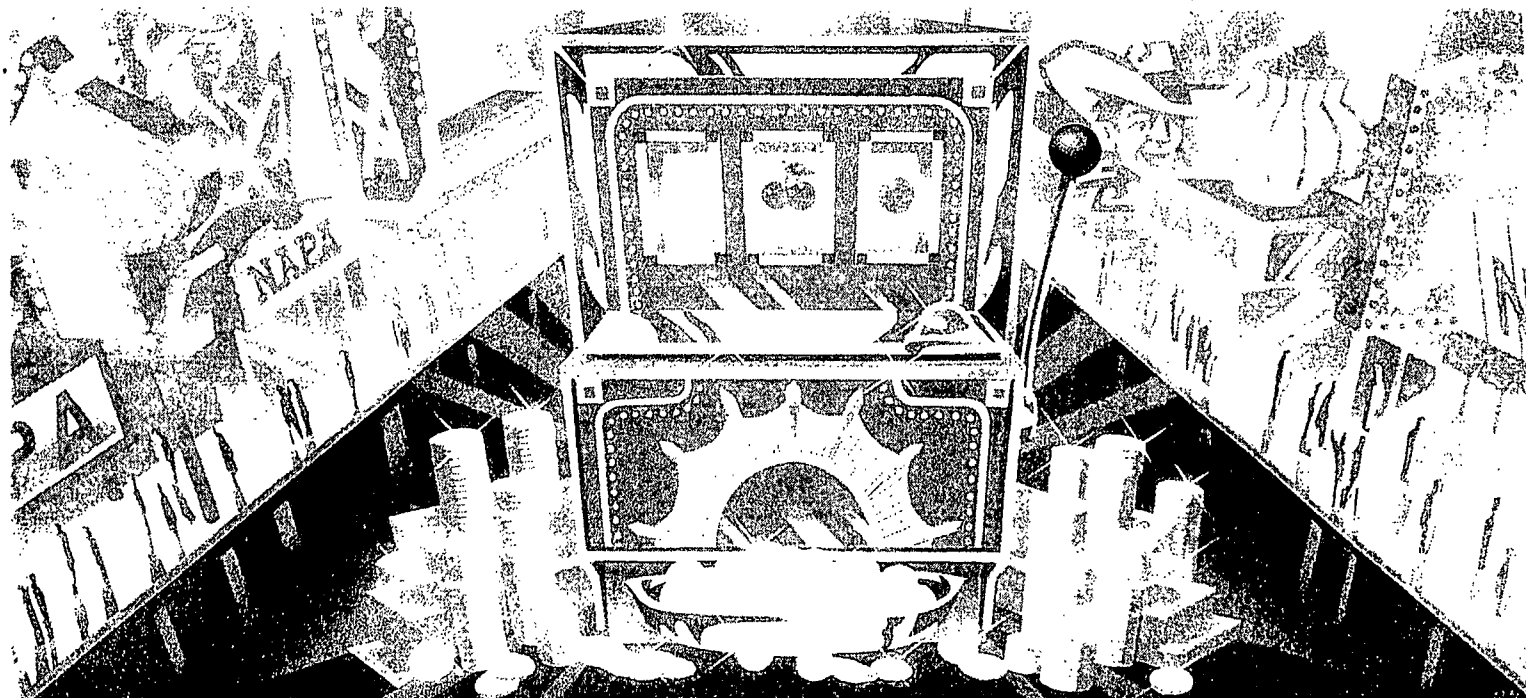
NAPA ECHLIN 1988 OSS EXTRAVAGANZA

NAPA Echlin is pleased to announce an all new Outside Salesperson Awards Program for 1988. This program is designed to award prizes to those that qualify by selling new or changeover stocking dealers during 1988.

For more details see your NAPA Echlin Sales Rep soon to win today!

JUNE OSS WINNERS

OSS Name	Store	Prize
Ron Rasmussen	Bridgeview Auto Parts	Sharp Remote TV
Ron Smith	T.P. Auto	Magnavox Stereo System
Dan Coon	Galesburg Auto Supply	G.E. 7500 Remote VCR
Fred McKinnon	Genuine Parts Company	Konica 35mm Camera



NAPA GASKETS SPRING SALESMAKER
BE AN INSTANT
WINNER
OF A TRIP TO
LAS VEGAS

Or Win one of more than
9,000 Other Instant
Winner Prizes in
NAPA Gasket's

Sweepstakes

You and your customers can INSTANTLY win a free trip to Las Vegas or up to \$10 in Wendy certificates. It's all part of the great new NAPA Spring Salesmaker Program coming your way soon. Ask your NAPA Engine Parts Sales Representative for details.

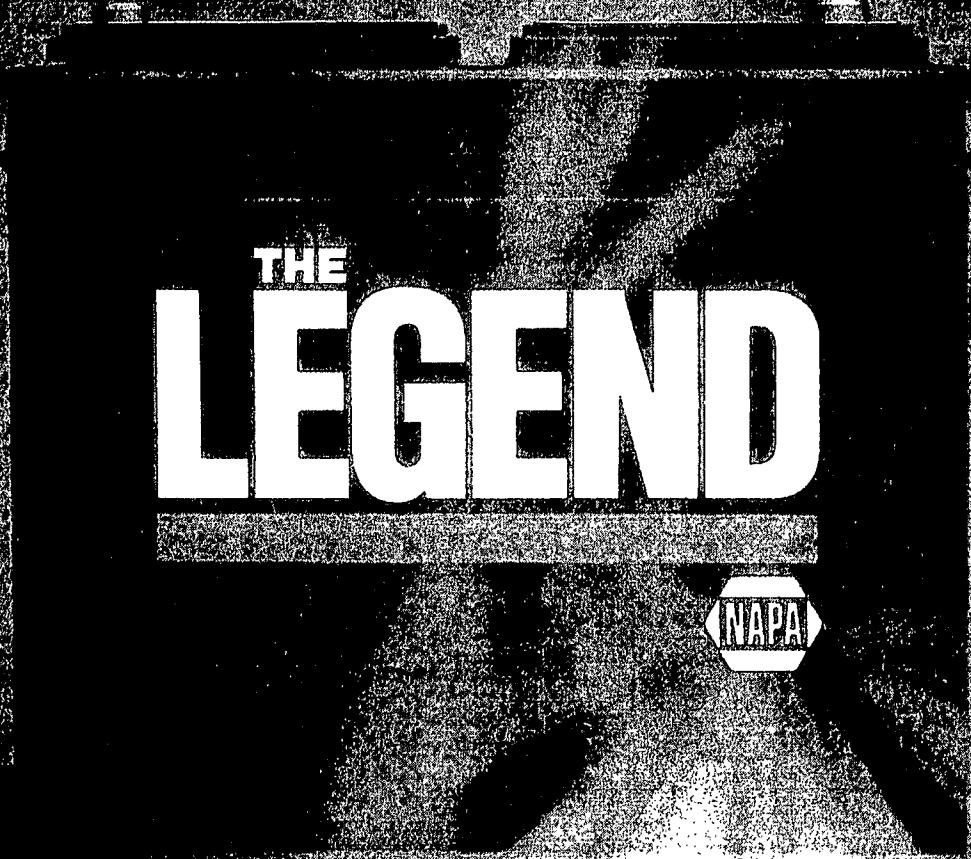


We Support

 © Copyright 1989

NAPA Gaskets®

FINALLY, A BETTER BATTERY.



THE
LEGEND



Introducing The LEGEND™ from NAPA... created to be the battery of the future... created to boost your sales right now.

The LEGEND is better in reserve power. Better with a 75-month warranty. Better in durability with its unique Ancor-Lok™ construction. And better to install since it comes with its own handle (most sizes).

What's more, The LEGEND is being backed by the most aggressive battery sales promotion program ever developed.

- Starting in July, you can expect national network TV, and national magazine advertising.
- Plus a special \$10 rebate program available at stores and dealers from July 15th through August 15th, and during

the month of October. All supported with heavy advertising on network TV and national magazines.

- Dealers can take advantage of the "Legendary Reward" Incentive Program including free trips to the Super Bowl.
- Plus you can get escalating discounts on LEGEND purchases allowing you to extend additional savings to your dealers.

Make sure you're part of this better battery program. It will lead to better sales and profits.

And a better future for all.

The LEGEND... a better battery.



All the right parts in
all the right places.™

™/® used under NAPA Distribution Center, Inc. Copyright © 1990.