

EXECUTIVE SUMMARY

2005 was a year of significant accomplishments for Automotive Youth Educational Systems, another year of triple digit increase in the placement of quality young men and women in mentored summer internships in dealerships, the launch of an important new web portal that communicates our value to our audiences and allows our stakeholders to measure the value of the AYES process in affiliated schools and dealerships, the celebration of our tenth anniversary at our annual Instructors Training Conference and the development of our guiding vision for the next decade through 2015.

In 2005, a total of 1,814 young men and women were placed in a mentored internship through one of our 430 AYES programs in 46 states. The 1,814 who qualified to work the summer in our nationally acclaimed mentored internship under a senior technician represented a 10 percent increase over the placements in internships in 2004.

Perhaps our most significant accomplishment for 2005 was the development of a new web-based portal, not simply a front-page to our audiences of students, parents, dealers, and school officials, but a dynamic behind-the-scenes process that measures the progress of career candidates through the AYES model toward the mentored internship and placement in this career in a dealership as an entry-level technician. The new AYES portal captures live data on the qualification process through job shadowing, interviewing, anticipating internships by franchise, and placement. AYES can review franchise participation in the Business and Education (B&E) Councils, historical placement of interns, and interest in participation in the next qualified class. For the first time, AYES will capture and track graduate placement into this career and continue to communicate with our alumni on their lifelong educational growth and employment.

Our manufacturer stakeholders have field access to dealership

participation in the B&E Councils, as well as placement history and participation interest of dealerships. Because AYES uses MapQuest to detail franchise distance to a local school, the data shows a more accurate relationship of franchises to an AYES affiliated school.

Dealer engagement has always been the key to the success of the AYES model and process. Without a dealership willing to provide a trained mentor to a qualified student, and the opportunity for a young man or woman to participate in this core part of the AYES process, we have little to no success in putting a quality student to work in a franchised dealership. The new AYES portal is key to building dealer engagement and to measuring school delivery of the AYES model. The portal allows our OEM stakeholders, NADA, and the ATAEs to know which franchises are, or can become, fully engaged with our affiliated schools.

With the help of our OEM stakeholders, AYES has been able to identify dealers who are within a local school's district and give them compelling reasons to join in the opportunity to "grow their own technician." AYES completed a mailing to 7,800 franchises in the spring of 2005. In the fall, a "Meeting in a Box" was produced and targeted to 106 of our schools with

