

In today's business climate, there's no doubt that everyone is competing for your sales dollar. And even with a custom-tailored inventory, limiting your business to selling parts over the counter may not always be enough to stay ahead of the competition.

The jobber who wants to be in business in 1989 has to be completely service-oriented in 1983. It will be your ability to provide the services required now and tomorrow that will keep your business growing throughout the coming years. And an increasingly important service in today's marketplace is that offered by a machine shop.

A trade journal article appearing in mid-1982 suggested that jobbers presently without machine shops stood very little chance of successfully entering the business now. Aggressive jobbers from across the country disagree; they realize that the way to continued business growth is to combine their parts inventory with increased services to offer customers. They also realize that one of the most profitable ways of doing this is the machine shop.

What's more, they know that NAPA is committed to assisting them in every way possible with their machine shop efforts, whether they're just starting out or expanding an existing shop. But more about that later. First, let's look at the tremendous growth opportunities the machine shop brings with it.

Increased Need for Machine Shop Work

While some sources are speculating that the newer, four-cylinder engines will last as long as the older V-8's before needing engine work, several factors indicate that's not the case.

First, piston travel per mile driven is substantially higher for four-cylinder engines than for V-8's. In fact, according to industry figures, it's 75% higher. This translates directly into accelerated wear on pistons and rings, as well as valve train and bottom-end components.

Secondly, four-cylinder engines are, in most cases, more highly stressed than their V-8 counterparts, both in horsepower per cubic inch as well as horsepower per pound. This makes them even more prone to premature failure.

And finally, four-cylinder engines are far more sensitive to relatively minor defects. One bad valve might not even be noticed in a V-8 engine, where a dead cylinder only represents a 12½% loss. But the same bad valve in a four-cylinder engine represents a 25% loss, and is much more likely to be noticed and then corrected.

The potential for machine shop work is solid. Every piece of data indicates that the demand for machine shop services will continue to grow. Such data includes the 6.6 year average age of cars on American highways and the fact that more and more consumers are choosing repair over replacement. The proliferation of engine designs that are continually being developed to meet government regulations is another reason for the importance of machine shop technology. These designs will require such technology to keep today's cars running.

Increased Related Parts Sales

When considering adding or expanding

a machine shop, it's important to consider the revenues from the sale of related parts in computing the overall profitability of the machine shop, as machine shop services generate considerable income from the sale of parts, too.

When you consider the merits of having a machine shop, you should quickly realize that the only guy who's going to sell a set of oversize pistons is the guy who has bored the block. He's also going to be the one who sells the gaskets, along with the spark plugs, oil filter and antifreeze to the mechanic (or do-it-yourselfer) who's going to reassemble the engine.

Industry figures support this philosophy: Research indicates that for every \$1.00 of labor, the NAPA Jobber with a machine shop sells \$3.08 worth of related parts (such as valves, piston rings and gaskets). Keep in mind that these are parts that would not have been sold if it weren't for the machine shop.

Competitors Become Customers

Promotion-minded, aggressive NAPA Jobbers with machine shops can actually turn competitors into customers. While most jobbers without machine shops view mass merchandisers as competitors, more astute jobbers with machine shops recognize that these same retailers can be excellent customers for machine shop services as well as parts sales.

Think of it — the mass merchandiser will continue to sell parts in direct competition with the jobber. But it's highly unlikely that this same mass merchandiser will ever install a machine shop. So take advantage of this opening in the market and promote your machine shop services to these mass merchandisers. The shrewd jobber will recognize that mass merchandisers can be customers for cylinder head work along with other machine shop services, such as pressing axle bearings.

At the same time, a good relationship
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THE POTENTIAL IS SOLID FOR

**REAPING THE PROFITS
WITH THE NAPA
MACHINE SHOP**

