



# sounding Off!

We've asked some of our members how the economy is affecting their business and what 2009 looks like. Here is their outlook:



**Andy McJannett, Performance Improvements, Vice President**

*It looks like the Canadian market is going through many of the problems that we are having here in the US. You have a Warehouse and nine satellite*

*stores. How has the down turn in the economy effected how you do business?*

I am happy to say that business is flat and compared to some of the doom and gloom of the US economy, that ain't bad. We are focusing on promoting products that promote power AND economy, targeting consumers who may be trapped in leases of Trucks and SUVs. For 2009 we believe there will be opportunity to upgrade vehicles that might have been turned in for a new model if the economy was stronger. Surprisingly, the strongest lines have been more traditional performance lines for street and strip, while accessory lines have been hit the hardest. We remain cautiously optimistic that 2009 will be better than 2008 through targeted marketing, inventory management and expense control.



**Lou Lobsinger, ProForm, Vice President**

*How was the Conference for you?*

It was a good conference for us. I think we learned something in every meeting and I'm certain we'll write some nice year-end orders. Many accounts are still down - but they seem to have a better handle on the reality. Ed Orzetti from Keystone referred to it as a "cleansing of the aftermarket." We agree. The message is clear; focus on the profitable lines and we'll be a much leaner industry when we come out of this. Several customers reported the overall traffic in their jobber stores is down considerably, which makes sense in this economy. Heck, I haven't set foot in my local golf shop since June for the same reason! We all agreed; for several accounts we need at least an hour, whereas for many accounts, 30 minutes was more than enough time. In the end, nearly all of our customers had a positive outlook and they seem to be doing whatever is necessary to focus on profits and market share. I wouldn't be surprised to see a few more casualties before it's over. And as Booth pointed out in the attached picture from our sunset round on Wednesday... my erratic swing needs some improvement!

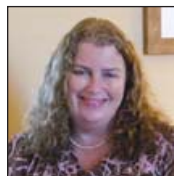


**Ron Funfar, Hedman Manufacturer, President**

*What changes have you had to make in your dealing with your customer because of the rising cost of doing business? Higher gas cost, higher packaging,*

*higher shipping cost. How have they reacted?*

We are fortunate enough to have had survived through times like these before. Though it's showing how "mature" I am, we went through a crisis in the early 1980's where the high cost of fuel wasn't the issue because there wasn't any fuel to get them. But we survived that and we will survive this. From what we have heard, the biggest problem our customers are currently facing is the fact that no body is coming in to their stores to buy merchandise. Our challenge today is to find a way to do just that... get people informed of the benefits of our products so they will head out to the retailers and buy our products. Typically, we don't usually try to buy business. Very seldom will you see us offering some sort of a "special" buy. Our customers know what their pricing is and respect the fact that when they call to place an order it is not a "Let's Make a Deal" type of atmosphere. No surprises here.



**Luanne Brown, eToolDevelopers, President**

*Your company, eToolDevelopers, works in the electronic side of our industry. What changes do you see coming in the next five years from your side of the business?*

Aftermarket businesses will get their product information (DATA) standardized in order to move their products in the market. It is imperative to survival. More brick and mortar Jobbers/Retailers will open online store fronts as they need to compete in the internet space to survive and serve their customers 24/7. The PWA recognizes this and will help more Jobbers/Retailers needs by helping them bring performance products online and continue to embrace online learning. Automakers will continue to develop Telematics, which means the aftermarket will respond with new creative products for the enthusiast. Exporting parts, and of course GREEN initiatives, will continue to grow as well.