

Industry Manufacturers Upbeat About 2010

by Jim Spoonhower, Fast Lane Research

This year will definitely go down in the history books. Many are already calling 2009 the worst recession since the great depression of the '30s. Although the automotive specialty equipment industry typically is impervious to economic swings, the last two years have had a definite negative impact.

In August, Fast Lane Research conducted a survey of more than 2,600 industry manufacturers and found that 65% were experiencing sales that were less than the year before. Based on manufacturers' responses, the slide began in the last half of 2007 when 22% had sales less than 2006. The spiral accelerated to 31% of respondents with decreased sales in the first half of 2008. Then in the last half of 2008 and the first half of 2009 the percentage of companies with sales below the previous year increased to 62%.

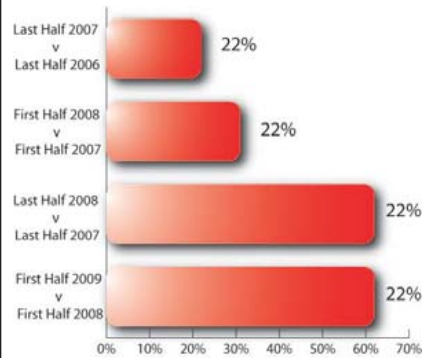
This is a trend the industry is not accustomed to. In fact, this is only the second time in more than 25 years of recorded industry sales data that there has been negative sales growth—the first was in 1991 during the first gulf war. What's worse is this is the first time there have been two consecutive years of decreased sales for the industry. When we asked manufacturers how they expected the automotive specialty products industry to do in 2009, 57% indicated that industry sales

would be less than 2008. Another 30% of responding manufacturers expect 2009 to be about the same as last year and 13% expect to see an industry wide increase.

The good news is that these same manufacturers are expecting the industry to make a comeback in 2010. When asked what change they expect next year in the automotive specialty equipment market, 56% said that

based on what they know of the marketplace business will be in positive territory again. If these people are right and who should know better than they, we are seeing the light at the end of the tunnel. And it's not an oncoming train!.

Manufacturers Showing Decrease In Sales Compared To Previous Year



Source: Fast Lane Research



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CLUTCH TECH TIPS

Clutch Assembly Glazed

Symptoms:

- Difficult clutch engagement or disengagement / difficult shifting
- Difficulty adjusting clutch pedal freeplay
- Clutch slips - does not hold vehicle power
- Clutch wore out prematurely



Possible Causes:

- Improperly installed throw out bearing
- Clutch excessively preloaded - improper adjustment

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