

U Pull-It Yard Management Systems & Industry Overview

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The Self Service Players

- (50) Pick N Pull, owned by Schnitzer. 4 premium yards
- (38) LKQ including Pick A Part / Pick Your Part
- (23) Pull A Part, in the Southeastern states
- (13) Ecology in Southern California, Arizona, Nevada
- (7) U Pull & Pay, owned by David J. Joseph / Nucor
- Several groups with (3-6) yards
- A few hundred individual yards
- Significant activity in building of new yards, or converting full service yards



The Vehicle is Inventoried, not the Parts

- In a U Pull-It type of yard, customers want to know if you have the car, and they'll do the rest.
- Therefore, an accurate database of the vehicles must be developed.
- Counter sales staff must be able to find cars quickly for customers. Or use the kiosk search. Web site searches by customers brings them to your yard.



The Vehicle Buying Center

- Vehicles are your life blood, so vehicle check-in must be fast!
- Scan VIN #, decode, pay towers, pay sellers.
- Track commodities like hulks, wheels, cats, and cores that leave the yard with a bill of lading.
- Keep the deliveries coming, keep the scale active and moving. Be prepared for volume.
- Remember NMVTIS. The feds are serious.



Volume Makes you \$\$\$!

- There are some large yards, making tons of money. They push up to 2 or 3,000 vehicles per month in one location. The YMS must be very different from full service, and setup for volume.
- No online parts networking, brokering, shipping.
- Move cars in, sell what you can, crush the cars, and collect the revenue from the shredder.
- Don't fall in love with your cars. 30-120 day cycles.



The Customer is King !

- First they sign the waiver and pay the \$1-2 gate fee. The YMS can track this.
- The better yards ask if the customer needs any help finding their parts. An interchange will dramatically increase sales.
- Organize your yard well, provide the equipment for them to do the job, and be ready for them at retail.
- Many customers have choices, so be competitive on all fronts.



Fast Check Out

- Put cashiers where they can easily see the parts. They need to quickly identify the parts and find the part in the Point of Sale system.
- In U Pull-It yards, warranties vary. Mark the parts if you warrant the part.
- Customers nationwide expect toolboxes to be searched.
- Handle core charges and refunds.
- Environmental fees.



Systems for Smaller Yards

- A self service yard doing a low volume could operate with simpler tools if necessary.
- Excel spreadsheet to track vehicles. Enter manually.
- Simple point of sale system, with basic end of day accounting reporting.
- Separate interchange program.



Random Business Practices

- Half of the yards charge extra for warranties. Some are exchange only. Many offer no warranty at all.
- Environmental fee is often overlooked, but customers are accepting it as a cost of keeping the yard clean.
- Most yards charge \$1-2 gate fee. Some higher, but not many. Some are free.
- They all have insurance, and follow very different guidelines than their full service counterparts. Many believe insurance is impossible. Clearly they are wrong.
- Pulling cores is going to get computerized.

Effective Marketing

- Word of mouth. Starts with a good experience.
- Signs posting your interest in paying cash for cars and your inventory of good parts cars.
- Radio and TV in English and Spanish, telling the world you're buying cars and selling parts cheap.
- Inventory on your web site. Low % of customers have internet, but enough do.
- Consider ads in free newspapers.
- Good frontage, high vehicle traffic, signage.

Factors in a Successful U Pull-It yard

- Must have access to quality customers in the area who are willing to get dirty, have a need to save money, and buy frequently. Treat them well.
- Competition of one self service yard for every 125,000-200,000 people is acceptable.
- Earn double the purchase price of the vehicle by selling parts, cats, hulks, and other commodities.
- Good marketing.
- Customer service.

Hybrid Activities

Additional Discussion Topics

- Self service adjacent to a full service yard
- Racking of engines and transmissions.
Pulling parts before cars are set in the self service yard.
- Scrap metal operation.
- Late model yard.
- Achieving profitability with a small yard.





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