Industry Fact Sheets—Mechanical Automobile Repair (NAICS 8111)

Industry Statistics

- Nearly 175,000 businesses in the United States and more than 5,200 businesses in Georgia are classified as mechanical automotive repair shops. Mechanical auto repair industry segments include service stations and independent garages, car and light truck dealers, specialty repair shops (i.e., muffler, brakes, quick-lube shops), auto parts stores with bays, and discount stores/mass merchandisers. More than two-thirds (67.2%) of the mechanical auto repair businesses in Georgia are general automotive repair shops.

- In the United States, nearly 670,000 persons are employed in the mechanical automotive repair industry (NAICS 8111). In Georgia, more than 21,000 persons are employed within this industry. More than four-fifths (80.8%) of the mechanical automotive repair businesses in Georgia have fewer than 5 employees. (Source: Dun & Bradstreet’s *Marketplace* data, October – December 2001).

- The average mechanical automobile repair facility has 4.6 bays, 4.3 full-time employees, employs 2.9 technicians, has a total parts and labor sales volume of $322,114, and charges $48.24 as the labor rate. The typical shop owner is more than 46 years old, is a high-school graduate (but may have completed some college), and started in the repair industry at an early age (between the ages of 11 and 20). More than two-thirds of mechanical automobile repair shops are family-owned businesses. Source: “Repair Market Industry Profile,” by Ed Sunkin, *Underhood Service*, March 2000.

Average Number of Jobs Per Week and the Average Total Invoice for Mechanical Repairs

<table>
<thead>
<tr>
<th>Automobile Repair</th>
<th>Average Number of Jobs Per Week</th>
<th>Average Total Invoice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil and Lube</td>
<td>19.4</td>
<td>$30.00</td>
</tr>
<tr>
<td>Alignments (2 or 4 wheel)</td>
<td>9.2</td>
<td>$75.00</td>
</tr>
<tr>
<td>Diagnostic (Check only)</td>
<td>8.4</td>
<td>$55.00</td>
</tr>
<tr>
<td>Brake service</td>
<td>8.4</td>
<td>$223.00</td>
</tr>
<tr>
<td>A/C Repair (Summer months)</td>
<td>7.9</td>
<td>$276.00</td>
</tr>
<tr>
<td>Refrigerant recycling/recharging</td>
<td>7.1</td>
<td>$177.00</td>
</tr>
<tr>
<td>Electronic engine control services</td>
<td>6.9</td>
<td>$184.00</td>
</tr>
<tr>
<td>Emission control services</td>
<td>6.6</td>
<td>$155.00</td>
</tr>
<tr>
<td>Spark plug replacement</td>
<td>6.5</td>
<td>$82.00</td>
</tr>
<tr>
<td>Alternator repair/replacement</td>
<td>6.5</td>
<td>$184.00</td>
</tr>
</tbody>
</table>

Industry Trends

- In a recent survey by *Autoinc Magazine*, automobile repair shop owners were asked to identify the top three issues having the largest impact on their business. The three most pressing issues are keeping up with technology (61% of respondents), finding good technicians (46.5% of respondents), and locating available repair information (38.7% of respondents). Mitch Schneider, an instructor for automotive management, believes that attitude and willingness to accept and embrace change contribute to the success of automotive repair shops. For more information, see Mitch Schneider, “You Just Don’t Understand (Running an Automobile Repair Shop)” *Motor Age*, April 1998.

- Customer trust is a core element in the mechanical auto repair industry. “Telling the customer that you’re honest doesn’t keep them coming back; you’ve got to show them that trust is your business,” said Bridget Ryan Snell in *Motor Age* magazine. Chris Burchfield of A-Tech Affordable Auto Repair continues, “Repair shops used to just fix the car and give the customer a bill. But, it’s really a matter of educating customers.” Auto repair shops use viewing windows, web cams and educational material on their web sites as ways to establish trust and keep customers involved in the repair process. For more information, see Bridget Ryan Snell, “Customer Retention 101—Automobile Repair Shops,” *Motor Age*, October 2000.

- Eighty-one (81%) percent of auto repair shop owners use positive customer referrals and word-of-mouth as the preferred means of promoting their business. “If I don’t do it [bring in customers] by word-of-mouth,” said Russ Yost of Yost Automotives, “I have a problem, and I’d better go out and find out what it is.” Mechanical repair shops traditionally have steady clientele and repeat business. As a way to bring back customers on a regular basis, an auto shop owner can use a customer database to remind car owners of scheduled maintenance. Sources: Marc Howell, “Auto Repair Shop Gains Mileage by Shifting into High Gear Focus.” *Wichita Business Journal*, April 18, 1997, and Edward Kaufman, “Distribution Groups Help Installers Go Postal (Distribution Groups Help Repair Services Market to Their Customers),” *Automotive Marketing*, August 1999.

- In an effort to establish credibility for auto repair shops, more than 400,000 auto technicians and more than 1,000 repair shops are certified by the National Institute for Automotive Service Excellence (ASE). To obtain the Blue Seal of Excellence, a repair shop must meet criteria that promote quality repairs. Small business owners believe the program works well because it demonstrates repair skills and provides educational literature for customers. For more information about the program, contact ASE at (877) 273-8324. Source: John D. Battle, “Shop Owners Sing The Praises of ASE’s ‘Blues’ Program.” *Aftermarket Business*, January 2001.

- According to the 2001 *How’s Your Business* survey results, 65 percent of auto technicians are hired from referrals and word-of-mouth advertising, 13 percent come from vocational schools, 11 percent are from classified advertisements, 7 percent are recruited from other repair shops, and 4 percent come from apprenticeship or industry school-to-work programs. Instructor internships (bringing classroom expertise to a business and returning real-world experience to better educate students) is one way to reach automotive students. Source: Denise Caspersen, “2001 ‘How’s Your Business?’ Survey Results,” *Autoinc Magazine*, December 2001, [http://www.asashop.org/autoinc/dec2001/businessmech.html](http://www.asashop.org/autoinc/dec2001/businessmech.html), and Evelyn Beck, “Faculty Interns: A Bargain for Business, A Bonus for the Classroom,” *Workforce*, August 2001.
• National Institute for Automotive Service Excellence reports the number of certified female technicians has more than tripled in last 10 years, yet women still represent less than 1 percent of the total ASE-certified technicians. Industry experts suggest that women often do not consider auto service careers because of the industry’s gritty, male-dominated image. Yet, some employers are actively recruiting women in service departments because of their ability to relate to customers. Source: Donna Harris, “High-Tech Service Careers Attract More Women,” *Automotive News*, Detroit, April 3, 2000.

• As Americans drive their aging cars without following a regular maintenance schedule, breakdowns will likely increase according to statistics contained in the 1998 *NAPA Auto-Attitudes Reporter*. According to Motor and Equipment Manufacturers Association (MEMA), 18.5 percent of vehicles on the road are expected to be 15 years of age or older by 2002. Specifically, in 1990, there were 20.6 million cars/trucks on the road and by 2002, the number of vehicles (15 years of age or older) is expected to grow to nearly 40 million cars/trucks. Source: “Repair Market Industry Profile,” by Ed Sunkin, *Underhood Service*, March 2000, [http://www.babcox.com/editorial/us/us30044.htm](http://www.babcox.com/editorial/us/us30044.htm) and “Consumers Lack Trust in Auto Technicians, says NAPA report (National Automotive Parts Association).” *Aftermarket Business*, September 1998.

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**Resources**

Auto Shop Online  
[http://www.autoshop-online.com/home.html](http://www.autoshop-online.com/home.html)  
(800) 288-6220

Automotive Suppliers—The Industry’s News and Information Portal  
(248) 879-7090

AutoNet Resource Library  
[http://www.autotruck.net/library/default.asp](http://www.autotruck.net/library/default.asp)

Car Care Council  
(419) 734-5343

Coordinating Committee for Automobile Repair,  
Environmental Information for Automotive Technicians  
(888) GRN-LINK

Dept. of Natural Resources, Environmental Protection Division  
Generator Compliance Program,  
[http://www.dnr.state.ga.us/dnr/environ/](http://www.dnr.state.ga.us/dnr/environ/)  
(404) 657-8831
Georgia Small Business Technical Assistance Program, a non-regulatory office within the EPD
http://www.gasmallbiz.org
(877) 427-6255

Managing Automotive Repair and Body Shop Wastes

Environmental Protection Agency,
Vehicle Inspection and Maintenance Best Practices
http://www.epa.gov/orcdizux/im.htm
(800) 241-1754

Internal Revenue Service, Market Segmentation Specialization Program,
Auto Body and Repair Industry

National Highway Transportation Safety Administration
Office of Defects Investigation, Technical Service Bulletins Database
(888) 327-4236

Associations

Automotive Warehouse Distributors Association
http://www.awda.org/
(816) 523-8693

American Oil Change Association
http://www.aoca.org
(972) 458-9468

Automotive Parts and Rebuilders Association
http://www.apra.org
(703) 968-2772

Automotive Aftermarket Industry Association
http://www.apaa.org
(301) 654-6664

Automotive Engineering International
http://www.sae.org/automag/
(877) 606-7323

Automotive Service Association
http://www.asashop.org/
(800) 272-7467

Automatic Transmission Rebuilders Association
http://www.atra-gears.com/
(805) 604-2000

Motor and Equipment Manufacturers Association
http://www.mema.org/
(919) 549-4800

Society of Automotive Analysts
http://www.cybersaa.org/
(734) 677-3518

Automotive Wholesalers Association of Alabama and Georgia (AWAAG)
(334) 834-1848
Training Opportunities

National Institute for Automotive Service Excellence
(ASE)
human.asec.org/ channels/about.cfm
(877) 273-8324

Council for Advanced Automotive Trainers
http://www.caat.org/toc_tech.htm
(800) 922-2894

The Council of Advanced Automotive Trainers,
Industry and Training Links
http://www.caat.org/technician/links_tech.htm

Automotive Management Institute
http://www.amionline.org/
(817) 685-0225

National Automotive Technicians Education
Foundation
http://www.natef.org/
(703) 669-6125

To find certified training programs in Georgia
http://www.natef.org/certified.cfm

Magazines

AutoInc. Magazine
http://www.asashop.org/autoinc/autoinc.htm
(800) 272-7467

Auto News—The Industry’s Daily Report
http://www.autotack.net/daily/daily_include/a3b1c0.asp

Auto & Truck International
http://www.autotrack.net/ati/archives/2001/0110/
(646) 654-2000

Brake and Frontend Magazine
http://www.brakeandfrontend.com/
(330) 670-1234

Motor Age Magazine
http://www.motorage.com/
(610) 205-1057

Motor Magazine
http://www.motor.com/magazine.htm
(248) 828-0000

Modern Car Care
http://www.moderncarcare.com
(480) 990-1101

Motor Service Magazine
http://www.autotrack.net/ms/current
(646) 654-2000

Repair Shop Product News
http://www.autotrack.net/rspn/current/
(646) 654-2000

Underhood Service
http://www.underhoodservice.com/
(330) 670-1234

Tech Shop
http://www.brakeandfrontend.com/techshop.htm
(330) 670-1234

Import Car Service Magazine
http://www.import-car.com/
(330) 670-1234