

Diversity, Able Employees Spell Success for Texas Rebuilder

By Traci Matt
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Tom Talley is not someone who misses opportunities. When the local auto repair store he was managing closed in 1976, he bought some of their equipment, tools and parts and began rebuilding. When it became clear that national chains were putting the squeeze on the automotive business, he shifted his emphasis to heavy-duty and industrial applications. When he saw a need for expanded services, he began offering them.

This strategy seems to be working.

Talley, owner of Talley Auto Electric, Inc. located in the Dallas/Forth Worth area, said they had a record-breaking \$100,000 month in August, and project their 2006 sales to be more than \$900,000.

"The biggest change I have seen in the electrical rebuilding business, especially the automotive and light truck units, is the staggering number of units that must be stocked or we must have access to in order to keep missed sales at a minimum," said Talley. "Retail and/or commercial customers will not always wait for their units to be rebuilt.

Consequently, a good percentage of our unit sales is now new units. Because of that and the other services we offer, our business is growing."

There have been a few bumps along the way, including the rebuilder who took off without notice to open a competing shop nearby. Then there was the big box store invasion.

"In the late 80s and early 90s it became obvious that the independent auto parts stores in our area were being crowded out by the large national chains and our customer base began to shrink," Talley said. "We tried to compensate and for a brief time supplied units to some Wal-Mart stores which at that time carried a short line of auto parts. That was a lesson learned the hard way. We then tried supplying some small WDs. Another lesson learned the hard way."

It was at that point that their rebuilding focus shifted from automotive to the heavy-duty and industrial market.

"It took a few years to make the transition but now our customer base is mostly truck and equipment shops, school bus shops, airport ground equipment maintenance shops, postal vehicle maintenance shops, marine dealers and other industrial equipment customers," he said.

The shifting didn't stop there. After they began looking at customers' equipment maintenance needs, they expanded to include DC motor repair, including high voltage traction and pump motors,

which now represents at "significant percentage" of their sales volume.

Then, after recognizing another need in the equipment maintenance market, they began repairing and selling radiators, charge air coolers, heater cores and fuel tanks.

"Again, same customers plus some new ones, but more volume from the old ones. Although housed in the same building and sharing customer areas, vehicle service bays, parking and offices, the radiator shop work area is otherwise separated from the electrical building areas. Again, same customers, more products," he said.

This "one stop shopping," as one customer has deemed it, has been instrumental in retaining business and fighting off competition. It was the deciding factor of one large customer to renew even though they had been offered lower pricing for alternator and starter rebuilding by a competitor.

Today Talley Auto Electric also services the retail market and offers limited auto electric and A/C services in the shop.

In addition to adapting to market needs, the business has changed names and locations a number of times. They are now home in a 10,000 square-foot facility—one-fifth of which is counter and customer service area, rebuilder's work benches, small parts, complete units and offices. The remainder is used for core handling and tear down, cleaning, unit testing, vehicle service and the radiator shop.

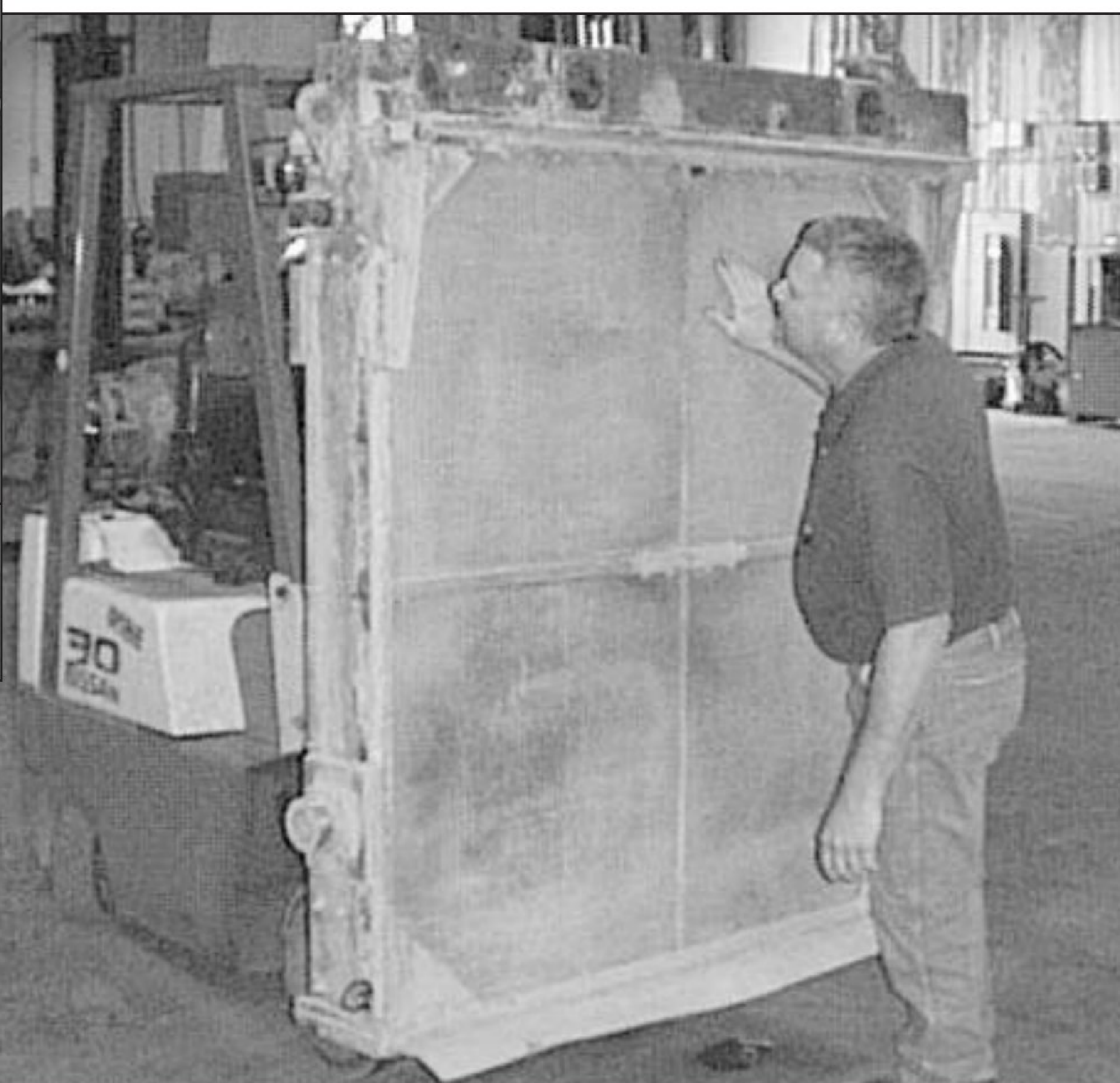
For several years Talley has "been blessed with great employees" who free him up to spend most of his time calling on commercial customers. He employs three electrical rebuilders and three radiator rebuilders, in addition to the Talley family office staff.

"What has sustained and grown our business is service, expert quality rebuilding, and availability of the right part when the customer needs it. To all of this I give credit to our employees who go above and beyond to provide those three things," he said. "My biggest challenge as a rebuilder is staying out of my employees' way."

He said good employees will be the key to his future success as well.



Owner Tom Talley handles fleet and commercial accounts.



Terry Harris, radiator shop manager at Talley Auto Electric, rebuilds and repairs radiators and coolers of all sizes with the help of the men in his department.



Shop manager Phillip Ahrlott handles unit rebuilding and on-car diagnostics, and is responsible for inside sales, shop production and purchasing. He's seen here under the hood of a limo.



When Victor Lamas is not rebuilding, he pastors at a local church, and had his own shop at one time. Here he's shown working on Denso starters.

"There will be starters, alternators, motors, and other stuff to be rebuilt and repaired for a long time to come. As an industry and as individual businesses we, including owners and employees, must find what that is and those who need it, then provide it with quality and in a professional way."

Talley's daughters Jill Plotkowski and Beth Crymes have been a part of the business for many years, including rebuilding 10MT solenoids and loading 10SI brush racks when they were young. Today they share all of the office and computer work as well as handling counter, phone, shipping, and delivery assignments. Dad allows them to arrange their work schedules "between

school bells" so they can stay active with their children.

"Although I was careful not to put either of them under pressure to be involved in the business, I was motivated for them to do so in order to allow them to work outside the home and have some extra household income without putting my four grandchildren in a day-care facility," he said.

"They are best friends and get along with each other, but they are sisters, and I find it best for them to work alternately when possible, as they both have definite ideas as to how things should be done," he said. "They interact well with the guys in the shop, but exercise no supervisory authority over them—other

than being the boss's daughters—and are well liked by them."

Talley said his vision for the future of the business includes his daughters, and maybe even his grandchildren, but as long as he has capable employees they "consider like family," Talley Auto Electric will be in good hands for a long time to come.

"God has surely blessed our business," he said.



Tracy Duke tests 90-volt DC hydraulic pump motors when he's not rebuilding motors, heavy duty starters, alternators, and everything else when needed.



Wearing yet another hat, Phillip Ahrlott assembles a drive motor.