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### Dealers of the Month

#### March

Lake City International Trucks of Utah  
Peterbilt of Utah

#### April

Knoxville Trucks, Inc.  
Southwest Missouri Truck Center

**If you would like to be a  
Premium 2000+™ Dealer,  
Call Marguerite at  
888-261-7581**

### Take Note

**We have added  
Water Pump Coverage  
to our Optional Turbo &  
Injector Coverage**

### Letter from the President

Imagine the first phone call we received telling us that a particular used-truck dealer, enrolled and using our program, had received a call from a new competitor saying, "We're just like Premium 2000 only cheaper." We were frankly puzzled as to how to respond. We've run into those who have copied our programs before and passed the concepts off as their own ideas, they just never admitted it. We weren't sure whether we should be flattered by the use of our name or upset that we were being mimicked.

Many years ago when we began to explore the used-truck warranty business, we spent months doing our due diligence and familiarization with competitor's programs. We assembled all we could in actuarial data, i.e., How often do engines fail? How often do transmissions and rear axle assemblies fail? How much does it typically cost to repair each of these components or to fully replace them? How many hours of repair time do these failures require? What about labor rates? Our conclusions were that we could simplify the qualification (for warranty of a truck) process and lower warranty costs to dealers. What excited us most was that we didn't have to lower prevailing warranty costs *just a little* in order to compete, we could lower them *significantly*. And we did!

We were told that our philosophy that "we qualify the dealer not the truck" was foolishness. But we had confidence that a quality used-truck dealer would not purposely sell an inferior truck to a customer. Repeat and referred business is a dealer's lifeline. With few exceptions we have been correct, even in the most challenging of economic environments. Our participating dealers, now numbering over 700 in the U.S. and Canada, sell good trucks and our loss experience overall is well within insurance industry standards, while our rates for a decade have remained virtually unchanged.

We don't make money off unnecessary and time-consuming inspections and dynos. We don't make money from mandated repairs or reconditioning "to bring the truck to warrantable condition." And the complaint we hear most often about our competitors doesn't apply to us: we don't "deny valid claims," and we often provide assistance for the "gray area" that competitors refuse to honor. An early decision we made was, rather than spend huge advertising dollars to get the word out, we would use that money to pay more claims, and it would be the best advertising monies we could ever spend. As calculated, our dealers and their customers are extremely satisfied with our service and have "spread the word." We



# MURPHY'S LAW



By Lynn Murphy

In 1989 I moved to Winston-Salem, North Carolina, to begin a financial consulting business. It was midlife crisis time, and I had made several pledges to myself to simplify my existence:

- ◆ I would never work as long & hard as I had before.
- ◆ I would never remarry.
- ◆ I would never again have business partners.
- ◆ I would never again have employees.

I have a good memory, it's just short: When I got remarried in 1999 at age 52, I realized I had broken every pledge within the first ten years. Becoming an island just doesn't fit my personality. I need friends and associates to pat me on the back and competitors to kick me in the shins. Competition motivates me. Success, which has a million measuring sticks, excites me. I'm a capitalist, a conservative (politically), an athlete (probably better put *ex-* in front of that one), and a dreamer. I want to be the best at all I do, which has led to many disappointments. I want others to be their best, which has led to many, many disappointments. But quite often, dreamers are immature and unrealistic.

I have been fortunate; I've been able to "sell" the dream to others like Larry Palkins, Director of Sales; Steve "Bear" Nadolson, Director of Training; Marguerite Jensen, Customer Service Manager; and Stewart DeVore, Hub International Insurance. These and many, many more share our passion to become the best aftermarket tool to assist in used truck sales. Our goal is to build a brand and restore confidence that promises made (when it comes to the payment of claims) are promises kept. We aren't merely offering an intangible piece of paper. It becomes glaringly tangible when an engine, transmission, or other major component fails, and a truck owner is up a creek with Premium 2000+™ as his only paddle. We take pride in being the lifeline and getting the truck back on the road and back in business.

Murphy's Law—what can go wrong will go wrong. Who better to anticipate disaster and prepare truckers for uncertain outcomes (financially) via the Premium 2000+™ Warranty Programs than Murphy? We get positive feedback and testimonials of satisfaction daily from truck owners, used-truck dealers, lenders, repair facilities, and more. We haven't built the perfect mousetrap quite yet either, so we will keep dreaming.

### Who Said That?

Our group is very excited with the opportunity to sell Premium 2000+. It is one of the first products I can remember that has really taken off right from the start.

**Jessica Berens**

**Lonestar Truck Group, North Richland Hills, Texas**

## Premium People



*This month, we are taking a little different approach with "Premium People."*  
**Stewart DeVore,**  
*our Area*

*Manager in the Dallas/Fort Worth area was kind enough to take the time to write from a personal perspective. So, we are sharing that perspective with you. Thank you Stewart, we are glad to have you as part of the Premium 2000+™ family!*

I am just an ordinary person who believes that the harder you work, the better off your life will be! Sort of like golf: the more you practice, the luckier you get!

I got interested in the trucking world while working my way through college by working nights on the freight docks loading trailers. I learned that truck drivers didn't have time to waste, as being on the road meant a living to them! We worked as fast as possible loading and unloading the cargo, so the drivers could get back out and keep the economy going.

After college I got into the world of finance. I worked as an F & I Manager at a Cadillac dealership and later became a lender, which was fun—working with dealerships to see how many cars a month we could finance!

I started the first Americredit Office in Fort Worth, Texas, and bought deals from over 200 auto dealerships in the Dallas Fort Worth area. From there, I went on to become the National Sales Manager for The Money Store

**Stewart** continued on last page

## Sales Savvy

By Larry Palkins  
National Sales Director

### It's a buyer's market! What's your edge?

Well, things seem to be perking up a bit, which is good, but the *qualified* buyer is more in control of the purchase of a truck than ever before. Prices, even on late model equipment, are very low. The *qualified* buyers, the ones you need, are out there searching for equipment, and you don't even know who they are yet because they are searching for the best deal on the Internet first! They could be at home, on laptops in trucks, or at a truck stop.

Today, this is the way business is done. It's not the Yellow Pages anymore. In 2009 buyers let the *mouse* do the walking. A buyer

may be having a cup of coffee, just searching web sites—the amalgamates first (which can search for hundreds of likely matches) SOARR, Nextruck Online, Truckpaper, BigRigs, Commercial Truck Trader, etc. Buyers enter their preferred equipment into their search grid: year, mileage, sleeper, engine type, HP, trans, sleeper, etc. Buyers may be amazed to find 100 units pop up that fit the requirements. Remember no one has called you yet. You don't know what qualified buyers are out there. They don't know you either . . . yet.

The buyer then narrows it down to 10 or 12 trucks. They all look pretty much the same. The prices are very close too. *Yours* is one of them. What will give you an *edge* to get the buyer to pick up the phone and call you?

#### That's where Premium 2000+™ enters the equation.

If your truck, looking like all the others, offers a Premium 2000+™ 2-Year, 200,000 Mile Warranty included in the price, well, guess who just may get the first call? You!

You may have just given yourself and your dealership the edge needed to stimulate this qualified buyer to pick up the phone and call you, first! Try it. It works!

That's what we all need, today—just a little edge!  
Thank you all for your business!



## Claims Corner

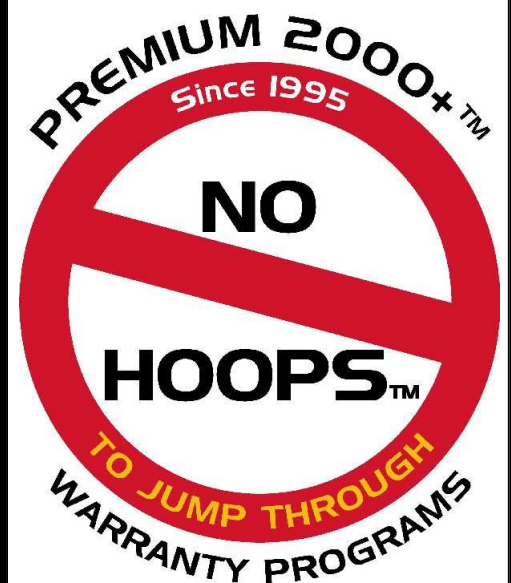
By Alan McDonald  
Director of Claims

Not long ago, I spoke with a woman whose truck was being towed to a shop. She was a bit difficult to follow because she was concerned and anxious about having to deal with an unfamiliar situation. By her own admission, she was not mechanically inclined and new to the business. Finding herself in a position like this and being unfamiliar with the area and her business obligations, she was understandably having a bad day. Having worked with this type of situation several times before, I was able to get her settled down and focused. I found out she had already spoken with one of our claims associates only a few hours earlier (4:15 a.m.) and was able to see from our database that we were already moving along quickly with getting her claim processed and her truck back on the road.

It turned out that her failure was an injector, and it was quickly repaired. Now, you may say that's not such a big deal, but put yourself in her shoes: it was a very big deal to her! My last conversation with this customer was pleasant. She actually took a few minutes to thank us for being so patient and helping her with this failure. That was nice to hear.

My point here is that, as a rule, when we help a customer who has a failure, they are not having a good day. In this respect you can say that we don't get to meet each other in the best of situations.

However, with a little patience, understanding, and trying to put ourselves in their shoes, everyone gets along better and things go more smoothly. Remember this the next time *you're* getting chewed on.



## The "Bear" Necessities



By Steve "Bear" Nadolson  
Corporate Training Director

### So you want to sell the truck . . . Help your lender and help your chances of credit approval for your buyer

Lenders today are so confused—aren't we all? Values are all over the place, and putting a loan value on a used truck is like trying to herd cats. It can't be done. This market fluctuates daily (some say hourly), and knowing what a good wholesale value or loan value on a used truck should be is a tough call. Additionally, used trucks vary in price by condition, miles, demand, and availability.

#### Let's explore some ways you can help your lender:

- ◆ Submit a *good spec sheet* showing all specs, serial numbers, engine serial numbers, and options.
- ◆ A *good photo* is worth a thousand words. Send one to the lender to help show the condition of the truck you are selling.
- ◆ Forward records of any reconditioning you have done that would *enhance the value* of the truck you are trying to get financed. Especially important are documents that show any engine work, tires, brakes, etc. that have been done.
- ◆ Did you do a *DOT Inspection*? Send proof that the truck has passed a current inspection.
- ◆ Does any *OEM Warranty* remain on the truck you are selling? Document it for the lender. It's really important.
- ◆ Did you have the truck *Dyno Tested*? If so, send that report to the lender.
- ◆ Are you putting any *aftermarket warranty* on the truck you are selling? If so, document it. Some lenders now require a used engine and driveline warranty on higher mileage trucks before they will finance them.
- ◆ Be sure you have *sent all information* on the buyer of the truck. **Make sure you have met all of the lender's requirements.** This really helps the lender. It saves them time and effort if you have your finance package complete and they don't have to call you for more information.
- ◆ Send copies of the *title showing your ownership* of the unit being considered. It may not be required but can't hurt.

Go the **extra mile and be proactive**. Submitting a professional looking package to your lender goes a long way in helping to get a truck financed. A little time spent on this process can yield a *quicker approval*, and it shows the lender you are selling a *well reconditioned and reliable* truck to your buyer.

We all know that the lenders have tightened up their lending criteria. The least we can do is to try to make their job a little easier and give them every opportunity to make that loan! Let's face it, if your buyer can't get credit approval, he can't buy the truck!

I hope this helps, and I welcome comments or ideas for future articles. Contact me at [Bear@Premium2000.com](mailto: Bear@Premium2000.com).

Steve "Bear" Nadolson is President of Bear Marketing Group, Inc. and offers sales and management training in person or through Web based training seminars. He can also be reached at [Bear@BearMarketingGroup.net](mailto: Bear@BearMarketingGroup.net) or by phone at 740-507-0717.

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[Finance@GatewayFiSolutions.com](mailto: Finance@GatewayFiSolutions.com)



**President's Letter** continued from page 1

receive unsolicited testimonials nearly every day, both oral and written that let us know we are on the right track.

Oh goodness, I've figured out why a competitor, who has been around much longer than we have, is using "we are just like Premium 2000 only cheaper"; they think they can get some of our business by "piggy backing" on our image—and then promise a savings. But an image cannot be appropriated; it must be built over time. And you can't shed a poor image just by telling potential customers that, all of a sudden, your products are just like those of a company with a positive image. Furthermore, warranty costs for Premium 2000+™ programs are as low as the industry will allow—if claims are to be paid and your customers are to be taken care of properly.

Apparently we are the NEW INDUSTRY STANDARD for truck warranty qualification, price, coverage, and claims handling. Competitors copy as much of this as they can or at least all they can until the human element surfaces. They can't copy our next move (until we make it), and they can't appropriate our image. An image is an intangible. We pride ourselves on both the *tangibles* and *intangibles* of our programs and trust that you won't be deceived by the imitators!

Sincerely,  
Lynn Murphy  
President/CEO

**Stewart** continued from page 2

Auto Finance Company.

When The Money Store sold, I became the National Account manager for Wynn's Warranty Company. This was a fine job until the company decided all the exec's should reside in Southern California. Well, after a lot of soul searching and comparing the price of property in California to what I had in Texas, I decided not to go west and stayed in the DFW area.

I have been an independent agent providing products such as gap and warranties through our company, Hub International to auto and RV dealers. We provide property and casualty insurance for dealerships throughout North America.

I got back in the trucking world by contacting Lynn Murphy and expressing my desire to represent Premium 2000+™ to complement the property and casualty programs with Hub International. He made clear that he is as particular about his representation as he was about the company! I let Lynn know that I too was very particular and that the company I currently work through in the property and casualty insurance field checked out Premium 2000+™ as well. We looked at other companies and *none compared to the quality and integrity of Premium 2000+™!* We called several dealers, ran many reports and found that Lynn ran a great company. Our decision to represent Premium 2000 has helped us achieve a better quality dealer to work with.

On a personal note, I have a wife, Brenda, who is a Financial Advisor with Edward Jones and two grown children who have made great careers for themselves. I am optimistic about the future and look forward to seeing what it holds for my life and Premium 2000!

There is only one boss: the customer.  
And he can fire everyone in the  
company from the chairman on down,  
simply by spending his money  
somewhere else.

- Sam Walton

