

To AAA Mid-Atlantic Approved Repair Facilities:

My name is Billy Hillmuth, and I am a member of the Council of Automotive Repair - a division of WMDA (Washington, Maryland, Delaware Service Station and Auto Repair Association). I am sharing the information below for your benefit, to explain to you what AAA Mid Atlantic has planned for those of us who are in the program. We met with AAA Mid Atlantic officials months ago. (Below is a summary of that meeting).

My shop, Hillmuth Certified Automotive, has been a AAA approved auto repair shop for many years. Hillmuth Auto has had a long relationship with AAA Mid Atlantic. However, recently AAA Mid Atlantic has asked for our greatest asset - our *database*. **AAA wants all approved repair facilities to use their CRM (customer retention marketing) program.** Hillmuth will **not** participate in any program which requires us to share our database. These are **our** clients.

If you chose not to join their program, you will no longer be a AAA approved repair facility. Keep in mind, AAA Mid Atlantic now ***owns and operates repair shops in Maryland and Delaware***. Is this a conflict of interest? We think it is. So read below, and let yourself be heard.

AAA Membership Meeting

WMDA/CAR members requested that the Council find out more about AAA Mid-Atlantic's current plans for repair locations they operate, and plans for any future locations. On January 9th, 2015, WMDA/CAR (with 9 AAA approved WMDA/CAR members from Maryland and Delaware) hosted a meeting with AAA Mid Atlantic's representative Bruce Rawlings. Bruce is the manager of the Automotive Services for AAA's Approved Auto Repair Member Program.

Currently AAA has repair facilities in Maryland that are club (AAA Mid -Atlantic) owned in Annapolis, Gaithersburg, Towson, Columbia, Glen Burnie, Frederick, and Rockville. This year they plan to open repair facilities in Brandywine and Crofton as well. They also will open one in Delaware this year. Technically they are not AAA Approved Repair Shops. ***Are they towing cars to their Club (AAA Mid Atlantic owned) shops?*** AAA says it's doing its best to stop tows from being diverted away from members; sometimes to other repair shops, sometimes to club repair shops. *My opinion - AAA Mid Atlantic is breaking their own rules.*

They also have, or are opening, 17 locations in NJ, PA, and VA this year. That's 27 locations they currently own or will build this year and we were told their target is 40 locations. These locations also sell a full range of AAA programs.

AAA says club owned repair work will at max represent 8.9% of repair market within the AAA Mid-Atlantic footprint. They have 3.7 million members who own 4.8 million cars.

They will not certify a location within 5 miles of a current AAA facility including their club locations. **But will they build an AAA Club shop within five miles of a AAA APPROVED SHOP? They already have.**

2015: AAA's Approved Auto Repair program status costs \$ 1075.00 for year if you qualify. **2016:** A big change. AAA says they are not competition, but rather a partner in AAA strategy. They will do marketing for you and other benefits. Cost \$1439.00 + \$1075.00. ***So I can give them my database and \$1439.00?*** (How stupid would I have to be? NO THANKS!) We would literally be funding our own demise.

In 2016, you will also be required to give AAA your **CUSTOMER DATA BASE** so they can market as a partner. When we asked if AAA would supply it's members with *their database* for the member's area, the answer was **NO**. (That sounds a little one-sided). As one member said that day, it's a matter of TRUST. Will they stick to 40 locations? Will they control diverted towing? Do you need a marketing partner to share your database with - that happens to have repair shops of their own and will not share their database? Locations of facilities within the towns coming on line in 2015? 2016?

These are just some of the questions you have to weigh to make that decision. I will do my best to keep you informed of any updates. Give me a call at 410-381-1124, or email billy@hillmuth.com if you have any questions. Our sources tell us AAA Mid Atlantic is planning on shelving the requirement to participate in their CRM program. Officially we have not heard that from AAA Mid Atlantic. Could they be building a secondary business on the hard work we have done in the past? **BUYER BEWARE!**

Thank You,

Billy Hillmuth

CAR Council Member, WMDA/CAR Past President
Hillmuth Certified Automotive

****For updated information please email vciancy@wmda.net**