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Marty Kaliski, a former counterculture radical who is now in the Rotary Club, has run his El Cerrito shop for 32 years.

Auto repair shop runs like a well-oiled machine

MARKETING IS KEY: Former backyard mechanic keeps up with technology, competes for clients

[NOTE: This is a condensed version of what was published in the Chronicle]

By Ilana DeBare
CHRONICLE STAFF WRITER

There's a 3-foot-wide bookshelf in Marty Kaliski's auto repair shop that holds repair manuals for dozens of models of cars from 1964 to 1978. Today the documentation for one model alone - for just one year - would fill that entire shelf.

So Kaliski, owner of Marty's Motors in El Cerrito, no longer buys printed manuals for new cars. Instead he subscribes to three online information services that offer millions of pages of diagnostic information.

There are computers with Internet access at each service bay so his technicians can find the information they need. The service bays also are stocked with other high-tech diagnostic tools such as \$3,500 handheld scanners, \$2,000 flushing machines and a \$5,000 exhaust gas analyzer.

Kaliski has changed a lot since opening his business 32 years ago - from counterculture radical to Rotary Club member, from solo backyard mechanic to a storefront operation with four employees and more than \$100,000 in equipment.

His evolution mirrors many of the changes in the auto repair business over the past couple of decades. His current challenges are ones shared by countless other mom-and-pop auto repair shops: Keeping up with technology. Hiring good employees from a dwindling pool of skilled mechanics. And competing for customers in an era when cars last longer and need fewer repairs than in the past.

"If you are trying to open your doors, you'd be hard-pressed to do it today for less than \$100,000, and that's the bare minimum," said Stephen Small, an automotive technology instructor at Chabot College and president of the East Bay chapter of the Automotive Service Council.

Marty's Motors is one of about 82,000 general auto repair businesses in the United States, not counting body shops, gas stations or car dealerships. Together they service 238 million vehicles each year for a total of \$37 billion in sales, according to the Automotive Service Association.

While giant chains have come to dominate many other industries, auto repair remains a bastion of small independent businesses like Marty's Motors. The 50 largest auto repair companies hold less than 10 percent of the U.S. market, according to First Research Inc. The average auto repair shop employs just four people, according to the ASA.

But small auto shops are facing an increasingly competitive environment. For one thing, cars are generally being built better so they require fewer repairs. For another, auto dealerships have started going after the maintenance and repair market more aggressively than ever.

“What keeps the independents awake at night is that cars are being built so well that they need to get out of the repair business and into the maintenance business,” said Bob Cooper, president of Elite Worldwide, a Southern California firm that consults with auto dealerships and repair shops. “They need to start reminding customers about scheduled service and telling them why they need to bring their car in for service. And dealers are trying to get these guys, too, as customers.”

This means small auto repair shops are having to become masters of marketing. Kaliski, for one, has become something of a marketing maniac.

He mails out a monthly newsletter to 1,400 customers. He runs free car-care clinics for women and offers a car-care club that provides free oil changes. He hands out promotional gifts such as sunglass holders, tool kits, cookies and chocolate truffles.

He recently sponsored a blackjack promotion where customers got 10 percent off their labor charges if they could beat his service manager in a hand of the card game.

“Unless you really want to do marketing, this is not a business you want to go into these days,” Kaliski said.

It's something he never would have predicted when he started repairing cars in the 1970s.

Cabbie job gateway to repair

As a boy growing up in New York, Kaliski originally wanted to be a nuclear engineer. But when he went to college, he discovered that engineering math didn't agree with him, and ended up studying literature and political science.

He moved to the Bay Area in the thick of the Vietnam-era counterculture, timing his arrival so he could attend the infamous 1969 Altamont rock concert.

Kaliski worked as an organizer for the Berkeley Tenants Union for \$125 a month, and then \$80 as the group ran out of money. He became a cabdriver for a hippie taxicab collective with psychedelic cabs.

The cabbie job was his gateway into auto repair. Kaliski started fixing his own cab because the company had trouble finding mechanics.

“Being a collective, we believed everyone should be paid equally, but no one wanted to be under the cars when for the same money they could be sitting inside and dispatching,” he recalled.

At one point, Kaliski fixed the clutch on his girlfriend's car. She paid him \$150 - five times what he would have earned for that same amount of time driving a cab.

“I realized that being a mechanic let me play with machines, make more money than I made before, and do some good by helping people with their problems,” he said.

Kaliski read up on auto repair, took tuneup classes at Laney College, and worked on cars in the driveway of his Berkeley home until a neighbor turned him in for doing commercial work in a residential neighborhood.

At that point, in 1975, he rented his first business space - a “funky corrugated metal” shop in back of another business on San Pablo Avenue in Berkeley. The space was so limited that Kaliski did his repair work outside, rain or shine.

Ten years later, facing tendonitis and foot pain, he decided it was time to become a manager. He hired his first employee. But between working in the rain and his own inexperience as an employer, he had trouble keeping workers.

“The classes I took were all about mechanics,” he said. “I didn't understand anything about management.”

What really turned things around, he said, was marketing.

Active marketing.

You might even say hyperactive marketing.

Along with his newsletter, car-care club and frequent special offers, he buys ads in a local coupon book and in the Yellow Pages. He hands out wooden nickels worth a \$20 discount to new customers. He recently started offering a “million-mile warranty” on repair work.

Because cars often last 200,000 or more miles these days, Kaliski's goal is to bring customers in the door for routine service visits rather than wait for them to have a repair crisis.

Keeping up with technology

Beyond marketing, Kaliski's challenges include keeping up with technology in an era when the typical new car has 10 or more computers controlling everything from antilock brakes to the transmission.

The high-tech nature of modern cars requires shops to spend more on training, along with tools. Kaliski spent \$5,000 on training last year, including 100 hours of continuing education for his main technician, Leonisio Cortez.

Expert technicians like Cortez - they're not called “mechanics” anymore - are harder than ever to find.

Many vocational schools that used to turn out auto mechanics shifted their focus to computer-related careers. Meanwhile, repairing cars requires higher and higher levels of skill.

Juggling diagnoses, deliveries

The high cost of diagnostic tools and training means that small repair shops like Marty's Motors have less cash to spend on inventory than in the past.

So although Marty's Motors has a parts room, it is about the size of

a bedroom closet and is not very full. He stocks only the most commonly needed items such as oil filters and orders other parts from local distributors who deliver up to four times a day. So ordering parts on time - and finding a supplier who fills those orders accurately - can make the difference between a happy and unhappy customer.

“That's why I like to get people in early in the morning,” Kaliski said. “If I miss that 11 a.m. truck, you're not going to see your car until tomorrow. I like to get them in as early as possible, spend the morning diagnosing, and then in the afternoon fix and test-drive them.”

New channels for activism

Meanwhile, he has become involved in the business community through groups like the El Cerrito Chamber of Commerce and the Rotary Club.

Kaliski remains left of center... but he now channels his activism into things like a Rotary Club drive to provide artificial hands to disabled children.

“In Rotary, I'm working with people whose politics go from extreme conservatives to moderate liberals, but we have projects we can all support,” he said.

Kaliski himself rarely repairs a car these days. He is typically in the shop's office - filling in for his service manager, talking with customers or (surprise!) coming up with marketing initiatives.

“My job is managing the business, making sure clients are happy, they don't forget me, and new clients are coming in the door,” he said.

MARTY'S MOTORS

in EL CERRITO

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