

MEMBER
Profile

By Michelle Keadle-Taylor



Spotlight on

STANDARD AUTO WRECKERS



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hen former lawyer Ken Gold purchased an eleven-acre site in the Toronto suburb of Scarborough, Ontario in 1979 and launched Standard Auto Wreckers, he planned to be very successful at the business. What he didn't realize was how passionate he would become about fighting the injustices

of the automotive recycling industry and how much he desired to see change and encourage other recyclers to take action.

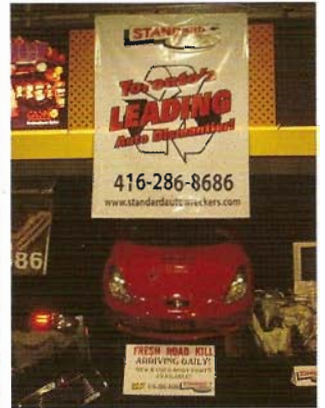
"Doing business in this industry has changed drastically since we started out almost thirty years ago," said Gold. "Thirty years ago, insurance companies used to beg us to take their vehicles. Nowadays, they don't need

us because they sell to people outside the industry. Cars that should be retired and taken off the road are getting sold at auctions and many are being shipped overseas.

“This is the number one issue that threatens auto recyclers – the acquisition of vehicles. We want to ensure that legitimate recyclers who pay taxes and follow governmental and ARA guidelines and environmental regulations get respect with regards to the acquisition of the vehicles.

“Our industry is a chaotic one, and there are many local recyclers who don’t see the value in being CAR and Gold Seal certified. In Canada, most auto recyclers are struggling to do business. They only know one way to do it – the wrong way – buy a car and junk it!

“We need to become proactive in educating the government about our industry and the issues we’re facing. It’s hard to imagine the pain of the problems we’re facing with the acquisition of vehicles unless you are part of this business. We’re being treated worse than illegal immigrants or the homeless, and we’ve just stood by and let it happen.



“So far we haven’t been doing the right things to bring effective change. I love this business but hate the way the industry is going. I would like to see auto recyclers who understand the issues and really care come together and do the things needed to bring change.”



This passion for the business has also been transferred to Gold's son, David, who is the co-owner of Standard Auto Wreckers and the manager of the Ontario location.

"I personally live and breathe this business," said David Gold. "Even though it's a quirky business, I feel fortunate that we're in it. I grew up in the business and worked the front desk while I was in university. I always knew I'd be in the business because I developed a real passion for it."

At the recent ARA convention, David handed over the reins as Chairman of ARA's E-commerce Committee after holding the position for the last two years. He was the first Canadian to receive one of the ARA's prestigious Star Awards. He was named ARA's Member of the Year in 2006 for his dedication and work on the promotion of many of the ARA's causes.

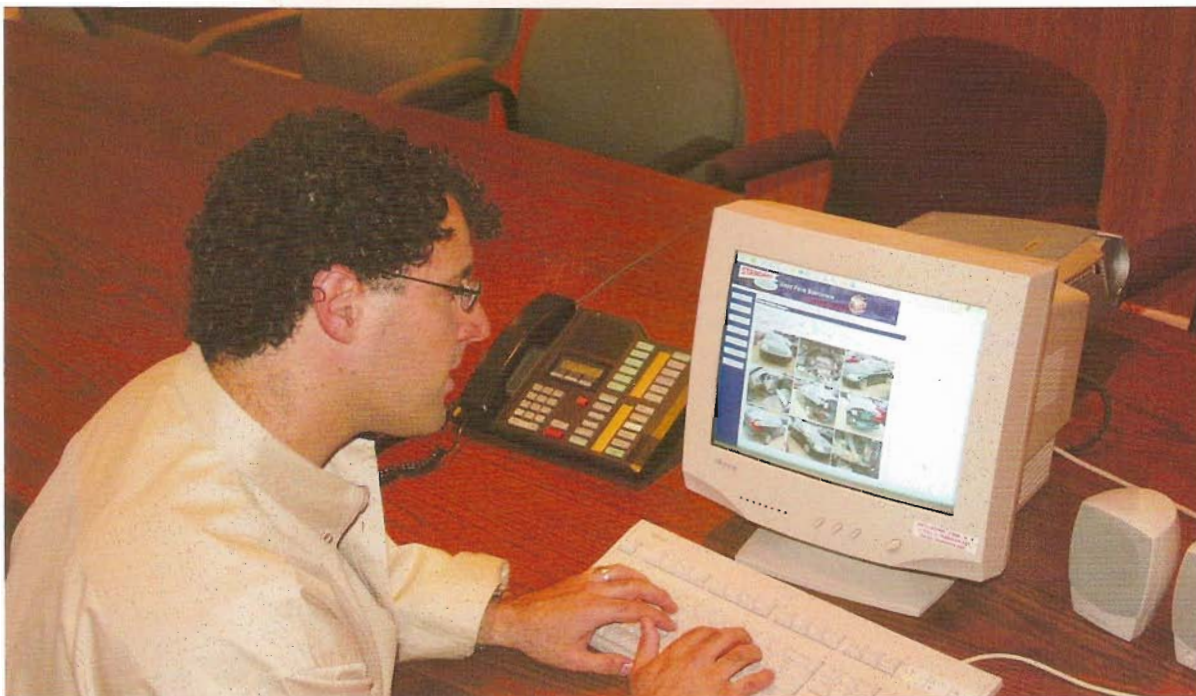
"We love our fellow recyclers because over the years they have always welcomed us, and we owe so much of our business to them," said David. "Whatever I learn at ARA seminars or other trade shows I take back and pass it on to other recyclers, our employees, and also our customers."

Standard Auto Wreckers may have started with three employees thirty years ago, but it has come a



long way since then. They've grown to 130 employees and two locations. Last year they opened their second location in Niagara Falls, New York. The 170,000-square foot facility is state-of-the-art, with all work done completely inside the building, using the latest fluid recovery systems and other environmental processes.

"Both government offices in Toronto and in New York have been good to us," said David. "We were given permission to establish our business because we



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were already following environmental regulations. The officials in Niagara Falls were especially impressed with our plan since they were looking for environmentally-friendly companies to improve the local landscape."

In 2002, Ken Gold developed an expensive fluid evacuation system that was different than the ones used by others in the industry. It was recently endorsed by the Ontario Ministry of the Environment.

With their facilities both holding Gold Seal and CAR certification, father and son take their roles in taking care of the environment seriously. Further proof of their commitment is evident in the fact that the University of Windsor recently conducted a five-week study on the end-of-life vehicle at Standard Auto Wreckers' Ontario location. In their life-cycle assessment, the university not only studied the recycling component of vehicles but also the positive benefits that re-using auto parts has on society and the environment at large.

"It's exciting to see the environmental relevance and the impact we're making in our business," said David. "The study shows the impact we make by taking recycling one step further to re-using materials."

David has become very active in the End-of-Life Vehicle (ELV) initiative, which looks at how to properly dispose of those vehicles that should be retired either due to collision or age. The recently adopted ELV directive required all European manufacturers to recycle or re-use 85 percent by weight of the metals and materials by 2006 and requires 95 percent by 2015.

"We're joining with 60 other auto recyclers to launch a co-marketing campaign to make people aware of issues surrounding ELVs," said David, "and let them know that we can take care of their vehicles that are ready to be put to rest in a manner that is good for the environment and makes our roads safer." This effort can be seen working through the Web site 1877EndOfLifeVehicles.com. "Its goal is to get these cars to legitimate auto recyclers that can recycle parts according to strict guidelines instead of letting these

unsafe vehicles leave the country and get put back on the road in countries where governments don't care."

Standard Auto Wreckers currently operates two 11-acre sites less than 100 miles apart, one in Toronto and the other in Niagara Falls, New York, and processes around 20,000 vehicles per year. The Toronto

location offers a department for aftermarket parts as well as used parts that are all meticulously cleaned and in good condition. There is a U-Pull-It yard, a tire shop, and the capability to process anything – which includes ELV's that are obtained from charities. It also acts as the head office for Standard Auto Wreckers with their sales department located there.

The newer New York location is growing steadily, but operates mainly as a feeder yard for Toronto, although the business there is acquiring more of the newer insurance vehicles for parts.

Most of the customers of Standard Auto Wreckers are located in the Toronto region, although they are now shipping more throughout the United States thanks to their presence in New York.

"As a business we are successful and experiencing about 20 percent growth in business year upon year," said Ken. "We're in good locations and that makes all the difference. Never underestimate the power of obtaining a good location. You can have a great product or business, be in a bad location, and you won't be successful. We have seven million people within 75 miles around us so our business has been able to grow steadily each year.

"It's difficult to project in this business over the next five to ten years but one thing is sure – there is a lot of consolidation going on. It's going to be a much different industry by then. I could have sold our business but I didn't. We will keep on getting up in the morning and trying to do the right things to stay successful. One way to do this is to keep reading the trade magazines and to glean as much as we can from new technology and ideas that are presented in the industry. If we are able to do the right things, we'll keep making money. If we don't we won't. It's going to be an exciting challenge." ♦