



JASPER

ENGINES & TRANSMISSIONS



DRIVE LINE

100% Associate Owned



News and Updates From Jasper Engines & Transmissions June 2024

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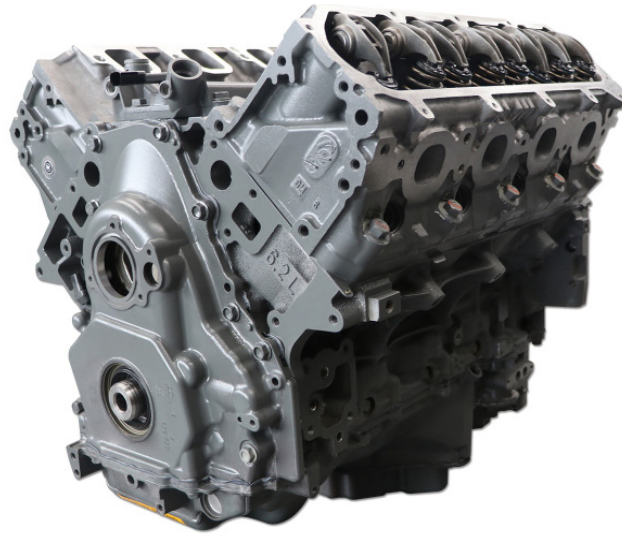
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JASPER Offers GM Gen V 6.2L AFM/AFM-Delete Engines



JASPER offers the remanufactured GM Gen V 6.2L engine either with AFM, or an AFM-Delete option.

Jasper Engines & Transmissions, the nation's leader in remanufactured products, is excited to announce the availability of the GM Gen V 6.2L AFM and AFM-Delete engines. These engines, designed for specific Chevrolet, GMC, and Cadillac late-model applications, come with unique features that set them apart:

- 2014-2018 Silverado, Sierra
- 2015-2019 Yukon, Escalade
- 2015-2019 Tahoe

“Just like with the Gen V 5.3L model, we’ve seen collapsed AFM lifters on the 6.2L engine,” Boeglin added. “Therefore, we are releasing this engine with an AFM-Delete option. The AFM-Delete versions of the 6.2L are legal in all 50 states.”

The GM Gen V 6.2L AFM and AFM-Delete engines are covered by a nationwide, transferable parts and labor warranty of up to three years or 100,000 miles. Full warranty disclosure is available on our website or upon request.

“These engines are known to have issues with broken valve springs,” said Brad Boeglin, JASPER New Product Development Group Leader. “So, JASPER provides 100% installation of updated valve springs for improved durability and longevity.”

For more information on the complete line of JASPER remanufactured engines, please call 800.827.7455 or visit www.jasperengines.com.



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Jim the Boat Guy

South Windsor is a suburban community outside the city of Hartford, Connecticut. It's the home of Jim the Boat Guy, a complete mobile marine service specializing in engine re-powers, electrical and boat canvas repair, end-of-the-year maintenance, and shrink wrap services.

Jim Valiante has roughly 20 years of knowledge in various forms of watercraft. He initially started at Cedar Marine in Bridgeport, Connecticut, then later worked for A&S Boats in South Windsor. However, Jim was out of work when COVID hit, so he started Jim the Boat Guy in 2019, a full-service marine business on wheels. After a couple of years of success, Jim expanded his facility and has never looked back.

Conveniently located at 90 Foster Road in South Windsor, Jim the Boat Guy has recently constructed a 1,200 square-foot building with two service bays, heat, and a two-ton crane for re-powering boats and other services year-round. In a testament to his commitment to providing flexible services, Jim has also acquired a second truck with a crane, and diagnostic equipment for all newer boats equipped with an onboard ECU. This unique mobile service ability sets Jim's marine business apart, allowing him to re-power boats at his facility or anywhere in the state. As the year draws to a close, Jim also offers shrink-wrapping services for boats in Connecticut and Massachusetts.

"At Jim the Boat Guy, we understand that every customer's boat presents a unique challenge," Jim emphasized. "But we see these challenges as opportunities to earn our customers' trust and enhance their boating service experience. Our commitment to understanding and meeting our customers' needs is at the heart of everything we do."

Jim and his mechanic, Bret, continue to attend



A second truck with a crane allows Jim the Boat Guy to re-power boats anywhere in Connecticut.

training and marine events when they are available. Jim likes to keep up with any necessary certifications for his knowledge and the business. In addition, Jim keeps up with any training offered by Volvo or Mercruiser. He also researches and does self-study to keep up with the latest changes in the marine industry.

Regarding engine replacements, Jim the Boat Guy has used JASPER exclusively for the past two years. "Jasper Marine engines are the best," said Jim. "They have a great warranty, and they stand by the warranties. They fix the problems that exist to ensure customers don't have the same issues again."

"We provide fair service, pricing, and quality parts," Jim added. "We want to extend the life of a customer's boat and give the customer a world-class experience to earn their trust and business."

Jim the Boat Guy plans to expand parts sales through e-commerce, hire two more technicians, and add a few more mobile units for the future of his business.



Jim the Boat Guy, a mobile marine service is headquartered in South Windsor, Connecticut. Jim has exclusively installed JASPER products the past two years.

Sugino CNC Washer Used in Transmission Cleaning

Cleanliness is paramount in transmission remanufacturing. So, when it comes to cleaning cases and other transmission components, the Sugino JCC 421 has become an essential tool at JASPER's Drivetrain Manufacturing facility (aka Power Drive).

"Before the Sugino, we used baking soda to clean cases," said JASPER Transmission Group Leader Kyle Wigand. "You can imagine the bolt holes and small crevices in a transmission case that is no longer being introduced to that cleaning media. With the Sugino, only water and a little bit of rust preventative are used."

"By not introducing that contamination, the product is much cleaner," he said.

The Sugino utilizes a dual-pallet system on a rotating table. It allows one case to be cleaned on one pallet and another to be dried and prepped for the operator on the second pallet.

"The Sugino plays a crucial role in ensuring our customers receive a cleaner product, free from the introduction of foreign material," emphasized Wigand, highlighting the tool's contribution to maintaining product cleanliness.



JASPER Associate Kyle Giesler removes a clean case and bellhousing from the Sugino CNC washer at the Power Drive facility.

Axiline VBT 8000 Valve Body Test Stand

Jasper Engines & Transmissions has invested in an Axiline VBT 8000 valve body test stand. It's being used at our Power Drive facility to test the valve bodies of Chrysler 46RE, 47RE, and 48RE transmissions.

Despite their age, the Chrysler 46RE, 47RE, and 48RE transmissions remain popular, particularly in RAM 2500/3500 diesel applications. One of their key features is the ability to adjust the spring tension of the pressure regulator valve, a feature that directly impacts the pressure on the valve body. This adjustment, as highlighted by JASPER Quality Captain Kyle Neuhoff, is a critical factor in ensuring the longevity of the transmission and a smooth shift feel, underscoring the importance of our new equipment in maintaining these transmissions.

The second reason is that these transmissions have a governor solenoid, a common failure point on these units. "JASPER 100% replaces these solenoids," said Neuhoff, "But we still monitor the output upshift and downshift pressures on that solenoid."

The VBT 8000 plays a crucial role in our inspection process, particularly in the final assembly of the transmission. Our Associate uses it to check for correct output pressures on downshifts and upshifts, ensuring the settings are accurate at both minimum and maximum throttle conditions. As Neuhoff explains, "The minimum throttle pressure should be 60 psi



The Axiline VBT 8000 is used in valve body testing the Chrysler 46RE, 47RE and 48RE transmissions. Their popularity remains high due to their use in RAM diesel applications.

and the maximum at 90 psi," providing a clear benchmark for our testing standards.

The Associate also conducts an inspection, ensuring no bleed-off or fluid leaks. "We also conduct solenoid resistance checks at the beginning and end of the test," Neuhoff added.

The VBT 8000 is an extra layer of protection for the customer. "It allows us to separate pressure readings and isolate the pressures away from the clutches," Neuhoff said. "These are things we normally cannot see on the dynamometer."

Jasper Holdings, Inc. Announces Record ESOP Value for 2023

Associate-Owner Shareholders of Jasper Holdings, Inc. Employee Stock Ownership Plan (ESOP) were presented on April 30th with some outstanding news. Jasper Holdings, Inc. Chairman/CEO Doug Bawel announced, “A new all-time record price of \$1,123.90 per share based on their performance and market conditions. This is up \$250.42 per share, a 28.7% increase in a very turbulent 2023, with inflation and increased interest rates. On average, our Associate-Owners added an additional 19.7% of their 2023 compensation into their ESOP accounts, through new share allocations and forfeitures. This does not include the increase in their existing account balance of 28.7%”. Bawel shared, “Our ESOP has truly been a game changer for our Associate-Owners in their retirement strategy.”

Bawel added, “Today we have a total of 3,332 active Associate-Shareholders and have distributed over \$609 Million of stock in the past 15 years. 1,735, or 52% of our Associate-Owners, have greater than \$50,000 in stock, and 1,236, or 37% of our Associate-Owners have greater than \$100,000 in stock. This is in addition to our matching 401k retirement plan, which has over \$315 Million invested in a Fully Funded Trust Fund with a match of \$6.9 Million in 2023, another all-time record.”

“Today, our market capitalization is in excess of \$1.6 Billion, a \$361 Million increase over 2022,” Bawel said. “In just 15 years



we have grown to be the 33rd largest ESOP in America. Our JASPER family has been truly blessed by great customers who have been very patient through these material and labor shortages.”

“Our success directly reflects our Associate-Owners and their commitment to Do it Right in these challenging times,” Bawel added. “We have been Blessed with great Associate-Owners who have continued to stay focused on what is in our control, a never-ending commitment to improvements in Safety, Quality, Productivity, Customer Service, and Reduction of Waste. We are extremely thankful and humbled with our success.”

The JASPER® Independant Fleet Repair Advisory Council

Jasper Engines and Transmissions convened their Independent Fleet Repair Advisory Council in April. This council serves as a platform for fleet repair shops with similar goals to collaborate and develop effective practices. “Its aim is to facilitate the exchange of ideas among business owners to enhance their success” says Joe McDonald, JASPER Vice President of Sales. “It emphasizes the pivotal role of Advisory members in shaping the National Fleet Installer program”.

McDonald stressed the importance of fleet managers’ confidence in the quality and fairness of repairs. “The program, guided by independent owners nationwide, addresses this need,” he added.

The Independent Fleet Repair Advisory Council meets biannually, requiring a two-year commitment akin to the Independent Repair Shop Council.

Matt Weinzapfel, President of JASPER, expresses gratitude to the new council members for their contributions in steering JASPER’s direction. He underscores the company’s dedication to becoming the preferred brand for customers, highlighting the valuable insights shared during the meetings.



Members of the JASPER Independant Fleet Repair Advisory Council are (left to right): Alfredo Prince, Bill Black, Rich Gautreau, Adrian Vahak, Tim Bonner and John Wensel.

Dropping EV Values Fortify ICE Aftermarket

Reprinted with Permission from Robert Merwin, Publisher, *AftermarketMatters.com*

The recent depreciation of electric vehicles is ballooning their cost of ownership compared to Internal Combustion Engine (ICE) cars and light trucks. According to the latest Lang Aftermarket iReport, the impact of EVs on the aftermarket will be greatly influenced by how this development plays out over the next several years.

“Most EVs have plunged in value over the past 12 months, increasing the cost of ownership and threatening their sales in the new and used auto markets,” states the analysis. “This could have significant consequences for the proliferation of EVs on the road and their impact on the aftermarket for years.”

The following are key takeaways from the report.

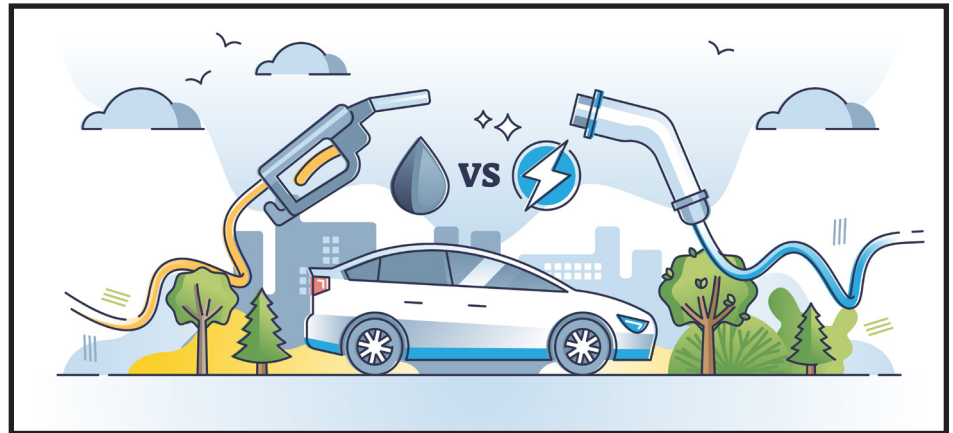
Escalating Cost of EV Ownership - EVs have been touted as less expensive than ICE vehicles, particularly in fuel and maintenance.

However, for most vehicles, the most significant cost of ownership is not fuel or maintenance but depreciation: the continuing loss of a vehicle’s value over its life on the road. EVs have recently lost value much faster than most comparable ICE models.

EV Depreciation Explodes - In the first quarter of 2024, the value of EVs in the U.S. fell by nearly 30% compared to the previous year. This was about ten times the rate of ICE vehicles’ depreciation, and there are indications that the high rate of EV depreciation could continue for an extended time.

Causes of EV Depreciation - Lang outlines several factors that have fueled the drop in EV values.

- Many dealers are slashing new EV prices to clear their bloated inventories, resulting from slowing consumer demand for EVs amid an increasing supply. Every dollar reduction in the cost of new EVs has a rippling effect on the value of EVs in operation, driving up their depreciation rate.



- The longer EVs remain on the road, the more they suffer “technology depreciation” because they possess outdated and inferior technology (reflected in range, charging capacity, etc.) compared to newer models.
- Some of the issues EVs have with range, operating issues, charging times, high insurance costs, and other factors are reducing their appeal in the used-vehicle market, cutting the prices used-market buyers will pay for them compared to ICE models.
- Until recently, some EV models had experienced lower-than-normal depreciation owing mainly to their scarcity in the used market. With the increase in new EV supply and lowered prices, this bubble has burst, and the depreciation of EVs has escalated.

Consequences for New Vehicle Leasing - Leasing represents over three-quarters of the new EV market in the U.S. Their depreciation has affected the EV leasing market since the anticipated value of a vehicle at the end of its lease (which has been undercut by depreciation) is a significant factor determining monthly lease payments.

The value of some EV models has deteriorated so rapidly that automakers have had to pay leasing companies (and their underwriters) significant amounts to offset the unforeseen decreasing values of leased vehicles. This will raise the cost of leasing EVs, creating headwinds for the growth of the new EV market.

Consequences for the Used Vehicle Market - Electric vehicles’ depreciation would seem to make them bargains to used buyers. Still, as Lang notes, the danger of further depreciation and the various operational and charging factors that have fed the depreciation spiral will probably more than offset the appeal of reduced EV prices in the eyes of used-market buyers.

Aftermarket Consequences - The rapid depreciation of EVs will impact the aftermarket in several ways.

- High depreciation will provide a headwind for EV demand in the new vehicle market, which could lead to further price cuts, feeding more depreciation. This will slow EVs in expanding their share of vehicles in operation (VIO) and reduce their impact on the aftermarket.
- The lower depreciation rates of ICE vehicles, compared to EVs, could strengthen the share and volume of ICE vehicles in the new vehicle market.
- The depreciation of EVs could slow the depreciation rate of ICE vehicles, which are already depreciating less than EVs.

Lang states that those factors and other issues will likely strengthen the VIO position of ICE vehicles for years to come and contribute to their aftermarket dominance through 2030 and beyond.

The Power of Measurement in Achieving Business Success

by Joe McDonald, JASPER® Executive Vice President of Sales

Joe McDonald

is a University of Maryland University College (UMUC) graduate with an Associate's Degree in Business. Joe



has 34 years of experience in the automotive field and 27 years with JASPER. He served as a Regional Vice President of Sales for 20 years, and serves today as Executive Vice President of Sales.

The phrase "What gets measured gets done" is a core principle at JASPER. Numerous methodologies, such as Lean and Six Sigma, have emphasized the importance of measurement in business success. The essence of these approaches lies in the fact that without measurement, accountability fades, and mediocrity prevails. The critical question for any business, especially in a shop environment, is: What should you measure to ensure success?

A common, yet superficial, measure of success that shop owners often cite is

having money in the bank at the end of the month. While this is indeed a measurement, it fails to provide insights into the underlying factors contributing to financial health or lack thereof.

To truly drive revenue growth in a shop, there are fundamentally two avenues: increasing car count and boosting the average repair order (RO) value. At a minimum, shop owners should track these metrics. For instance, if your shop averages 40 cars per week but sees a drop to 32 in the last quarter, this decline can signal a problem far sooner than a dip in the bank balance at the month's end.

Similarly, monitoring the average RO can reveal issues early on. A declining average RO may point to inefficiencies, whether it's a service writer failing to upsell or a technician performing subpar inspections.

By consistently measuring these metrics, accountability is instilled within the team, allowing for quicker identification and resolution of problems. Each team member, including the owner, plays a crucial role in the measurement process. If everyone understands and adheres to their responsibilities, identifying and addressing breakdowns becomes significantly more straightforward.

It's essential to determine with your team what to measure. While car count and average RO are foundational metrics, several other key performance indicators (KPIs) can provide deeper insights into your shop's performance:

- **Gross Parts Profit**
- **Labor Gross Profit**
- **Average Repair Order (ARO) Labor Hours**
- **Technician Efficiency**
- **Effective Labor Rate**

Labor metrics, in particular, are often the most profitable aspects of a shop's business. Accurate billing, especially for diagnostic time, can make significant improvements. Measuring the effective labor rate can pinpoint inefficiencies, such as undercharging for diagnostic efforts.

Understanding where your dollars are going allows for better strategic planning and corrective actions. For example, realizing that diagnostic time isn't being billed accurately might prompt you to adjust your pricing strategy, ensuring you're compensated for every task performed.

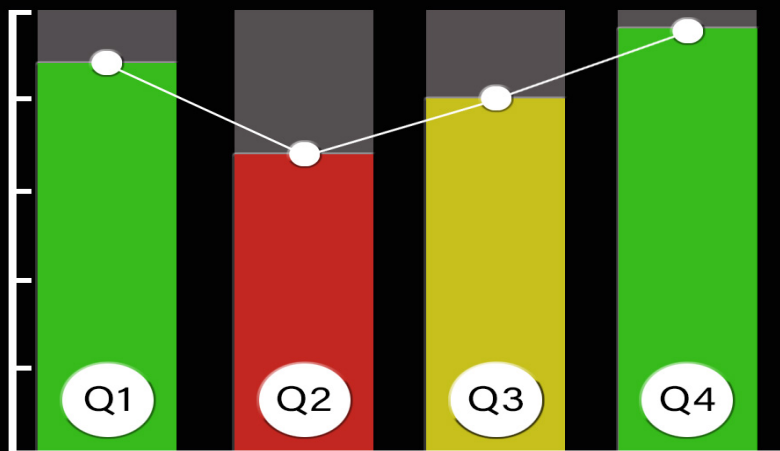
QR Code for Past Newsletters



Our April 2024 newsletter was mailed to many of our nationwide customers. Please scan the QR code above if you did not receive that specific issue and would like to read it or articles from previous newsletters.

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THE POWER OF MEASUREMENT



Leading with Purpose: 8 Must-Know Practices for Success

By Darrin Barney, President - EliteWorldwide, Inc.

Darrin Barney

started his own auto repair and 4X4 business in 2003. By having a dedication to the success of his employees that is unlike any other, as well as to the care and safety of his customers, his success quickly caught the attention of the industry, and it's brought about his being featured in countless podcasts and nationally published articles. He's been on the cover of Auto Inc. magazine, and he's spoken at a number of the industry's largest events. Before becoming President at EliteWorldwide, he filled the role of lead trainer for the industry-acclaimed Masters Service Advisor Program, and he's coached a number of clients to incredible levels to help Elite grow into the remarkable brand it is today.



In the busy world of automotive repair, each day presents an opportunity to strive for excellence, not just in the services we provide but also in the leadership we exhibit. As a fellow shop owner and industry enthusiast, I'm here to ignite the spark within you and inspire you to be the best leader you can be for your automotive shop.

1. Lead by Example: Great leadership begins with leading by example. Be the embodiment of the values and principles you wish to instill in your team. Show up every day with passion, dedication, and a relentless commitment to excellence. Your actions will speak louder than words and inspire those around you to do the same.

2. Communicate Effectively: Clear and open communication is the cornerstone of

effective leadership. Take the time to listen to your team, understand their concerns, and communicate your vision with clarity and conviction. Foster an environment where ideas are freely shared, feedback is welcomed, and everyone feels valued and heard. Daily morning huddles with your team are an easy way to do this!

3. Empower Your Team: A great leader empowers their team to take ownership of their roles and responsibilities. Delegate tasks, provide guidance and support, and trust your team to deliver results. Encourage creativity, initiative, and innovation, and give credit where credit is due. When your team feels empowered, they'll go above and beyond to exceed expectations. People support what they help create.

4. Lead with Empathy: Empathy is the mark of a truly exceptional leader. Take the time to understand the needs and concerns of your team members, both professionally and personally. Show empathy, compassion, and genuine care for their well-being. By leading with empathy, you'll foster a culture of trust, loyalty, and camaraderie within your shop.

5. Inspire a Shared Vision: Great leaders inspire others to rally behind a shared vision of success. Paint a compelling picture of the future you envision for your shop, one that inspires passion, purpose, and commitment. Involve your team in the vision-setting process, solicit their input, and make them feel like active participants in the journey towards greatness.

6. Lead with Integrity: Integrity is the bedrock of leadership, the unwavering commitment to doing what's right, even when no one is watching. Lead with honesty, transparency, and integrity in all your interactions. Build trust with your team, your customers, and your community,

and uphold the highest ethical standards in everything you do. It starts with you. Your team is always watching!

7. Embrace Continuous Learning: The journey of leadership is a lifelong pursuit of growth and development. Stay hungry for knowledge, seek out new learning opportunities, and invest in your personal and professional development. Surround yourself with mentors, peers, and industry leaders who inspire and challenge you to be better every day. If you are the smartest person in the room, you need a different room.

8. Celebrate and Appreciate: As a leader, it's essential to celebrate the achievements and milestones of your team. Take the time to recognize their hard work, dedication, and contributions to the success of your shop. Celebrate victories, big and small, and express genuine appreciation for the invaluable role each team member plays in achieving your collective goals. Remember that the behavior that you get is the behavior that you reward.

Want to dive deeper into great leadership principles? I strongly urge you to read one of my favorite books by Dale Carnegie, *"How to Win Friends and Influence People."* Every time I read it, I leave with a deeper understanding of timeless and actionable leadership principles.

In conclusion, being a great leader isn't just about achieving success for yourself; it's about inspiring and empowering others to reach their full potential. As you continue on this journey of leadership, remember that Elite Worldwide is here to support you every step of the way. Together, let's reach the full potential of your automotive shop and redefine what's possible in our industry.

Elite
PEOPLE. PRINCIPLES. RESULTS.



100% Associate Owned

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Willow Springs Celebrates 20 Years of Production

This Summer, the Willow Springs, Missouri, production facility celebrates its 20th Anniversary. The first Associates started in May of 2004 with production starting on July 6th of that year.

On that first day, known as J-Day, 25 quality 350 Chevys were produced. Beginning with just 54 Associates in the Gas engine division and support groups, the Transmission division started in October of that same year.

Currently, through five engine PODs, and eight transmission PODs, upwards of 230 units are being produced daily. This has grown not only the facility to over 195,500 square feet through five expansions, but also an Associate count of nearly 350 strong.

To date, Willow Springs has added just over half a million combined units to the JASPER® sales numbers.



Willow Springs Associates gathered May 15th for an outdoor group picture in preparation for their 20th Anniversary celebration in July.