

Keeping it in the Family

Roy Rump and Sons Tire and Auto Centre takes success to the 3rd generation

Nearly 70% of family-owned businesses fail to make the transition from founder to the second generation. 90% do not reach the third generation. These are the findings from a recent survey conducted by consulting firm Grant Thornton LLP.

Close the shop for six months. Ditch the gas pumps. Invest all you've got on a new building and state-of-the-art equipment. Offhand this does not sound like a recipe for success.

Nearly eight years after the major renovations, Roydon Rump, the service manager at Roy Rump and Sons Tire and Auto Centre in Ottawa is not certain that the family would do it all again, knowing what they know now. He does know though, why for his shop the big gamble paid off. It's due to the "people focus" of the Roy Rump & Sons team that customers keep coming back, and the business achieves its targeted growth milestones.

Since the renovations, the Centre has grown from two bays and two technicians to five bays, with 10 stalls, and four technicians for a total staff of 10. All of them are committed to providing their customers with a positive personal experience by offering them outstanding service carried out by qualified technicians using the highest quality products at fair prices.

The Rump rules for success....

Rump Rule # 1 Work Together as a Team

The family

"It's because we've always gotten along and clearly defined the work each of us does. It's never a power struggle. We might argue about the odd thing at work, but we work it out and we never bring it home. Work is work, home is home." Roydon Rump.

The Rump dynasty has grown to include a father, two sons and a daughter, and now three grandsons. It's not that the Rumps were born with tools in their hands. What distinguishes them as a working family is their willingness to work together and acquire necessary skills and knowledge.

It began with Roy D. Rump Senior, 77, who started his career on his birthday, July 25th, 1956 with Canadian Petrofina. Roy has always been and remains first and foremost a business man, very customer oriented, with a strong belief in doing things right. When the family considered renovating the Pinecrest Avenue location, which the Rumps ran as an Esso

franchise from 1978-1997, he did very thorough homework in preparation. He and his family met with area businesses and residents, all neighbours, to discuss the plans. Roy is still involved with special projects and serves on the Board of Directors for both the Automotive Aftermarket Retailers of Ontario (AARO) and the AutoPlace Association.

Son Roydon Rump, the Service Manager at the full-service facility, has been part of the Roy Rump & Sons team on a full-time basis since 1979, when he was apprenticed to Tom Belfour. Roydon is a licensed service and truck and coach tech-



The staff at Roy Rump and Sons Tire & Auto, a family-run Carquest Auto Place member and 2000 SSGM Garage of the Year. From left to right at the front: Tom Belfour, Cody Egan, David Rump, Roydon Rump, Steve O'Brien. On the stairs, left to right: Darrell Kouri, Jeff Newson, Frank Prior. Not shown: Diane Rump-Egan and Roy D. Rump.

"Before the multinational corporation, there was family business. Before the Industrial Revolution, there was family business. Before the enlightenment of Greece and the empire of Rome, there was family business."

Professor William O'Hara,
author of *Centuries of Success*

they based projected figures on 1½ times existing sales, as if they were increasing the number of bays from two to three, instead of five.

The Staff

People are as much a part of the investment picture at Roy Rump and Sons as the technology. The shop provides an environment where good technicians like to work, and continue to learn. Roydon and Diane have created an incentive program for their staff that rewards

productive employees for upgrading their skills and becoming more productive. "If one technician spends five hours to diagnose and fix a problem, and another can fix the same problem in two hours, then you have to figure out why that is and fix it," says Roydon "because you can't change charge the customer for what you don't know".

At Rump and Sons training tools and resources are readily available. An upstairs staff room featuring a ceiling-mounted monitor capable of receiving CARS Interactive Distance Learning (IDL) satellite broadcasts and playing training tapes from a VCR.

Computers have been part of work at Roy Rump and Sons since desk tops first made their appearance. There is an internal LAN, with high-speed Internet connectivity that lets technicians get online help with unusual situations.

Roy Rump and Sons currently employs four technicians and an apprentice. Tom Belford has been with the company for about 35 years, starting his automotive apprenticeship with the Rumps. Frank Priori, another former apprentice, received his license in May of 1999. Frank specializes in engine repair and performance, electrical and fuel systems, as well as scheduled service maintenance. Steve O'Brien has been a part of the Roy Rump and Sons team since June 2001, proving to be a highly motivated, great problem solver who likes to take advantage of IDL satellite training courses. Jeff Newson came to the Rumps in 2002, shortly after receiving the Motor Vehicle Certificate of Qualification award, given to the student with the highest mark on the inter provincial exam. Jeff is up-to-date on all aspects of automotive repair and maintenance, with emphasis on electrical and fuel systems. Darrell Kouri completes the team. As Front Counter Service Assistant he manages the Drive Clean Program and together with Roydon assures a smooth work flow for technicians, and handles appointment bookings and estimates. Darrell, Steve, Jeff, David and Roydon are all members of the Certified Drive Clean Inspectors.

Roydon's advice to those just starting out: "Be prepared to stay on top of the evolving technology. It's a good field to be in. As long as you realize that a technician's job is not an eight to five kind of job and that it requires you to be willing to learn and

nician. ASE certified, with many automotive management courses to his credit, he sees to it that technicians have proper parts and specs on hand. He prides himself in providing personalized customer service in the tradition of his father. Roydon readily embraces the evolution of new technologies and is looking forward to demonstrating the capabilities of the newest Delphi DS800 Driver Seat Diagnostic System to his team, getting them on board. This Internet based point and click technology will allow technicians to do a prescreening diagnostic on the vehicle in just minutes, in a similar manner to a nurse at a walk-in clinic or emergency triage desk will prescreen patients for a doctor.

Roydon and his sister Diane are joint decision-makers when it comes to buying new equipment. All equipment at Roy Rump & Sons is purchased, rather than leased. Diane Rump-Egan, the self-described number one 'son' in the business management, joined the Roy Rump & Sons team in 1984. She handles the accounting and marketing for Roy Rump & Sons, having taken courses in business and accounting.

When it came to making the decision to close up shop and renovate, she felt comfortable, even when unforeseen site clean-up costs boosted the building costs to more than \$500,000. That comfort level came from the 40 years business experience the Rumps had accumulated, Roy's excellent salesmanship. It also helps that the Rumps are very clear on what their niches are within the organization, what each of them does well.

At age 12 and 14, David and brother Roydon Rump started pumping gas and helping with tire repair at their dad's shop... These days David divides his time between the constant demands of building maintenance and repairs and Certified Drive Clean Inspections. In large part thanks to him, customers are greeted by well-tended flower beds, a clean lot, the gleaming glass atrium with comfortable couches, hanging plants and complimentary coffee.

The third generation of Rumps is now part of team, learning the trade from the ground up. Nephew Cody (Egan) has been a full-time employee for two years and Roydon's sons Jason, 15, and Tyler, 16, come clean up at the shop on weekends.

Rump Rule # 2 Set clear, realistic goals in terms of sales volume and size of the organization.

The old two-bay facility generated annual sales of between \$550,000 and \$600,000. "We were very realistic in saying that this new place is not going to be full the first year" says Diane Rump-Egan. To come up with the cautious sales target of \$700,000 for the first year operation for the new facility,



Jeff Newson



Tom Belford

keep on learning, you will never be out of work. As an owner you have to be prepared to put money into keeping up to date, then you can make a good return. "

The Relationships

Rump Rule # 3 — Do it the Right Way

When the cost of the renovations more than tripled it was the power of relationships that turned dreams into reality. The Rumps went to great lengths to canvas their neighbourhood community, informing them about their plans, engaging some in the actual renovations. They kept their clientele informed through progress updates.

After the six-months shut-down the owners forged several new strategic alliances with AC-Delco, AutoPlace, Drive Clean and CAA in order to grow the business successfully. These partnerships give technicians access to factory training, provide merchandising and marketing support and drive customer traffic.

The Roy Rump & Sons website provides the shop another avenue to stay in touch with clientele, provide preventative maintenance tips, and showcase the staff and their accomplishments. Each technician has his own email address. The computerized database allows the business to send service reminder notices which promote the preventative maintenance the shop prides itself on, while generating repeat customer business.

Success Is

Beyond the pleasant working environment, the steady growth in revenues and repair volume, it comes down to the people, the staff and the customers. At the end of the day Roydon measures achievement and success in getting that one upset customer to talk about what he/she isn't happy with, and finding the solution. When customers leave dissatisfied and don't come back, don't talk about what is that made them leave, you can't learn how you could have made it better.

More information for family-run businesses:

The Canadian Association of Family Enterprise CAFE
<http://www.cafemembers.org/cafenational/affiliatedlinks.cfm>

The Family Enterprise Foundation (FEF)
<http://www.cafemembers.org/cafefef>

Business Families Foundation (BFF)
<http://www.businessfamilies.com/en/fondation/index.html>

The Family Firm Institute (FFI) <http://www.ffi.org>

The Business Families Centre at the Sauder School of Business at the University of British Columbia
<http://www.sauder.ubc.ca/bfc/is>

The Centre for Entrepreneurship & Family Enterprise
<http://www.bus.ualberta.ca/cefe/> is located within the School of Business at the University of Alberta.

The Centre for Family Business Management and Entrepreneurship
<http://www.haskayne.ucalgary.ca/research/centres/research/centres/cfbme/>

"Be Car Care Aware" Comes to Canada

October 2004 saw the launch of an educational campaign for automotive consumers on the benefits of regular vehicle care, maintenance and repair. A similar program has seen success in the United States.

Research has shown that many car owners tend to neglect their vehicles as a result of a combination of a lack of awareness and understanding, as well as misinformation and misperceptions about car care.

"The consumer-targeted *Be Car Care Aware* Campaign is being endorsed by all parts of the automotive aftermarket" says CARS President Dan Bell, bringing together all segments of the aftermarket industry, from independent automotive service providers, manufacturers and retailers as well as the jobbers. "It promises to be a positive campaign for the Canadian Industry" says the CARS President, providing an opportunity for the industry to speak with one unified voice and *enhance* its overall image with consumers.

The intent of the Be Car Care Aware campaign is to build consumer awareness and knowledge of vehicle maintenance. This increased knowledge will lead consumers to make informed decisions about their vehicles, and take action into a preventative maintenance.

By placing greater emphasis on car care and maintenance, consumers will benefit through improved highway safety, energy conservation and improved environmental conditions. The aftermarket will benefit from increased car care and maintenance procedures with an estimated \$2 billion in increased maintenance annually. Increased consumer car care awareness will increase profitability in the aftermarket, while reducing consumer costs, improving highway safety, conserving energy, and benefiting the environment.

While the campaign will be conducted year round, it will have two months particularly devoted to it in Canada:

May — National Car Care Month and

October — Car Safety Month.

For more information on the *Be Car Care Aware* Program, visit the *Car Care Canada* website at www.carcarecanada.ca



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www.cars-council.ca