



THE NEW ETI HEADQUARTERS Located on the 3rd floor of the Peak City Grill building in Historic Apex, North Carolina

ETI Becomes Self-Managed

As of January 1, 2006 the Equipment and Tool Institute no longer uses a management company to administer the daily affairs of the institute. ETI had contracted with Management Services Group (MSG), a wholly owned subsidiary of the Motor and Equipment Manufacturer's Association (MEMA) since 1999.

"The Board would like to thank MEMA and especially MSG for the support provided over the years. MEMA came to ETI's rescue during some difficult years and served our organization admirably. Now that ETI is strong and on track, we feel that it is time to become independent once again," said Charlie Gorman, ETI Executive Manager, in a letter notifying MSG of the pending change.

Gorman concluded the letter, written under the direction of the Board of Directors, by adding, "All of

us at ETI look forward to working with MEMA in the future. We are involved in many projects and programs that are beneficial to both associations. We intend to continue to work with MEMA toward our mutual goals"

"ETI is taking steps to secure its place and position in the industry. This is part of that process," said Bill Eernisse, then president of ETI. "We have always been proud of our independent position in the industry and work hard to maintain that unique position. Becoming self-managed will allow us to continue to be seen as a truly independent group."

Most of the changes have already taken place and it is business as usual for ETI. We have a new office located in Apex, NC and invite members to stop by if you are in the area.

Inside

Letter from the President

2

New Officers and Directors

3

ToolTech 2006 Recap

4 & 5

Letter from the Executive Manager

6

Japan Tech Week

7

Calendar of Events

8

LETTER FROM THE PRESIDENT



Michael P. Simon
ETI President

Dear Friends and Colleagues,

As I welcome in my term as President of the Equipment and Tool Institute, I am privileged to continue the outstanding work of my predecessors, which have transformed the Institute into what it is today- a vibrant, agile and well respected industry association that is representing its members on many critical issues facing our industry. The unprecedented leaps in automotive technology over the last several years are creating a completely new world of expanded service opportunities for our member companies. ETI holds one of the critical keys to unlocking these opportunities by providing unique access to the information, technology and Original Equipment Manufacturers. As I look to the year ahead, there is little question that ETI is well prepared to help our member companies capitalize on these opportunities.

Over the next 12 months we will be focused on enhancing many of the products we currently offer that support our membership and create additional value. ETI's leadership role in securing and delivering technical information will be enhanced by the development of a new electronic indexing system of the Tek-Net library. Both current and potential members will benefit from having a clear and easy to understand index of all of the technical data we have in our files today.

The marketing staff at ETI has done a great job over the last year of meeting with many member companies to better understand their sales and marketing needs and how ETI can better support them. This is another area where ETI is evolving with the times. Over the last 10 years there has been a lot of consolidation in our industry, and the traditional methods used to collect sales and other types of marketing data are changing. ETI is working on adding a new element that will be focused on the sales and marketing needs of our membership. While the end product for members is still in the works, I am confident it will be very valuable to our membership.

One of the keys to ETI's success is the involvement from its member companies. Your involvement in the Institute benefits both your company and the Institute. For me personally, my involvement in ETI over the years has opened many doors and provided access to the OE's that would have been very difficult to gain under most circumstances. We ask that you be more involved, be more engaged and take an active part with us and others to have a positive impact in the industry. Your involvement starts with participation in one of our many vertical groups and attending our Tech Weeks and ToolTech. Please do not hesitate to contact myself or anyone on our staff for information on how you can become involved in the Institute.

In closing, I would like to take this opportunity to recognize the outstanding work by our staff at ETI for being actively committed to the Institute. From a marketing and technical perspective they have been vital to our success by implementing our programs and maintaining the day to day operations. On behalf of the board of directors and the ETI staff, we look forward to your support, your cooperation, your collaboration, and your input as we continue to grow and support the automotive aftermarket industry.

Michael Simon

New Officers and Directors

ETI Activity Update

The Equipment and Tool Institute announced the results of its 2006-2007 elections at the Annual Member Meeting April 18th as part of ToolTech.

Elected Officers:



President-
Michael Simon
Delphi



Vice President, Programs-
John Wiedemann
JS Products



Vice President, Marketing-
Dave Schaar
SPX Corporation



Secretary/Treasurer-
Randy Gard
Chief Automotive Technologies

Directors:

Elected for a one year term-
Alan Tecmire, ETAS Group

Elected to a two year term-
Dan Brass, Stride Tool

Elected to Three Year Terms-
Garrett Miller, SPX (second term)
Sylvain Julien, Celette (second term)
Steve Gill, Alldata

Detroit Tech Week

At the time of this writing we are putting the final touches on Detroit Tech Week. Registrations indicate that we will have a good turnout. As always, we want to thank General Motors, Ford, DaimlerChrysler and VW / Audi for all the hard work involved in putting together the technical presentations

Japan Tech Week 2006

The dates for Japan Tech Week are December 10 through December 15, 2006. Please hold a place in your Calendars for this important event. Our Hosts this year will be Nissan in the East and Mitsubishi in the West. We will keep you informed as this event draws nearer.

Vertical Group Activity

Scan Tool Group

(CARB) Heavy Duty Service Information Rule
(This affects the SMG Group as well)

The new rule will be put before the ARB at the June '06 Board meeting. The proposed language is favorable to ETI members in General. We were not able to make Third Party Information Providers "Covered Persons", but everything else we asked for seems to be there. We are in the process of sending comments to ARB stating that we are in favor of the recommended language as put forth by the CARB staff.

Underhood Technology Group

I/M Subcommittee

California I/M Review Committee Presentation

On April 25, 2006 Alan Tecmire, ETAS and Charlie Gorman gave a presentation before the California I/M Review Committee. The presentation supported an OBD only test for 1996 and newer vehicles. A copy of the presentation can be found at <http://www.etrtools.org/i4a/pages/Index.cfm?pageID=2618>

Shop Management and Information Software Group (SMG)

EPA OEM Website Audit

Selected technicians have completed their audit of the OEM websites. The results of all questionnaires received have been compiled and summarized in a draft OEM Website Audit Report. Now each OEM and Steering Committee member has been asked to review the draft and provide comments. ETI has forwarded the draft report to key SMG members who have the expertise required to accurately comment. ETI will compile these comments and forward them to EPA.

EPA will then need time to consider the comments from everyone and make changes before the report is finalized and distributed to the general public, including the technicians who participated in the audit.

more updates on page 7

ToolTech 2006 Recap

With more than 150 attendees from nearly 80 companies representing the industry's leading tool suppliers, vehicle manufacturers and other major purchasers of tools and equipment ToolTech 2006 exceeded all expectations. Those companies that attended were able to network and meet one-on-one with many key buying decision-makers.

Highlights of the event included:



Opening Reception where more than 125 industry professionals met and mingled



ETI annual meeting where several new ETI initiatives were announced, including:



Plans to address software piracy concerns



Creation of a new sales and marketing group within ETI



The ToolTech Company Showcase with over 40 companies showcasing their products and services 210 separate One-on-One meetings between tool and equipment companies and OEMs and other large buyers



Three Shop Talk presentations on doing business in China, the NASCAR inspection program and emerging industry standards



Tee Time Golf Tournament where 35 golfers networked and competed for cash prizes



Grand Finale Banquet where awards were presented and a few closing remarks were made



Friday NASCAR Race Day where ToolTech attendees were given a special tour of the garage during the inspection process, pit access, and admission to the Basha's 200 Busch Series race.



ToolTech 2006 started with a pool-side reception at the Scottsdale Plaza Resort in Scottsdale, Arizona. The 2-day sales and marketing event provided many opportunities to network with OEMs, large volume buyers and other tool and equipment professionals.



2005-2006 ETI President Bill Erniste, Rotary Lift, gives his departing remarks as part of the ETI Annual Meeting. He summed up the year in these words: "All in all, I feel we enjoyed an ambitious, successful, and rewarding year. My job as president was to see that projects stayed the course. With all of the hard working and dedicated people I served with, I had the easiest job in the institute last year."

Plans are already under way for ToolTech 2007. Each year ETI takes the comments from the attendees and makes changes to the event to create a better event every year. Look for more information coming soon.

ToolTech 2006



2006-2007 ETI President, Michael Simon of Delphi (right), accepts the gavel from departing president, Bill Eernisse (left).



ToolTech 2006 was tremendous success in large part due to our gracious sponsors.



John Wiedemann, Jim Moore and Johnny Mora of JS visit with an attendee in their booth as part of the Company Showcase. More than 40 booths gave exhibitors an opportunity to display their wares.



Christoffer Weber (right) and Johan Olsén (center-right with back turned) of Autocom Diagnostics traveled from Sweden to be able to explain the benefits of their product to ToolTech attendees.



ToolTech attendees enjoy a drink as part of the social hour before the Grande Finale closing banquet starts.



ToolTech attendees had the option of purchasing an all-day NASCAR Busch Series package. Pictured are some of the attendees as everyone gets signed in for the behind-the-scenes tour of the garage area.



Joe Balash, Director of the Busch series delivered a presentation at ToolTech on the NASCAR Inspection Program. At the track he took time to meet with the attendees and show them the process in person.

EXECUTIVE MANAGER REPORT



Charlie Gorman
Executive Manager

This has been an extremely busy year at ETI.

Not only have we had our regular duties to perform, but we took on the additional responsibilities of self management and becoming a major player in the reorganization of the National Automotive Service Task Force (NASTF).

Self Management has been challenging, but predictable. Brian Irish and I prepared a list of things that had to get done and we have done them. Some things took longer than expected and some took less, but all in all things are now running smoothly.

I would like to take this opportunity to explain our involvement in NASTF. It has been a bit more difficult and time consuming. Yes, with the help of many people including professional facilitators, a list of things that needed to be done was prepared and we set out to do them. But, unlike the self management project, the reorganization of NASTF has proven to be more difficult. So why spend so much time on it?

Despite the current NASTF's weak structure, we have been very successful in securing the information scan tool manufacturers need in order to design and build aftermarket equipment that emulates the equipment that new car dealerships have. Since August of 2003 most automakers have been very cooperative, providing above and beyond what is required by law. For this reason alone NASTF needs to continue. It is in every ETI member's best interest.

However, NASTF can't continue to run as it is. It has no official voice. Statements made by its members are considered to be self serving because there is no sanctioning body, nor are there any official bylaws, rules of operation, or budget. In fact, NASTF is not even a registered entity. The reality is that NASTF, although successful, is not as successful as it needs to be. The goal is to create a permanent organization that can not only do a better job of processing complaints regarding missing information, but also to provide a means of enforcement.

To date we have accomplished quite a bit. We have created an initial funding model and received commitments from the following associations to fund NASTF for the first year: the Equipment & Tool Institute, the Automotive Service Association, the Alliance of Automobile Manufacturers, the Association of International Automobile Manufacturers, the Motor Equipment Manufacturers Association and the Associated Locksmith of America.

On April 4, 2006 NASTF's new Board of Directors met for the first time and Elected officers. I am proud to have been elected as NASTF's Chairman and look forward to working with Ron Pyle of ASA (Vice

Chairman) and Steve Douglas of the Alliance of Automobile Manufacturers (Secretary Treasurer).

We are currently in negotiations with ASE to incorporate NASTF. They will also handle the day to day management providing us with a fulltime staff person along with part time support in the financial, communications and IT areas. This will allow NASTF to respond quicker to service information gap complaints.

Documents originally drafted as part of the FTC – BBB negotiations last summer are being edited so that all parties can agree to them. These documents include: "Model for Binding Dispute Resolution", Formalizing NASTF", and the "Voluntary Standards" document. These documents are available on the NASTF website www.NASTF.org. There were key agreements made during those negotiations last summer and we are trying to keep the momentum going. There were also some important issues "left for later" in those agreements and we are going to try to add language to cover the missing segments. We are off to a great start, but there is much work to be done.

In addition to the work that is ongoing we specifically have the following work items to complete:

- Board of Directors Code of Conduct
- Sustainable Funding Model (past year one)
- Administrative Support - Long Term
- Bylaws
- Organizational Performance Metrics
- Board of Director Processes – Identify and Define (list started)

The Board of directors has also identified some new goals. Many of the problems relating to information availability stem from the automobile manufacturers' inability to predict the need for certain information. Automakers today are not vertically structured as they once were. They no longer have all encompassing rights to some specific repair information. These rights may belong to a component or system supplier. The NASTF Board of Directors has discussed the possibility of sponsoring "best practices" efforts within existing standards organizations such as the Society of Automotive Engineers. NASTF's job could be made a lot easier in the future if potential problems are solved before vehicles are designed and built.

We have also discussed a new role for the Communications Committee. Automakers respond to industry and public opinion regarding their products. NASTF will be looking for ways to report to the automotive trade press as well as the general press regarding the automakers that have shown a willingness to provide repair information beyond the minimum. We also plan to publicize those instances where an automobile manufacturer has refused to provide information and the reasons for doing so are insufficient.

As I said earlier, It is a difficult task to get all the different interests within this industry to agree on something as complex as the availability of automotive service information, but a good faith effort is under way. Many of the problems facing us can only be solved by industry experts. These experts need a forum where problems can be heard and solutions found. I believe NASTF is that Forum.



JAPAN TECH WEEK 2005

ETI and JAMA Celebrate Japan Tech Week

The 18th Annual ETI/JAMA Japan Tech Week, held December 5-9, 2005, brought over 50 individuals from 32 ETI member companies to Redondo Beach, California for technical presentations from 10 different Japanese vehicle manufacturers.

Japan Tech Week is designed to provide Japanese OEMs a forum to provide service and repair information, technical data, and insights into new technologies for their upcoming models. Participants in Japan Tech Week this year included the eight Japanese manufacturers that have been participating for many years: Honda, Isuzu, Mazda, Mitsubishi, Nissan, Subaru, Suzuki and Toyota.

This year held many firsts for Japan Tech Week. In preparation for the Heavy Duty OBD rule coming in 2010, ETI and JAMA invited two of Japan's heavy duty manufacturers, Hino and Mitsubishi Fuso, to participate. Both presented an introduction to their company and an overview of their vehicles.

Another new feature of Japan Tech Week this year was the addition of breakout sessions. ETI's membership is very diverse and covers much of the automotive service industry. With such a diverse group of companies, each one looking for different information, it can be difficult to cover all new service and repair topics within the allotted time. Breakout sessions allow the OEMs to focus their presentations on specific areas of interest and give more comprehensive presentations; including details on new procedures and in-depth explanations of new technologies. The Under Car and Collision Repair Vertical Groups both benefited from these new breakout sessions.

After three days of technical presentations, ETI members, staff and representatives from the Japanese manufacturers and their American subsidiaries joined together in celebration of a successful Tech Week at a banquet hosted by ETI aboard the Queen Mary in Long Beach. ETI hosts a banquet each year at the conclusion of Tech Week to express appreciation to the OEMs for their hours of hard work and contribution to Japan Tech Week.

"The successful continuation and growth of Japan Tech Week each year shows the commitment that the Japanese automakers have to the consumer" said Brian Irish, marketing manager for ETI. "They are working to ensure that the vehicles they manufacture can be repaired and serviced properly, and that the vehicle owner has a competitive alternative to the dealer for those services."

Each Japan Tech Week attendee and each delegate from ETI companies that did not attend should have received a set of CDs containing the presentations and technical information presented.

Plans are already under way for Japan Tech Week 2006, where ETI will be traveling to Japan to participate in the technical sessions. The dates will be December

ETI Activity Update (cont.)

Anti Piracy Campaign

ETI will be spearheading an industry-wide marketing campaign to reduce the demand for pirated service information and tool software by educating individual shop owners and technicians about software piracy. The campaign is currently in the planning stage with detail to be released soon. All companies in the industry are encouraged and welcome to participate. If you would like to become involved, please contact Brian Irish at birish@etools.org.

April SAE & ISO Technical Meetings Held In Detroit

ISO is working on world wide harmonization standards for OBD protocols. The effort will begin with heavy duty vehicle standards and expand to light duty. ETI invited key ISO WG1 TF3 members to provide a presentation regarding their progress and future plans at this year's Detroit Tech Week. Mark Jensen has agreed to present some information supplied by Gangolf Feiter.

Mike Drew is heading up a new committee (J2534-3). The purpose of this committee is to develop a document that will standardize reprogramming devices in order to insure each unit's ability to properly communicate with (reprogram) a broad range of vehicle years makes and models. This committee held its first meeting on May 17th.

Mike Drew will initiate the process by drafting an outline that will include the tests his company uses to check the conformance of J2534 devices. Mike Drew said that he hopes his willingness to share this information will cause other companies to offer their test procedures as well. It is for the good of the industry and the expedient development of the document, he said.

The next meeting is scheduled for Wednesday June 28, 2006

Marketing Committee

The Marketing Committee is hard at work on a couple of major initiatives for ETI. The first is the addition of a sales and marketing group. Brian has been making person visits to ETI member locations to visit with the membership about this initiative. The Marketing Committee is also looking into the possibility and feasibility of adding an associate membership to ETI. Another area of involvement for the Marketing Committee is supporting the Anti-Piracy Campaign.

Programs Committee

The Programs Committee is busy planning and developing the plans for ToolTech 2007. Each month the committee gets together on a conference call to discuss the progress and make decisions regarding the 2007 event. While the exact location has not been determined yet, the committee has decided that ToolTech will be in the Phoenix area again next year.

Calendar of Events

22nd Annual Clean Air Conference

September 25-28

Keystone Resort & Conference Center

Keystone, Colorado

www.ncvecs.colostate.edu/cac.docs/cac21.docs/CAC21_announce.html



AAPEX

October 30 – November 3

Sands Expo Center

Las Vegas, Nevada

www.aapexshow.com



SEMA

October 30 – November 3

Las Vegas Convention Center

Las Vegas, Nevada

www.semashow.com



NACE

November 1-4

Mandalay Bay Conference Center

Las Vegas, Nevada

www.naceshow.com



Congress of Automobile Repair and Service (CARS)

November 2-4

Mirage

Las Vegas, Nevada

www.carsonline.org



Japan Tech Week

December 11-15

Location TBD, Japan

Arrive in Japan on December 9th

www.ertools.org



Automechanika

September 12-17

Frankfurt, Germany

<http://automechanika.messefrankfurt.com/frankfurt/en/home.html>

