

# Preferred Automotive Specialists, Inc.

Business Growth Through Equal Parts Education and Customer Service

**Preferred Automotive Specialists, Inc. is proof positive that business growth doesn't have to mean sacrificing customer service. Tom Palermo, who serves as the general manager of the Jenkintown, PA, shop, has been able to expand his fleet customer base while continuing to maintain the personal, one-on-one relationship with regular customers.**



*Father and son, Joseph and Tom Palermo.*

“We are the ‘one-stop shop,’ which sets us apart in our marketplace,” Tom explains, adding that a variety of customer service strategies positively impacted shop profitability. “With this philosophy in mind, you can start small and enjoy the benefits of increased sales.”

The approach involves providing extra touches that regular customers appreciate — free loaner vehicles, free wash and vacuum service — combined with fleet maintenance management systems and notifications. But one of the crucial elements of Tom’s business philosophy is his dedication to continuing education for his staff. Named the 2015 NAPA/ASE Technician of the Year, Tom understands the benefit of both his NAPA AutoCare affiliation and staying up to date on ASE certifications.

“We provide training for all of our technicians,” explains Tom, who is also an ASE Master

Technician. "By doing this, it motivates them to attend without worrying about the cost. All of our techs attend local classes at the NAPA distribution center. We also encourage and provide the resources for every person who works on a vehicle in our shop to attain ASE certification. Being educated really takes them to the next level and that is extremely important to us. I strongly believe that no matter how rudimentary the training may be, there is always something to take away from it, as long as you are willing to learn."

### **History Of Excellence**

Also an ASE Blue Seal Shop, Preferred Automotive Specialists has been family owned and operated for more than 42 years. Thanks to his father, Joe Palermo, who currently serves as president of the Philadelphia-area shop, Tom was exposed to the automotive industry at a very early age.

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take me to work with him, and I remember sitting in a chair in his shop saying, 'I want to work with you when I am older,'" Tom recalls. "Beyond that, I love cars. I drag race

and build cars from the ground up. But the most important aspect is my father; I wouldn't be where I am today without him."

While Tom took every opportunity to work in the shop, he also focused on education, attending Penn State University and majoring in mechanical engineering technology. After graduation, he began working as a diagnostic technician and quickly learned that ongoing education was critical in the automotive repair field.

"The automotive industry continued





*Tom with technician Tom DeJesus.*

to evolve, forging ahead with its release of OBD II vehicles and eventually hybrids and alternative fuel vehicles,” he says. “It was during that period I realized ongoing education was a critical component to my individual success as an automotive professional and to the success of any business within the industry.”

Now, as Tom continues his own educational pursuits in the industry, he also works with the shop’s technicians to help further develop their skills.

“I remain committed to honing my skills and trying to absorb as much knowledge and information as possible, with intention of sharing what I’ve learned with others in the industry,” he says. “With each passing year, we have remained on the cutting edge of technology. It is our philosophy that every time a new technology emerges

we owe it to our customers, both fleet and private, to be knowledgeable and efficient in these areas. Our customers are confident that no matter what type of vehicle they own, we will be able to both service and educate them as it pertains to their vehicles.”

### **Customer Focus**

While it may seem easier to form personal relationships with repeat individual customers, Tom says even fleet customers become like family, setting the tone for employee interaction and customer expectations.

“I view my employees and my customers like family,” Tom explains. “I care about what happens to them in their personal and professional life. Private customers are much easier to build a relationship with because you know that the customer needs his or her car to get to work, go to the

grocery store, or pick up their kids from school.

“But this is the same attitude we have toward fleet customers,” he continues. “They need their vehicles on the road to be productive in the operation of their business. They become part of the family, and that is really the heart of the business. If you care about your customers on a personal level they will not only continue to come back, but also will tell others

chance,” Tom explains. “I regularly solicit, and am solicited by, halfway house counselors of ex-offenders for job placement opportunities. Many of the individuals placed go on to improve their lives and their families’ lives through hard work and a renewed work ethic. While some workers choose to stay in my employ, I have helped others to secure a starter tool set so that they can successfully move on to other jobs.”

Veterans are of particular interest to Tom, with his late grandfather having served in World War II and received a Purple Heart. He participates annually in the One Warm Coat drive that also benefits the Veterans Administration of



Above, shop front. Right, Tom and wife Kendra.

in their lives to come back. Word-of-mouth is still the best and most effective form of marketing.”

### Community Minded

Not only does Tom think that it’s important to give back to the industry, but he also believes in giving back to his local community. Preferred Automotive Specialists is a regular participant in the Montgomery County On-the-Job Training program. Tom hires and develops people in various job roles, such as tow truck driver, mechanic, detailer, runner and custodian.

“Everyone in life deserves a second





*Tom with a customer.*

Philadelphia. In addition, Tom also works with the Youth Empowerment Program, which involves hiring and training minors to detail cars. It's an experience that allows Tom and his staff to share their knowledge and skills.

"These teens spend several weeks working with me and my detailing

succeed in life."

### **Shop Efficiency**

With Tom's commitment to both shop excellence and industry and community involvement, he has to run a well-organized shop. While 100% efficiency can be elusive, Tom has found that the key ingredients are

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staff," he says. "The skills they develop by applying a controlled and methodical approach to completing a job will foster the skill sets they need to

trained people and policies that allow them to flourish in their positions.

"I've found over the years that customer satisfaction and shop efficiency



*2015 NAPA/ASE Technician of the Year awards program. Pictured with Tom (right) is Dan Askey, President, NAPA.*

go hand in hand,” he says. “Just as I embraced the technical area of my business, I applied the same passion for the management area. Several years ago, I attended ATI in an effort to improve my skills with respect to monitoring the efficiency and profitability of my operation. I also sent my key people through the program so we would all be on the same page.

“Since that time, I have developed systems that allow me to keep an eye on the critical financial areas of the business, as well as multiple areas of shop efficiency,” he continues. “This gives me the opportunity to make changes in real time, which results in a dynamic, more stable operation. By setting benchmarks and communicating goals with my staff, we have achieved continued growth and profitability that is both measureable and sustainable.”

Tom also takes part in a NAPA AutoCare Business Development Group (BDG), which allows him to

“talk shop” with other AutoCare owners in his area.

“I cannot put enough emphasis on what it means to be a part of a group like this,” he says. “We are a tight-knit group that is not intimidated by each other or competitive about customers. This is something that I have not seen outside NAPA AutoCare. We all know there is enough work to go around. Not long ago, I led a BDG meeting on how to acquire fleet customers. We all like to share our individual expertise.”

At the end of the day, Tom says running a successful business comes down to one thing: customer satisfaction.

“Listen to your customers and treat them the way you would want someone in your family to be treated,” he concludes. “It’s as easy as that.”

With that kind of philosophy driving the business, Preferred Automotive Specialists is sure to be providing quality automotive repairs for many years to come. **SO**