DIY auto salvage chain bringing tidy profits

Company winning over mechanics with no-haggle pricing, organized sites

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Pull-A-Part is building a national auto parts chain on the unconventional notion that junkyards, of all places, should be tidy and clean.

Its new Indianapolis yard, one of 23 in the chain, is landscaped with trees and shrubs, surrounded by a 6-foot metal fence and covered in crushed limestone. If any of the neatly lined-up vehicles drip oil or other fluids, workers shovel up the contaminated soil. And right there by the exit for customers to use is a wash basin, soap and towels.

"It's neat, it's clean, it's organized. It's the exact opposite of what people think of when they think of this industry. We don't even use the j-word," said Steve Levetan, company senior vice president.

Pull-A-Part has made such a neatnik impression since its Indianapolis yard opened in May that Indiana Department of Environmental Management filmed a video there last week to use in training the more than 600 auto salvage operators across the state.

"It's an example of how we like to see folks manage their auto salvage yards," said Bruce Palin, an assistant IDEM commissioner.

IDEM likes how Pull-A-Part drains and recycles gas and other fluids from each vehicle, removes mercury switches from older vehicles, and sticks a bar code on every car and van to track it, Palin said. After about three months in its yards, Pull-A-Part flattens every vehicle and sells it for scrap.

Tidiness isn't the only offbeat idea Pull-A-Part brings to the old-line j-business.

The Atlanta-based chain not only lets customers walk out into its yards -- something junkyard insurers typically frown on for safety reasons -- but requires that customers remove the parts they want with their own tools. And Pull-A-Part charges one companywide price for every type of car part, regardless of age, condition or make.

The no-haggle pricing is posted on Pull-A-Part's Web site and at touchscreen computers at each of its yards. A rim-mounted tire, for instance, sells for $11.48, no matter if it's a Goodyear or Firestone, brand new or well-worn, or off a compact or an SUV.

In the same way, all rearview mirrors go for $3.94, fenders cost $28.71, and mufflers are $9.46.

Pull-A-Part's growth has made it the second-largest self-service auto salvage chain in the country, Levetan says. The industry's total sales top $10 billion, according to the Automotive Recyclers Association.

Customers at Pull-A-Part's yard last week seemed to like the one-low-price approach, even as they were struck by the tidiness of the place. And they didn't seem to mind wrenching off, unscrewing, or otherwise disassembling the parts they need.
"It's worth it," said Bill Etherton, a part-time Indianapolis mechanic, who stood by his tool box last week in a blazing midday sun, preparing to extract the transmission from a junked Buick Roadmaster.

"It's 45 or 50 dollars," Etherton said of the transmission's price. "For a man who doesn't have a lot of money, that's a big savings."

Jamie McClure said she likes the cleanliness of the 20-acre yard and Pull-A-Part's computerized list showing where each of the 2,100 junked vehicles can be found. She was scrubbing her hands after removing a radio and a tail light to use in cars her brother is repairing.

"I've been to several different junkyards, and they are just not as clean," she said. Nor is the male-female ratio quite the same. "There are actually women here," she said of Pull-A-Part's yard.

Built atop a filled-in borrow pit along I-70 on the Eastside, Pull-A-Part's Indianapolis yard has taken away business from established competitors.

"It's kind of really hurt us," said Dennis Whisler, co-owner of Imperial Auto Parts, 1130 E. 25th St. The arrival of Pull-A-Part and the weak economy have led to him stocking just 200 vehicles in his lot now, he said, down from about 500 three years ago.

At Indy Auto Salvage, near Fountain Square, "Our business has slowed down," partly because of Pull-A-Part's arrival, said owner Jimmie Collins. His purchase of junked cars has fallen from 100 a week to about 25 since Pull-A-Part opened, he said.

Pull-A-Part's Indianapolis yard, which cost about $4 million to build, draws 200 to 400 customers on a weekday and close to 1,000 on weekend days, said assistant manager Scott Summers.

Whisler thinks traditional salvage yards such as his can hold their own against Pull-A-Part by offering newer car parts and catering to customers who don't like removing old parts themselves and want some assurance that the part they're buying works.

"I've had two or three people buy engines (from Pull-A-Part) . . . and none of them were any good. At least the ones I sell 'em, I've heard run," he said.

Pull-A-Part, which offers part warranties for an extra fee, tends to cater to owners of older cars because of the age of its vehicles, most of which are at least eight years old. Among popular vehicles found in Pull-A-Part's Indianapolis yard, the newest model year is 1998 for the Chevy Cavalier and Dodge Caravan, 1994 for the Honda Accord and 1999 for the Ford Taurus.

Levetan said the weak economy has people hanging onto their cars, vans and SUVs longer, which spells more business for Pull-A-Part. "There are more people who may not have thought to come to a facility like ours that may now," he said.

To attract them, Pull-A-Part uses advertising akin to auto shop pinup calendars of old. They proclaim Pull-A-Part "the best strip joint in town" and picture female models posing seductively by cars.

"It's attention-getting," Levetan said. "You want an ad people are going to remember."

No trendy appeal to cleanliness or environmental friendliness here.