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H. Heaven's secret to success: Look at things from customer's perspective

by Ed Attanasio

Huntington Beach, Calif.—When Steve McNamara bought H. Heaven five years ago from Bill and Anna Garrity, its original owners, he said he knew that he was getting a shop that had flourished since opening in 1979. He said he was also aware of the fact that the shop had faltered since 2001, due primarily to health problems in the Garrity family.

“The business was close to going under because the original owners were getting older, and there were some medical issues,” McNamara said. “At one point, they had to close the shop down for eight weeks due to illness. That obviously hurt the shop pretty significantly.”

But that didn't discourage McNamara from acquiring the mechanical repair facility, he said. “Even with the problems that existed, I knew that it was the right shop for me to get into. I was looking for a facility that was good-sized and that had a solid reputation. I was pretty confident that I could turn it around.”

After the sale, McNamara said he hit the ground running and aggressively went after new business while trying to retain the shop's existing customers. “I sent mailers out to all of the shop's existing customers within the first few weeks, telling them that we were back open. The Garrity family endorsed me, and I got the word out that we had the same techs and that it was back to business as usual.”

Originally named Honda Heaven, the shop had to change its name in the late '90s when Honda sued the shop for using its



H. Heaven Owner Steve McNamara purchased the shop five years ago and says he has increased revenues every year.

name, McNamara said. “They had to drop the name ‘Honda,’ and decided to replace it with the letter ‘H,’ but it didn't hurt business because everyone in this area knows what the ‘H’ stands for anyway.”

McNamara said he was able to double his monthly revenues from the first month to the second. Since then, H. Heaven has made more money every year during the five years that he has owned the shop, he said.

One of the first things McNamara said he did was contract the services of Management Success, a consulting and training company

in Glendale that specializes in helping auto repair shops run more efficiently.

“Management Success! was really instrumental in helping us with things like pricing, shop work flow and analysis, and customer service. I had to learn the front end of this business. Some people are good techs and think they can run a shop, but the front end is a whole different ball game.”

Before going into business for himself, McNamara, 37, said he worked for the same independent shop in Orange for 17 years in

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Service Writer Chuy Reyna processes work orders and performs customer service at H. Heaven.

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just about every capacity imaginable.

"I did it all—tech, shop foreman, and service writer—so I had a pretty good idea what I was getting into when I decided I wanted to run my own shop."

Changing his overall frame of mind about customer service was a critical step in the process and a major step toward profitability, McNamara said. "In this industry, many shop owners take customers for granted. Customers have to be pampered, and a lot of shops don't do that. I had to change from thinking like a mechanic to being more service-oriented and looking at things more from a customer's perspective."

H. Heaven is a 2,500-square-foot shop with four hoists and five bays, McNamara said. When he bought it, it worked exclusively on Hondas and Acura, he said, but since then, he has added other imports, including Toyota, Lexus, and anything else that comes through the door.

But the majority of the shop's workload is still Hondas, McNamara said. "Seventy percent of the cars that come in here are Honda. People know us for Honda, and we have a great reputation for knowing how to work on these vehicles."

Sixty percent of H. Heaven's repairs are routine maintenance, 20 percent is heavy

repair, and the remainder is diagnostics, McNamara said.

"We do just about everything in terms of mechanical repair. We get a ton of basic stuff like brakes, clutches, and timing belts, things that just wear out over time and need to be replaced. But, we also rebuild engines and transmissions. We do the installations, but we farm out the rebuilding."

The heavy-repair aspect of the business has diminished significantly since McNamara took over H. Heaven, he said. "That type of work is disappearing rapidly because the engines and transmissions on these cars are so bullet-proof that we just don't get much rebuilding work anymore."

H. Heaven has three employees, including three technicians and a service writer, McNamara said. All of the technicians are paid on a flat-rate basis, he said. "In this shop, my techs like the flat-rate system better

because we're a busy shop and they can make more if they work harder. If we weren't busy, flat rate wouldn't work. One tech here can produce in four days what another tech somewhere else needs more than 40 hours to accomplish, so it gives us a distinct advantage and gives our guys an incentive to work harder and smarter."

All of the technicians at H. Heaven are fully trained and certified to work on hybrid vehicles, McNamara said.

The shop carries a parts inventory of approximately \$25,000, consisting mostly of items he uses on a daily basis, such as filters, fluids, brake parts, and belts. He gets the rest of his parts from local dealerships, he said.

"We get 70 percent of our parts from WORLDPAAC. They're always on time and will make up to five deliveries a day if we need them. They have four warehouses locally, so it's real convenient."

If everything goes as planned, McNamara said, the future will be heavenly for H. Heaven. "Hopefully, this shop will eventually be able to run without me being here. My only game plan right now is to continue growing here. We've met our immediate goals, so now we need to set new ones. The possibility of opening a second shop has crossed my mind." ■



Master Technician Tony Vega works primarily on Hondas at H. Heaven.