

OVERVIEW

In December 2003 the Automotive Aftermarket Industry Association (AAIA) and its Engine Repower Council (ERC) commissioned a survey of U.S. automotive repair shops to assess the current market for engine remanufacturing. The survey was conducted on AAIA's behalf by Babcox Research. Babcox Publications, a leading publisher of magazines targeting the automotive aftermarket, has three magazines that target the independent repair shop segment: *Underhood Service*, *Brake and Front End* and *ImportCar*. A fourth, *Engine Builder*, is a leading journal serving engine builders/rebuilders.

The mission of the ERC is to increase sales of rebuilt and remanufactured engines through various consumer PR campaigns and installer promotional marketing initiatives.

The sample of repair shops used for the survey was drawn from two populations. Each sample made up approximately half the total sample of 506 respondents. The first sample consisted of engine installer customers of Jasper Engines, a leading engine rebuilder. The second sample was a random selection of subscribers to *Underhood Service*, a Babcox monthly publication that targets independent installers who specialize in under-the-hood services and repairs. The shops that made up the Jasper sample are probably more active engine installers than repair shops as a whole and are likely to be more active than the subscribers to *Underhood Service*. The group of Jasper Engines customers (which we will call the "customer group") should be looked upon as representing the highest potential possible in a shop that actively pursues the business, while the *Underhood Service* readers (which we will call the "UHS group") represent the undifferentiated repair shop population.