



A conversation with Mark Klein, Strategic Account Manager, for Safelite AutoGlass®

Mark, give an overview of Safelite's fleet business.

Last year, Safelite AutoGlass® completed about 3 million windshield replacements and about 1 million repairs. Roughly 25% of that was done in the fleet industry so about 750,000 replacements and about 250,000 repairs for a total of one million fleet client transactions. Our fleet business is comprised of six segments. We have direct commercial accounts – that is commercial companies that have a direct relationship with us. We also have leasing company accounts where we manage the glass programs for leasing companies. We also have accounts with the major auctions and with the rental car companies. Additionally, we have government accounts and we do a lot of business with the dealer segment. Those six segments comprise the bulk of our commercial business.

What are some of the advantages of partnering with Safelite?

One of the big advantages is the speed of service. Safelite AutoGlass has just under ninety warehouses and a windshield manufacturing plant. We have inventory in all of those warehouses. A good example of that would be the hail storms that occurred in Dallas. Immediately on the day of the storm, we increased our staff in our call centers. We filled two trailer loads of glass that day bound for Dallas with continuing trailer loads to follow. We were able to service all of those customers on an ongoing basis, so our speed of service is a major benefit to partnering with Safelite.

Another advantage of dealing with Safelite is consistency. We own all of our locations. We have approximately 10,000 employees, 4,000 of whom are technicians, and we cover 95% of the population, so no matter where you are - whether it is Los Angeles or Chicago or New York or Philadelphia - you will get the same service you receive in each of those locations.

Another reason to use Safelite is value. Safelite is the leading repair company in the United States. We did a million repairs last year for our customers. Using repair saves the cost of a replacement, which is a huge advantage.

Also, we are a leader in innovation. There are several examples of innovation. One of them is the technician profile the day of service. We send the customer an email with a picture and bio of the technician, which is a “wow” factor. People think it is just incredible when they receive that email. A lot of other business outside of the glass industry have learned from us and started using a similar approach.

Walk us through the service process.

Sure. Safelite has contact centers in Columbus, Ohio and also in Phoenix, Arizona. It starts with the contact center. The contact center has full access to the schedule in all of our markets so when a customer calls Safelite, we access the local schedule and we send the work down electronically. It gets downloaded to our technician’s Blackberry. Everything is done wirelessly. They pull the inventory and they will go out and do the service the same day or the next day. For our commercial clients, we can bill them back either electronically or through whatever relationship we have established for them.

What are some of the chief issues fleet managers have?

I think one of the biggest issues that fleet managers have is that they want to save money. They want good service and one of the biggest issues about saving money is the repair option. We find that a lot of local shops will do repairs 2% or 3% of the time. Safelite does repairs 25% of the time. We are able to do that because we ask the driver if the damage can be covered by a dollar bill, which is six inches. Most people can’t say offhand what six inches is, but they know how big a dollar bill is and they can relate to that and say, yes the damage is smaller than a dollar bill. We then send out a repair technician and we repair it instead of replacing it. Repairing is not as profitable as replacement is but it is the right thing to do and it saves our customers money.

What can you tell me about your new, exclusive resin?

Safelite is owned by Belron International and Belron developed a new resin for our repairs. It stays stronger, it lasts longer, it is impervious to shrinkage and it won’t discolor. An independent laboratory has tested our product and found that it is stronger and lasts longer than any other product on the market. All of our repairs have a lifetime warranty so if a customer ever would have a repair failure for any reason, we would credit the cost of the repair and apply it toward the replacement.

What else is new at Safelite?

Safelite is known for innovation and so one of the big projects that we are working on this year is

recycling. A windshield is two pieces of glass with a piece of PVB in between the two. Until recently, there was no way to separate those products, and with 3 million replacements we were throwing away 3 million windshields a year. All of those windshields went into a dumpster and into a landfill. We worked with an independent company and we are rolling out the program now. It is starting in the East where we are returning all of the windshields back to our distribution center and we are sending it to a recycler. They are separating the vinyl from the glass. The glass is a very cheap product, it is basically sand and limestone through a manufacturing process, but the vinyl is very expensive. So the vinyl is going to be recycled into things like carpet backing, insulation, etc. The recycled liquid vinyl will be used in paints. We are even now looking into the possibility of recycling it into our company uniforms.

How many glass incidents can a fleet expect in a year?

We refer to that as breakage rate and so for every hundred cars a year, you will probably see about seven of them that would have some type of damage. And so it would be referred to as a 7% breakage rate. You have the opportunity to either repair or replace it depending on how large the damage is. Some customers that have off-road locations where they are out in a drilling rig application and they are not on a paved road could have breakage rates as high as 20% to 25%.

What do you think gives Safelite its edge? Clearly you have a great deal of the business. What do you think keeps you there?

I think the one thing we focus on more than anything is delighting the customer. We want to make sure that that we exceed their expectation. Our technicians will engage their customer, they will clean their glass, they will vacuum their vehicle, and they will thank them for the business. They will call them when they are on their way to the appointment. They will explain the job when they are working on their vehicle. We are trying to do everything possible that we can to absolutely delight the customer.

For you personally, what do you think has been the key to your success?

That is a long story because I have been in the industry over 30 years. I came to Safelite in 1990 – twenty two years ago. My wife asked me, “How long do you think we will be here Mark?” And I said, “Well, probably three, five years at the most”. Twenty two years later I am thriving and doing better every day. Safelite is a very exciting company, and I really enjoy being there. It has been fantastic for my career. I originally started at Safelite as the fleet manager. I was the fleet manager for twelve years and then was promoted to strategic account sales.

How do you think your fleet career has made you better in this position?

When I applied for the sales position, my boss said two things to me. He said, "Mark, I am totally surprised to see you here in front of me today asking me for this position; and you are probably the perfect person for this position because you have all of the experience in the industry that we need for this position." I still had to apply and had to win the job, and I had to grow and get better every day, but it wouldn't have been possible if I wouldn't have had that fleet background.

What is your experience with NAFA?

I have experienced NAFA on both sides. I entered NAFA as a fleet manager. My first experience was in Chicago back in 1980. I was the chapter secretary. That is where I got my start in the fleet industry. I was able to talk with suppliers and become educated in the industry. It was the only source available to me to learn what was going on in the fleet industry. Who were the people that could help me? What national account programs were out there, what they actually were and how they worked and how I could sell them to my company? All of that started with NAFA.

BIO

Mark moved to Safelite AutoGlass® in 1990 as Fleet Manager and was promoted in 2003 to Strategic Account Manager. He was appointed Chair of NAFA's Affiliates Committee 2011. Mark was Mayor of the City of Powell, Ohio 2000-2001. Mark graduated with a BS in Business Management, Franklin University, Columbus, Ohio.

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