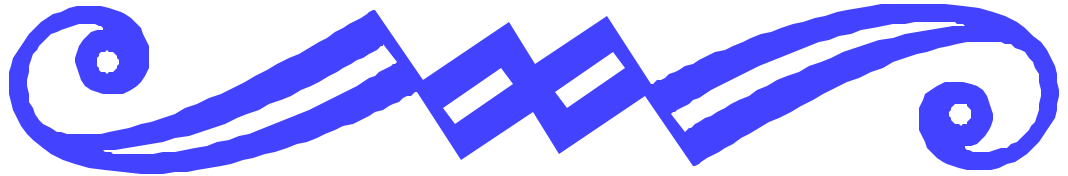


Anniversary & New Employees

Mario Hansen of our Redfield store celebrates ten years with us this month on March 12. Congratulations, Mario. Also we have two new employees this month. Please welcome them.

TROY CARR – Troy is new in the machine shop in Aberdeen. From Aberdeen, he is married with a baby daughter. Troy enjoys bicycle racing and cars.

MARLIN HUBER – Marlin is also new in the machine shop of our Aberdeen store. Originally from Lemmon, SD, he is married with two daughters and one son. Marlin enjoys hunting.



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Hedahls Headlines

EMPLOYEE NEWSLETTER

Internet in the Stores:

By Dick Hedahl

The Internet is becoming part of our lives, both in our personal lives and in business. Everyone needs to be aware of the proper use of this powerful tool for business because it also has the potential to be abused. Those of us in the automotive industry are no exception. DuPont and PPG are using their Web sites to provide customers with information. Equipment manufacturers have product specifications online. Diagrams and service information are available over the Internet. Some information is much more complete online. Increasingly we are discovering how quick and efficient email can be. We even have our own Web site for Hedahls!

As Hedahls expands the availability of Internet access in our stores for professional use by our personnel, we also expose our company to the abuses of the Internet. One concern is productivity. The Internet can be a new tool to enhance productivity through faster, more accurate access to information. But it also can be a diversion to non-business activities such as games or non-business Web sites—activities that take time away from the workday and often result in co-workers having to work extra hard to cover the work that needs to be done.

The other concern about the Internet is the easy access to inappropriate or offensive pictures or jokes from Web sites or e-mail. This creates the very real possibility of exposing the individual and the company to harassment issues. These issues are new in this format, but old in the way we must address them. Our company has a policy in the Employees Handbook (Sections 5 & 6) that specifically addresses harassment in the workplace. The same rules apply with Internet activities. No offensive material is allowed in our stores, warehouses, offices, vehicles, or any other company property or function.

One feature of the computer age is the ability to keep extensive records of everything we do on the Internet. The technology exists to track every keystroke of every computer. Abuses can readily be traced. We are working on Internet procedures and policy for the company that may have to include monitoring. While we are concerned about issues of personal and corporate privacy, we have to be sensitive to the security and wellbeing of the company. We can't have the company exposed to lawsuits nor our employees inconvenienced or offended due to inappropriate activities of anyone in the company.

Please call me with any questions, suggestions or comments you have on this issue.

CALL PAUL



Committed Parts:

When you want to find out what customer a part number is committed to, go to the Part Inquiry (PI) screen for that part number. Press the ENTER key and look at the list of options at the bottom of the screen.

Choose option (D)et for part number detail. Choose your store location, and press ENTER. The screen will now display the order number(s) and dates and customers that part number is committed to. Also, towards the bottom of the screen it will display any transfer information concerning that number.

Reminder:

Please do not leave your terminal without checking to see if you have cleared the screen. What happens occasionally is someone has a part number on their screen and they have left for a length of time. This might cause the system to hang and delay any processing until that screen has gone to another part number. The minimum you need to do is go to the next line or

Parts in the Ledger:

Going to the ledger for a part number is another option from the Part Inquiry (PI) screen.

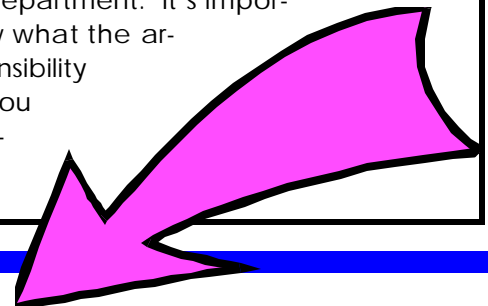
The ledger will display all activity for that part number. For example, if you want to see if a cash customer bought that part you can find out by doing a ledger display.

To display ledger go to the Part Inquiry (PI) screen for a part number. Press the ENTER key and a list of options will be displayed at the bottom of the screen. Choose (L)edger. Enter your store location and press the ENTER key. Press the ENTER key again for ALL. Now all activity for that part number is displayed.

If you would like to inquire on the sale of a particular part to a particular customer enter "PI" in the "ACT" field for the part you want to inquire on. This will give you the ledger detail for

Buying Department Jobs

The new computer has meant some changes in the buying department. It's important to know what the areas of responsibility are in case you have a question. On the



ASE Program

In last month's newsletter, we announced those employees who passed an ASE certification test in the last round of testing. That generated some questions about our program. The ASE (Automotive Service Excellence) certification program was originally designed for hands-on technicians as a standard of quality for the automotive service industry. In 1987, Hedahls instituted a program to reward our employees for demonstrating that level of professional competence, with the idea that if our parts professionals have the same knowledge as service professionals, we would be better able to serve our customers. Since that time ASE has also added a test just for auto parts professionals.

Here are the highlights of our ASE program:

- A raise the first time you pass a test (\$.25 per hour for hourly people or \$50 per month for salaried people)
- A \$400 bonus for the first time you pass and a \$200 bonus for each subsequent test passed. (One test per session—the tests are given twice a year, in May and November.)

To try to ensure that we have expert coverage in each store, we ask that each employee request an area of expertise and that no duplicates be allowed in any store until all six areas are filled—first come, first served. Also if an employee has passed a test, received a bonus and a raise, then quits and is later rehired, any additional test passed will earn a \$200 bonus and not a raise. Full-time employees who have been working at least six months by test day are eligible for this program.

The next round of testing is on May 2. If you are interested in taking an ASE test, your manager has registration forms. They must be returned to Lori at Headquarters by March 24.

Bill Edwards – Bill is our lead buyer and buys all Uni-Select lines. He also assists in computer maintenance. If Paul Barth isn't around, call Bill.

BILL'S LINES

Anything from Uni-Select USA

Larry Bosch – Larry buys 12 lines and is also responsible for all line maintenance. He runs move up and move out reports on all lines yearly—some lines twice a year—and maintains stock flogs on all lines. He handles credits, matching the credits with the right RGMS. Larry also helps coordinate changeovers, including proper credit.

LARRY'S LINES

Penray	Eagle Pitcher
Pico	Dynabrade Tools
Oil & Grease	Dayton Springs
Bars Leaks	Nodak Heaters
Windshields	Five Star Paper & Thinners
Factory Motor Parts	Starrett Blades

Rich Eback – Rich buys 16 lines and is responsible for store and customer price files and the maintenance of those files. He oversees manufacture price changes and PLI updates, and handles the labor credit adjustment program in the General Ledger.

RICH'S LINES

Batteries	Wheel Weights
BBB	DuPont Paint
Mean Green	Walker Exhaust
Waxes	Trico Wiper Blades
Tech	Performance Fuel
Ideal Hose Clamps	Moog Dropship
Hastings Filters	Praefke Brakes
Goodyear Belts & Hoses	PPG Paint

Paul Barth – Paul manages our computer system. When you have problems concerning the computer, he can help you or direct you to the right person. Paul does the file maintenance for product lines and for the electronic catalog. Paul is the one to add new numbers to the system and he also runs the new pricing tapes.



Moves In

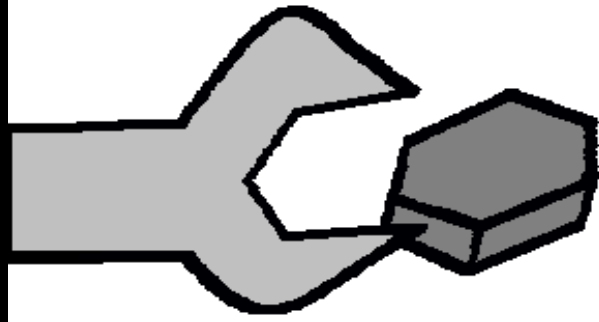
The guys at Main Street Tire moved into their new digs officially last week. While they had been using the shop earlier than that, they greeted their first customers in the new showroom last Wednesday. There are some finishing touches yet to take care of, like setting up their tire and wheel displays, but things are really looking good for the future. And is it bright!

Main Street Tire has a couple of extra desks as a result of their move.

Manager Dan Schreck would be happy to have these desks find a new home. If you are interested, give him a call at

222-0000 or
1-800-433-8473.

SALES



TOOLS

PB&E Show & Seminar

Don't forget our PB&E Trade Show and Training Seminar, March 21 and 22 in Bismarck. The two-day event begins Tuesday morning at 9 a.m. at Bismarck State College with a seminar led by Hub "Dr. Gun" Forsgren, the vice president of Sharpe Manufacturing. Tuesday evening and Wednesday, we'll have a booth show at the Radisson with a windshield installation by 3M as one of the highlights on Wednesday.

IDEAS FOR BETTER SELLING:

Customer Appreciation Days

This year's round of Customer Appreciation Days for our parts stores begins in April. Here's the schedule of the events this year.

Redfield — Thursday — April 20
Aberdeen — Friday — April 21
Detroit Lakes — Thursday — June 22
Fergus Falls — Friday — June 23
Sidney — Thursday — July 20
Glendive — Friday — July 21
Bismarck — Thursday — August 17

Teamwork at its Finest

Last week Thursday I was working the counter at the Sidney store. A good customer of ours called and asked if we had an oil filter for a 1939 International truck he was restoring. He said it had a green diamond 6 cylinder in it. I looked in the Hastings catalog and couldn't find anything.

I asked him if there was a number on the old filter, but he didn't have the old filter anymore. I told him that I would call Hastings tech line, but they told me they had no listing for it and needed the part number off the old filter, which of course our customer did not have anymore.

I called our customer back and told him what I ran into. I asked him to give me a couple days to research it further and told him that I was sure we could find him one.

The next day I was back in my office in Bismarck. I sent a fax out to all the stores asking if anyone had an old, old Hastings filter catalog that might have a listing for that 1939 International truck.

About an hour later Chris Balzer from the Bismarck store called me and told me the Heavy Duty Hastings catalog listed an oil filter for an old green diamond 6 cylinder for an International tractor. The part number was LF501 and they had two in stock at the Bismarck store. Chris described the filter to me, and it sounded like what the customer was looking for.

I immediately called Raleigh at the Sidney store and told him what Chris found. The bottom line is that together we were able to serve our customer. That's teamwork the Hedahls way, and that's what makes us the best darn parts store around.

A special thanks to Chris Balzer at the Bismarck store for taking the initiative to dig into this problem, when the only thing he got out of it was the personal satisfaction of knowing he helped one of the other stores and their customer. Also a special thanks to all the Hedahls employees who go above and beyond the call of duty each and everyday: it's your efforts that make Hedahls the best. Thanks, Dale.

WEFest Fun

In these days when some hot basketball tournament action is as likely as a frigid blizzard, it's pleasant to think about summer. And what more clearly stands for summer than the WEFest Music Festival at Detroit Lakes. Once again, Hedahls is a sponsor of WEFest, to be held this year on August 4-6. People can save up to 50% on the price of tickets purchased through Hedahls. The day passes, 3-days passes, and other ticket packages are going fast. Those interested should contact their manager or Lori or Dale at Headquarters.

