

What Cost Clean Air?

Drive Clean and AirCare emissions testing and repair programs are designed to spew fresh air — not shop profits

By Dean Askin

Emissions testing and repair is one of those things that some shop owners hate and like at the same time: It's not a money maker, but it's good for the environment, repeat business and keeping customers loyal. Overall emissions testing is a big success and won't be wafting away on the wind any time soon.

According to a technical report by Stewart Brown Associates issued in February, Ontario's Drive Clean "reduced smog-causing emissions by more than 81,200 tonnes" between 1999 when the program started and 2003.

"In 2003 alone, smog-causing emissions were reduced by the equivalent of removing more than 600,000 typical LDVs (light-duty vehicles) from Ontario's roads," the report states.

"It's successful in the number of grossly polluting vehicles that have been identified and required to be repaired," affirms Charles Ross, spokesperson for Drive Clean. "While there's no way that emissions testing is going to solve our smog problems ... what we can do is ensure that cars are operating reasonably close to original speci-

fications ... with allowances for wear and tear and maintenance levels."

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mentations ... with allowances for wear and tear and maintenance levels." Don McLaughlin, a shop owner in Hamilton, Ont., who assembled the industry focus group for the implementation of Drive Clean in 1999 and who also sits on the provincial environment minister's advisory committee, is unequivocal in his answer about whether emissions testing has been successful: "Yes, it has."

"When a company spends \$80,000 on a piece of equipment and spends a lot of time on training and everything else, you expect a certain return on your investment."

Out in B.C.'s Lower Fraser Valley (LFV) and Greater Vancouver Regional District (GRVD), there's a similar consensus.

On its web site, AirCare notes that harmful vehicle emissions were reduced by 35 per cent in the first 10 years of the program between 1992 and 2002.

"Certainly we'd like to think (that it's working)," says Lloyd Stamm, a

coordinator with the Automotive Retailers Association of B.C. (ARA). "They'd been doing air quality testing for quite a few years prior to enacting the AirCare program and they were seeing a degradation of our airshed. You could visibly see it at times." A technical program review by Lev- elton Consultants Ltd. released last November notes that volatile organic compound (VOC) emissions have been reduced 25 per cent because of AirCare and that's expected to increase to 27 per cent by 2015. "Overall the AirCare program is functioning very effectively" in the effort to improve air quality in the GRVD and LFV, the report says.

Taking testing to a new level

What McLaughlin and Stamm want to see is emissions testing taken to the next level in Canada — OBD-II testing. Currently, Ontario and B.C. are still using dynamometer testing where- as in the U.S., 17 states including Arizona, California and Pennsylvania are now performing OBD-II tests or a

combination of OBD-II and dynamometer tests. Three other states (Missouri, New York and Virginia) will be requiring OBD-II tests in the future.

In a report published in the May issue of *Auto Inc.*, the official publication of the U.S. Automotive Service Association (ASA), Mike McCarthy, a division manager at the California Air Resources Board (CARB), said that the advantage of OBD-II testing is that it tests the whole evaporative emissions system. "As cars have lower and lower tailpipe emissions, 'evap' emissions play a larger and larger role. Hydrocarbon emissions are greater from the 'evap' system than from the tailpipe."

"In the emissions testing program the dynamometer was the latest up-to-date equipment available at that time, and now it's moved on," says Don McLaughlin. "I'd like to see them move into the new OBD-II testing and keep the dynamometer for older vehicles. Do a split year ... everything 1998 and older still has to run on the dynamometer."

"In the future I can see us moving towards just a straight OBD-II test as the technology on the cars gets sophisticated enough to do that, and as the fleet ages, there'll be just OBD-II cars in the fleet. We have to wait for that to mature," says Stamm.

The Levelton report on AirCare recommends that OBD-II testing should be used "in any future I/M program" for most vehicles that are 1998 and newer. In Ontario, Drive Clean is in the midst of a comprehensive review by Eastern Research Group of Austin, Texas, which also works with AirCare, and "new testing technologies will be addressed", says Charles Ross.

There's general agreement that even with today's advanced, lower-emission vehicles, testing in some form needs to be continued — because occasionally, new vehicles, even those being driven off the lot for the first

time, are the worst emission offenders. OBD-II does improve how a car operates, but it's not perfect. Systems and components — whether it's an O₂ sensor, an EGR valve or a clipped wire — can fail.

"We need to monitor in some way the performance of emission control components in a car. Like any other electronic or mechanical device, they are prone to failure, and even the most sophisticated car, if the emission systems aren't working, will be a polluter," says Charles Ross.

"An emissions problem doesn't necessarily mean you're going to have a drivability problem," notes Stamm.

"The independents who put the dynamometer in their little two- and three-bay shops and took a service bay away, they're the ones that are the tough ones. They squeak a lot because they're not getting the business, but they're not promoting it right, either."

Emissions testing money pit

It's necessary, but there's mixed reaction when you ask a shop owner whether emissions testing is worth the investment.

In May, the Automotive Aftermarket Retailers of Ontario (AARO) put that question to its 220 member Drive Clean facilities. There was mixed reaction among 88 respondents. The most positive response came from shops that have been DCFs since Phase 1 in 1999; the most negative from shops that have only been involved since Phase 3 implementation in July 2002.

"When a company spends \$80,000 on a piece of equipment and spends a lot of time on training and everything else, you expect a certain return on your investment," says Mike Stinson, who owns a four-bay shop in Mississauga, Ontario.

He "looked at it as advertising" that has helped bring in some new customers and it's a good value-added service for existing customers that "covered its costs", but "it didn't generate the revenue that it should for the investment."

Alex Kyros, who runs Kyros Auto Centre in Toronto with his father, says he really likes the concept of Drive Clean "because it's a convenience for our customers" that he can offer on top of other services to keep them loyal. But, he quickly adds, high dynamometer maintenance costs, and competition for business with other nearby Drive Clean centres, make it an "expensive convenience" and a "money pit for us."

Kyros Auto Centre was one of the first DCFs in 1999, but Kyros is "almost hoping that it goes to 2008 and finishes."

Drive Clean's Charles Ross doesn't sympathize. "We didn't try to limit or try to put curbs or controls on the numbers. We just had to rely on the owner's business sense and their own particular business goals."

"The shop owners all made a conscious decision to come into the program. Some of them could have come in to make money, some could have come in to provide a full range of services to their customers and not take a chance on them going somewhere else."

The idea was for shops to generate their own profit centres and opportunities for building existing and new business with emissions testing and repair services.

In Ontario, 1,646 independent Drive Clean facilities in Ontario vie for both emissions testing and repair business. In B.C., Trans Link, the Greater Vancouver Transportation Authority, operates the 12 AirCare testing centres and shops — about 423 — do only emissions repairs.

The complaint that emissions test-

ing and repair doesn't spew profits is not a new one in Ontario or B.C.

"It's profitable if you test 5,000 cars a year," McLaughlin says, noting that Drive Clean shops make \$22.38 on every emissions test. The money is in emission repairs when a vehicle fails the test. But that's not very often — the Stewart Brown report noted that "on

average, less than 13% of vehicles failed their initial emissions test in 2003."

The money you can make very much depends on the size and scope of your shop's operation. Mike Stinson, for example, tests about 1,000 to 1,200 cars a month, which, if you do the math, brings in about \$22,000 to \$26,000 annually. Conversely, at his

shop, Goodturn Ride Centres, McLaughlin makes between \$90,000 and \$112,000 a year on emissions testing.

He turned unused space on the property into a dedicated Drive Clean testing and repair facility and makes sure it is a professional looking and operating entity on its own. He firmly believes that using an existing service bay and taking a technician off another job to do emissions testing, "is not the right way to do it."

"We're one of the lucky ones," says McLaughlin. With dedicated space, effective customer education and promotion, Goodturn booked "300 to 400" new emissions testing customers a month in 1999/2000 and still does 4,000 to 5,000 tests a year.

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"My feeling is that some of them rushed into it," says Fred Burkimsher, Executive Director of the AARO. "They felt the pressure to be involved. They envisioned their customers going off to a Drive Clean test elsewhere, and ... losing business."

Good for industry

It's not a money maker for shops — but emissions testing and repair is boosting shop business and the industry.

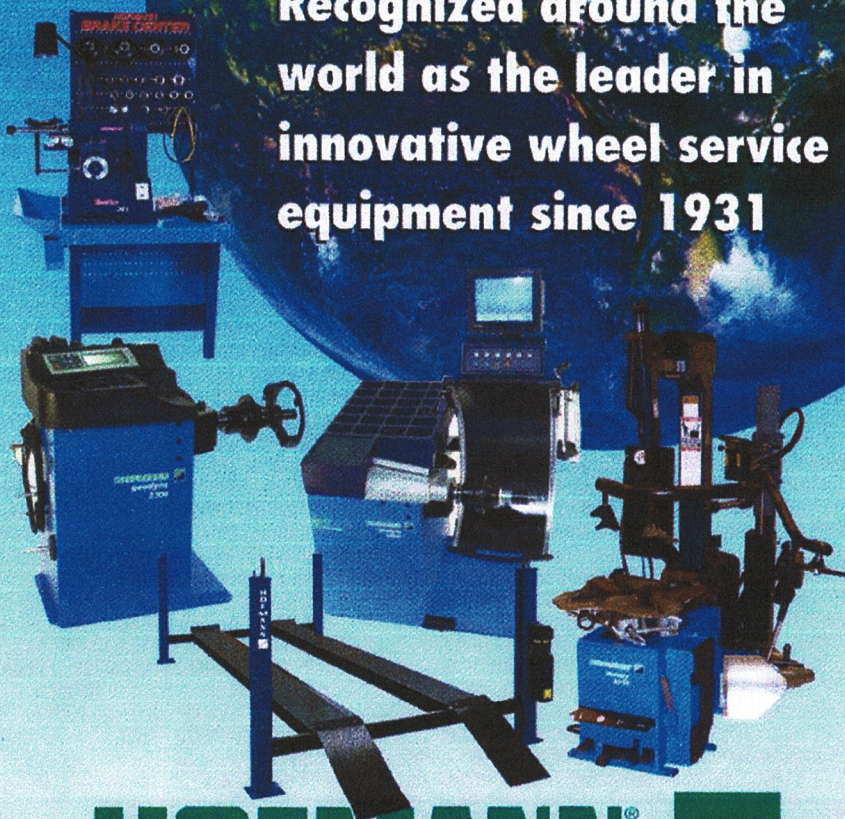
"The automotive industry would be struggling in a huge way without Drive Clean," says McLaughlin, because of newer vehicles sold on the feature of little or no maintenance for 100,000 to 150,000 kilometres. "We'd be struggling to get people into our places of business."

Says the ARA's Lloyd Stamm: "The industry in this part of the country has been improved because we have to fix the cars ... because they've got to go back (for a retest) and they have to pass."

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