



Capricorn Society

Where it's all about the Members

AS WE APPROACH THE END OF YET ANOTHER CHALLENGING YEAR, WE REFLECT ON SOME OF THE GREAT INITIATIVES FROM CAPRICORN, CULMINATING IN RETURNING RECORD PROFITS TO MEMBERS.

On the move

Earlier in the year we caught up with Brad Gannon to discuss strategy, structure and resources and how it would all benefit Capricorn Members and Suppliers.

Brad took the opportunity to reinforce the strategic importance of each sector to the overall Capricorn membership, highlighting that both the panel and commercial sectors are key focuses and underpinned by Capricorn's commitment to product development, enhanced supply opportunities and increased field resources. Capricorn's Panel Member numbers continue to climb and now exceed 1,500 Members, reinforcing the importance of the Panel Division, which is Capricorn's second largest sector.

Structurally, the Panel and Commercial national managers are supported by state field teams comprising both area managers and

supply account managers, where the teams' objective is to provide the best experience for all Members. Brad said: "Panel and Commercial Members are an important part of the Capricorn membership and we work hard to improve the value of their membership and the diversity of our Preferred Supplier base, which has been a key driver for the growth we have experienced in the last 12 months."

Turning to the Panel resources, National Panel Manager Rob Mildenhall is now supported by two dedicated Area Managers: Sue Walker in WA and Gavin Armstrong in Queensland, reinforcing Capricorn's focus on the Panel sector. Rob continues to support the Panel Members in New South Wales in addition to his national responsibilities.

Brad highlighted that Capricorn's ongoing focus on the collision repair

sector would include the key issues that are important to panel Members' businesses, working with their OEM brand partners and specialised panel equipment Preferred Suppliers. There will also be the ongoing commitment to the rapidly evolving ADAS technology space, all of which is focused on working harder, smarter and more efficiently for the Capricorn ecosystem - the Members and Preferred Suppliers.

Rising stars

Once again Capricorn launched its Rising Stars Apprentice of the Year initiative, which not only focuses on the technical proficiency of each nominee but also recognises a passion for automotive, a can-do attitude and a strong commitment to forging a long and rewarding career in the industry.



Brad Gannon.



There were over 600 Capricorn Members from across Australia and New Zealand who nominated an apprentice for this accolade that rewards and recognises the industry's leaders of the future. The top five finalists were:

- Ben Brown – CWR Motorsport (NZ)
- Adam McDonald – Voltaic Auto Electrical (WA)
- Jordon Dodge – Mark Dodge Auto Repairs (Qld)
- Paige Scully – Krupic Auto Repairs (Vic)
- Thomas Rutzou – Jag and British Prestige Service (Vic)

All were noted by their employers for leadership skills beyond their years, outstanding willingness to learn, displaying genuine pride and enthusiasm for their work, and their future automotive aftermarket career potential.

Once again, the talented finalists include a diverse range of backgrounds and specialisations, which continues an encouraging trend. After such a challenging year, it is promising to see such a high calibre of apprentices nominated and an increasing number of young women entering the automotive industry.

With Ben Brown named the 2021 Capricorn Rising Star Apprentice of the Year, the trophy is heading to New Zealand. Hailing from Rangiora, North Canterbury, Ben has demonstrated outstanding problem-solving capacity, commitment to excellence and a genuine love for automotive.

In announcing the award, Brad Gannon said the number and quality of nominations is a positive sign for the industry. "It's clear the future is in safe hands with so many outstanding apprentices being nominated by Capricorn Member workshops. The record number of applications is also a tribute to the resilience and strength of our Members' businesses, as they develop tomorrow's qualified repairers in a year of disruption.

State of the Nation Report

Building a talent pipeline to address the skills shortage in the automotive industry, was one of the key issues to emerge from Capricorn's State of the

Nation 2021, according to the report research company TKP was commissioned to provide.

Launching the report, David Fraser said: "The automotive industry is dynamic and evolving – cars are literally computers on wheels, which makes for an exciting career, especially if you're into gaming or coding. However, the industry as a collective need to have a serious conversation about how it plans on creating a pipeline of talent to address future labour shortages."

While the report found there were many positives about working in the industry, such as making customers happy, the joy of problem solving and finding a passion working with vehicles, work-life balance was a genuine problem. This appears to be a flow-on from the industry's shortage of skilled labour, which the report says is related to the 23.2% decline in graduate apprentices in automotive and engineering between 2016 and 2020.

The report indicated that Members had implemented some of the recommendations from the previous report, and although there were still some challenges ahead, it also identified where Members could take advantage of some easy wins. In summary, the key recommendations from the report are: make time for a break, plan to ride out the parts

shortage, prepare for the advent of electric vehicles, don't be afraid to charge customers for the work you do, employ an apprentice, create a good workplace culture, invest in technology and training, and get on top of your future plans.

David concluded: "Generally, the report is very positive. On average, profits are up, thanks in part to the public's increased reliance on cars and the growing car parc. We're still feeling confident about the future of our businesses and the industry."

The award of a lifetime

Last month, Capricorn National Panel Manager Rob Mildenhall was inducted onto the National Collision Repairer Lifetime Achievement Awards honour roll, a vote of recognition from his peers for his commitment to the growth and development of the Capricorn Panel Division membership and the collision repair industry as a whole.

In announcing the award, his dear friend, David Newton-Ross spoke of Rob initially joining Capricorn in South Africa before moving to Australia in 2010, where he was thrown in the deep end with a dual role as National Panel Manager and Business Development Manager, NSW.

Rob made several significant and enduring contributions to the industry and has, without exception, made



David Fraser.



Rob Mildenhall.



himself available to represent Capricorn Members at a wide variety of industry events. He also initiated and publishes the quarterly Member magazine, Panel, and did the heavy lifting for the organisation's highly popular 2019 Futures Collide Forum.

David reflected on their first meeting, which turned out to be almost a full day, discussing the "ins and outs" of industry and how over the years they have become great friends as well as sharing many experiences in the industry. "This award is well deserved and is a testament to Rob's knowledge, commitment and passion for helping develop a stronger, better collision repair sector. I have really enjoyed watching Rob's progress and his contribution to Capricorn's Australian Panel Division Members over the past decade."

Rob, who is not often stuck for words, said he was genuinely touched by the nomination and the recognition. "There are so many great people in our industry that inspire me to be the best I can be. I want to thank the team at Capricorn and, most importantly, the Members for their support."

The full report on all four Lifetime Achievement Award inductees is on page 18

Giving record profits back to Members

While most organisations charge membership fees, Capricorn is doing things very differently, paying its Members a record \$71 million in FY21. This included the recent announcement of a \$15 million trade volume rebate, distributed in proportion to Members' use of their Capricorn trade accounts. The massive lump-sum payment represents a direct return of profits in what was another successful year for the cooperative.

What makes the trade volume rebate even more remarkable is that it is the 4th consecutive year that it has been paid, showing that regardless of any global challenges, it's more profitable to trade as a Capricorn Member.

Capricorn Group CEO David Fraser said the record returns were

a testament to the strength of the cooperative. "This time last year I was talking about how being part of a cooperative can help our Members persevere through the pandemic. A year later we're still all living with COVID-19 and the uncertainty it brings, but another year of record returns makes it absolutely clear just how much better off you are as a Capricorn Member."

Fraser continued: "With more than 2,700 new Members joining us in the last year, I am confident these returns will continue to grow along with Australasia's largest automotive cooperative, Capricorn."

Capricorn Members also received an additional \$38.5m throughout the year in reward points. The Capricorn Rewards program returns 1.5 points on almost every dollar spent through a Capricorn trade account, with every 100 points equal to \$1. This makes Capricorn Rewards one of the most generous rewards programs in Australasia. Members can choose to use their points to effectively discount their business expenses or redeem them for a range of merchandise and gift cards.

As shareholders of the cooperative, Capricorn Members also received a total \$17.5 million via a very healthy 7% fully franked dividend (representing a 10% return inclusive of tax benefits).

Finally, eligible Members with risk protection provided through Capricorn Mutual shared in a \$6 million "loyalty rebate". This first-time rebate rewarded those responsible for choosing the Member-owned mutual as an industry-focused alternative to traditional insurance.

Combined, these returns equate to thousands of dollars back in the pocket of the average Member, all for doing nothing more than choosing to trade through Capricorn's network of Preferred Suppliers who offer instant trade credit and can provide almost every product and service an automotive business would need.

Editor: Capricorn is indeed a true leader of our industry and the initiatives in 2021 only reinforce my view that exploring the opportunity to become a Capricorn Member or Preferred Supplier should be on everyone's "to do" list.



Members reap the rewards.