

# Earth-friendly body shop

By getting out ahead of federal requirements, a local collision-repair business may save some green, too

By Leslie Brooks Suzukamo  
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When Mike Schoonover overhauled the painting booths in his Schoonover Bodyworks collision repair shops in Shoreview and Stillwater last year, he picked one of the toughest Decembers in which to spend a pile of dough.

Normally, the auto-body business picks up in November with the surge of weather-related fender benders "and stays crazy until March," Schoonover said.

But December 2008 brought freezing rain and icy roads, which led to more serious accidents.

And that meant more cars written off by their owners' insurance companies as total wrecks — good for junkyards but bad for the auto-body business.

"I've never seen so many cars totaled in my life," he recalled.

On top of all that was the economy, which was careening out of control like a 16-wheeler skidding off the road in slow motion.

But instead of hunkering down, the 45-year-old Schoonover, a third-generation owner of the business, decided to invest in making his business more "green."

New federal regulations for the collision repair industry are set to take effect by January 2011 anyway.

The Environmental Protection Agency standards will require properly ventilated painting booths for commercial auto-body shops, high-velocity-low-pressure spray guns that reduce airborne overspray and proper training for staff.

The paint booths in his Shoreview shop were at least 25 years old and so inefficient that Schoonover decided not to wait.

Completely redoing the painting operations in his two shops cost him close to \$300,000, he said.

In the Shoreview shop, he tore out a pair of worn-out painting booths and replaced them one with a larger booth that could accommodate two cars at a time.

Meanwhile, in his 12-year-old shop in Stillwater, he kept the booth but upgraded sprayers and other equipment.

Schoonover exceeded the regulatory requirements.

His new equipment uses waterborne paint that reduces emissions of volatile organic chemicals or VOCs by nearly half over the older solvent-based paints.

Waterborne paint does not have to meet EPA standards on VOCs, but Schoonover and others in the industry believe it's the next step.

California last year made waterborne paint mandatory for use in auto shops, and 16 states on the Eastern Seaboard from Virginia to Maine are considering a similar regulation, said Bob Redding of the Automotive Service Association, the industry's trade group in Washington, D.C.

The effect of the new regulations, which the Automotive Service Association supports, is to level the playing field for auto-body shops, Redding said.

There are between 40,000 and 50,000 collision-repair shops nationwide, he said. The association does not know how many are not

## COMPANY SPECS

**Company name:** Schoonover Bodyworks

**Business:** Auto body repair

**Locations:** Shoreview and Stillwater

**Web site:**  
www.schoonoverbodyworks.com

**Owner:** Mike Schoonover

**2008 revenue:** \$5.1 million

**Employees:** 22

**Competition:** National chains like Abra, dealerships, body repair shops and home-based businesses

**Challenge ahead:** Finding new ways to increase revenue.

in compliance with the new regulations.

The rules carry fines of \$30,000 per violation, and the association and the EPA have been conducting a public awareness campaign for the past two years, Redding said.

The rules likely will fall hardest on marginal shops that have little equipment and training for their employees, Redding and Schoonover agree.

Some will be put out of business, but Redding said the result will be to lift the industry. Schoonover says he wants to be considered a good steward of the environment but also a good businessman.

His grandfather, Chuck "Red" Schoonover, started the business in 1936 with a \$50 loan, and after he died in the 1960s his father Dick built it up over three decades.

Mike worked alongside his father for years, helping start the Stillwater location, and took over the whole business in 2000.

The new equipment is paying off in energy efficiency, Schoonover said.

He estimated he will save \$20,000 on electricity this year, but he also believes he may save on labor because the waterborne paint goes on with a glass-like finish that requires less buffing.

Every dollar saved counts, because in this down economy, he and the rest of the industry are seeing fewer cars for repair. People are driving less, and that has meant fewer accidents.

Schoonover said revenue from his two shops last year was \$5.1 million, and he was profitable.

But he had to cut his staff to 22 from 34 the previous year. To boost revenue, he added a new business, Schoonover Auto Glass, that does mobile windshield repairs.

Schoonover said he is trying to position the business for the rebound in the economy. He thinks auto-body shops will get boost from an unexpected source: the Obama administration's cash for clunkers program.

The program put a lot of nice shiny new cars on the road, he said — the kind you'd want fixed up if they got dinged.

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PIONEER PRESS PHOTOS: JOHN DOMAN

**Above:** Mike Schoonover at his Shoreview shop. Completely redoing the painting operations in his two shops cost him close to \$300,000, he said.

**Below:** Joe Mueller of Ham Lake paints a mini-van in the new paint booth. Mueller has worked at Schoonover's for 26 years.



## Open for Business > Dailey Travel LLC

**Owner:** Qiong (Katie) Dailey

**Type of business:** Home-based travel service

**Number of employees:** 1

**Location:** Woodbury

**Contact Information:** 651-323-0101;  
daileytravelservice.com

**Tell us what your business does.** Dailey Travel is a full-service agency specializing in China travel. We help businesses, individuals and groups plan, organize, customize and book China trips. We also educate people on Chinese culture, language, cuisine, customs and philosophy and teach travel preparation through classes and seminars.

**Why are you launching it now?** The World Trade Organization predicts China will be the No. 1 destination in 2020. Growing up in China and speaking Chinese, I see the need American travelers have to consult with a destination expert like me who can help them on a specific itinerary and budget. Being able to use the Chinese booking system gives me the added advantage of saving my customers time and money.

**Where did you get the idea for your business?** I recently was laid off from a Fortune 50 company. It was a turning point for me when I asked myself what I really like to do. Since I love travel, I like people and I am passionate about Chinese culture, it was not hard to put them together. Family and friends helped me find my passion.



PHOTOS COURTESY DAILEY TRAVEL LLC

**ABOVE:** Born in China, Katie Dailey formed a travel service that also offers classes on Chinese culture.

**RIGHT:** Visitors to Yunnan province in southern China watch an ethnic dance group perform.

**How did you develop your business plan?** I am a self-taught type of person. I read and study books and online resources. A friend recommended SCORE, where I could get free counseling. My counselor has been very helpful. I developed my business plan using Business Planning Center in St. Paul.



**How do you see current economic conditions affecting your business?** People still travel. Dailey Travel can help them achieve their requirements within their

budget. Nowadays, with many online search engines and tons of information at their fingertips, people are better informed about their options.

I hope with the economic recovery, more people will travel.

**How are you financing your business?**

Through my own money. I have been saving since I started working. I came to the USA with only \$40 in my pocket 19 years ago. I know what poverty is like.

**What makes your business unique?**

Our insightful knowledge, experience and expertise in China are unique.

**What was the biggest obstacle and how did you overcome it?**

To let people know about the service we offer. I overcame it with perseverance, volunteering and networking.

I find when people get to know me and what I offer, it is easy for them to make the decision to use my service.

**What will tell you the business is successful?**

When my customers tell me how much they appreciate my help to make their trip so memorable, I feel good about it. When I earned my first check, I knew I would be successful.

Interested in taking part in Open for Business? If your business is less than one year old, e-mail us at [businessnews@pioneerpress.com](mailto:businessnews@pioneerpress.com).