

GLOSSARY OF HEAVY DUTY AFTERMARKET TERMS

Accessories: Comfort, convenience and safety products not essential to the performance of a vehicle, such as audio, security products, floor mats, and covers.

Additives: Chemicals added to the engine, cooling system, air conditioning system or transmission to maintain or enhance performance.

Aftermarket: Replacement or add-on purchases for a product after its original sale. The automotive aftermarket includes replacement parts, accessories, lubricants, fuel, appearance products and repairs.

Auto Electric: Businesses specializing in electrical and lighting products for commercial vehicles.

Broker: An agent who represents either the buyer or the seller but does not control or own the merchandise.

Cab-Over-Engine (COE): Truck or tractor design in which the cab sits over the engine on the chassis.

Captive Import: A car or truck made overseas with a domestic nameplate.

Carrier: A person, partnership or corporation engaged in the business of transporting goods.

Common Carrier: A freight transportation company that serves the general public.

Comprehensive Environmental Response Compensation and Liability Act (CERCLA): An act passed in 1980 to provide for the identification and cleanup of hazardous materials released over land, air or water (Superfund Law).

Consolidator: Freight shipments for individual locations collected together by freight handler to get the benefit of lower freight rates.

Consumer Product Safety Commission (CPSC): Federal agency responsible for regulating hazardous chemicals used in consumer goods. (301/492-6580).

Cost Insurance Freight (CIF): Price quotation usually requested by overseas buyers.

Distribution Center (DC): A place for firms to distribute products to other distributors. Most firms participating in the DC are either of common ownership with the DC or are substantially related to the DC in the distribution channel.

Do-It-For-Me (DIFM): Refers to consumers who use professionals to perform maintenance and repair work on their vehicles.

Do-It-Yourself (DIY): Refers to consumers who perform maintenance and repair work on their own vehicles.

DOT Registration Number: Four-digit numbers used to identify materials for regulation by the U.S. Department of Transportation. (202/366-4000).

Fleet Shop: A vehicle service shop owned by a company not principally engaged in the business of vehicle service but which operates a shop for the primary purpose of maintaining their own vehicle fleet.

For-Hire-Carrier: A company in the business of transporting freight belonging to others.

Free on Board (FOB): Term designating that the purchaser pays freight from the time the shipment is placed aboard a truck or train. Legal title for the goods passes to the buyer at this time and location.

Freight: Any commodity being shipped.

Freight Allowed: Pre-payment of freight for orders of a given size.

Gross Combination Weight (GCW): The total weight of tractor-trailer combinations, including trucks, trailers and payload.

Gross Vehicle Weight (GVW): The total weight of the loaded vehicle, including chassis, body and payload:

- Class 1: 6,000lb. and less
- Class 2: 6,001lb. – 10,000lb.
- Class 3: 10,001lb. – 14,000lb.
- Class 4: 14,001lb. – 16,000lb.
- Class 5: 16,001lb. – 19,500lb.
- Class 6: 19,501lb. – 26,000lb.
- Class 7: 26,001lb. – 33,000lb.
- Class 8: 33,001lb. and over.

Hazmat: The term used for any material deemed hazardous by the U.S. Environmental Protection Agency (EPA).

Heavy Duty Distributor (HDD): A firm primarily involved in maintaining and selling an inventory of products specifically intended for the maintenance and repair of commercial motor vehicles.

Heavy Duty Parts: Parts for large commercial trucks and commercial vehicles.

Heavy Duty Segment: Aftermarket distributors and manufacturers of parts and services for commercial, industrial and agricultural vehicles.

Independent Contractors: Owner operators that lease themselves and their vehicles to trucking companies. They are also known as leased operators.

Independent Truck Repair Facility: A firm, primarily involved in the diagnosis, repair, maintenance or accessorization of commercial motor vehicles, which has no significant relationship to either a vehicle manufacturer or a petroleum marketer.

Interstate Commerce Commission (ICC): The federal body charged with the enforcement of acts of the U.S. Congress affecting interstate commerce.

Just-In-Time (JIT): A method of reducing inventory levels and costs by delivering smaller quantities of merchandise more frequently. Price is generally based on truckload order.

Line Haul: The movement of freight between distinct points.

National Highway Traffic Safety Administration (NHTSA): A segment of the U.S. Department of Transportation designed to carry out the safety programs of the National Traffic and Motor Vehicle Safety Act of 1966 and the Highway Safety Act of 1966. It also carries out the consumer programs established by the Motor Vehicle Information and Cost Savings Act of 1972.

Occupational Safety and Health Administration (OSHA): The regulatory and enforcement agency for workplace safety and health. (202/523-7894).

Original Equipment (OE): Parts and components supplied to manufacturers for motor vehicle production.

Owner Operator: Someone who owns one or more trucks and personally drives at least one of them. If they own more than one vehicle they are also known as small fleet owners.

Private Carriers: A company that operates trucks primarily for the purpose of transporting its own products and raw materials.

Retarder: A device used to assist brakes in slowing the vehicle.

Tier One Suppliers: Automotive parts manufacturers that supply final equipment directly to original equipment vehicle manufacturers. Increasingly, tier one suppliers are becoming producers of major subassemblies and modular components to be installed into a vehicle as a unit, such as a complete chassis.

Tier Two Suppliers: Manufacturers that produce components for Tier One suppliers.

Tier Three Suppliers: Manufacturers that supply raw materials used in the production of components.

Transplant: A car or truck made in the United States with a foreign nameplate.

Truck Dealer: A firm primarily involved in the retailing of new commercial motor vehicles, which also provides service for those vehicles after the sale.

Truck Stop: A firm primarily involved in the distribution of petroleum products and the diagnosis, repair, and maintenance of commercially operated motor vehicles.

Two-Step Distribution: The distribution process under which the warehouse distributor supplies the service outlet directly, eliminating the jobber.

Three-Step Distribution: Traditional aftermarket distribution process under which the warehouse distributor supplies the jobber who in turn supplies the service outlet.

Warehouse Distributor: A traditional wholesaler of automotive parts and supplies selling primarily to jobbers.

Wholesaling Jobber: A distributor with sales greater than 50 percent (in dollar value) to the professional repair and maintenance trade and with purchases less than 50 percent (in dollar value) directly from a manufacturer.

2-Step WD: A distributor that purchases greater than 50 percent (in dollar value) of its inventory from the manufacturer with sales greater than 50 percent to the professional repair and maintenance trade.