

Restored Career

RAY TUTTLE

David Miller II is another survivor of the telecommunications upheaval at the turn of the century.

Miller, president of Trinity Restoration, quickly admits, however, the ride in the auto collision and restoration market has been nearly as wild as the one he underwent 10 years ago.

Even as Miller opened his shop, he second-guessed himself about the 5,000-SF, mom-and-pop business he'd purchased on 46th Street between Memorial Drive and Mingo Road.

"I had one small building, and when we walked in, there were two cars and two employees. That first month we only did 25-grand in sales — and I just about freaked out," Miller said, recalling those lean days. "That was not enough to pay the bills."

Dennis and Angie Cockrell, the former shop owners, agreed to stay on to mind the shop. That freed Miller to grow the business.

"Every day at 10 o'clock, Cockrell chased me out of the building," he said. The strategy worked as sales stair-stepped every month — topping \$35,000, then \$45,000 and higher. By the end of the first year, Trinity grossed more than \$225,000 in a single month. In three years Trinity went from \$25,000 to half a million dollars in revenues per month.

Today, Miller has four locations, 40 employees, the largest shop in the Tulsa market and is grossing more than \$6 million annually. It is part of the \$36.5 billion auto collision business nationwide.

In the Beginning

Graduating from Oklahoma State University in 1992, Miller went to work as a second-generation employee for MCI — his mother retired from the company in 1997. He also worked for AT&T, Williams Communications, WorldCom and some out-of-town telecom manufacturers.

Miller was fortunate. Unlike thousands in the dot.com universe, Miller managed to land on his feet as the industry suffered convulsions as the millennium approached.

"After the third layoff, I was bummed out. I was done," Miller said.

It was 2000 and Miller was ready to do something different.

The native Tulsan started working with a business broker, looking for a potential opportunity. He had some entrepreneurial background as his parents owned and operated Tulsa Winch while his wife, Heather, owns and operates The Home Collection in Utica Square.

Miller spent a year looking, "at anything and everything within a certain price range," he said.

He eyed metal fabrication and industrial fasteners — a nuts and bolts operation for the construction industry, dry cleaning, fast food and aerospace.

"You name it," Miller said.

Then, Miller thought he saw a light at the end of tunnel. Turns out it was the headlights of an oncoming car.



SARAH NICODEMUS

David W. Miller II, president of Trinity Restoration.

"I was actually negotiating a deal with the fastener place," he said. Almost on a whim, Miller went back and reviewed businesses on the block one more time. He then came across an auto restoration business.

"I called the broker and asked, 'Hey. How come you did not tell me about this paint and body place?'"

The broker shrugged, saying he did not realize Miller was a car guy.

Car Guy

"Thing is, I am a huge car guy. Dad was a mechanic. I had three or four hotrods growing up and several Corvettes as an adult," Miller said. However, the broker never saw Miller in one of his cars. He merely saw Miller in a suit.

"All he saw was this guy looking like a slick, college fraternity president type — which I was," Miller said with self-deprecating humor.

Miller needed \$500,000 in seed money because of the cost of equipment and facilities.

"It was not a high barrier, but a pretty decent amount," Miller said.

Trinity, founded in 1987, originally focused on restoring classic Mustangs. Cockrell expanded into collision work on all models over time.

"His reputation grew and people talked him into working on other stuff," Miller

said. Once he was satisfied with the numbers, Miller knew he had found his niche.

"I thought, 'You know, no matter what I buy, I will have a lot to learn. But at least with cars, it is a passion,'" he said.

Trends

Miller realized early on there was money to be made in the collision business. By the time he came along, Trinity's business model had flipped from 20 years ago. Then, 80 percent of the business was restoration. Today, 80 percent of the business focuses on collision repair.

The auto collision business has mushroomed over the last decade as more people are driving more cars. The result is more accidents.

The industry is being pressed from different directions.

Insurance

The insurance industry is pressuring the market because executives have found it cheaper to junk cars than to fix them.

"Fewer and fewer are being repaired," Miller said. "More are being totaled now than ever before."

Nearly a third of wrecked vehicles are being totaled today, whereas it was 10 percent a decade ago.

Also, the auto repair industry is consolidating.

Many Shops

In Tulsa, there are 262 body shops.

"That is entirely too many," Miller said.

Most are small family-owned shops that few people, except their loyal customers, have heard of, Miller said.

The number of body shops across Oklahoma is down 41 percent since 9/11. Large chains are dominating the landscape.

"More and more big shops are swallowing the smaller shops," he said.

A factor in the consolidation is that there are fewer young owners.

Miller, at 39, is in the minority.

"Most owners are between 50 and 70. They are looking to retire and get out," Miller said. "I have someone every month calling me and wanting me to buy their shop."

Market Forces

The collapse of Fox Collision, which shuttered 18 shops in three states last month, created another opportunity for Trinity.

Fox controlled a third of the Tulsa repair market.

"There is a more than a million-dollars worth of collision repair looking for a new home," Miller said. "We will not get all of it, of course, but it helps."

As odd as it sounds, the trend in collision repair is toward quality work, while service levels have gone through the roof, Miller said.

Customers want big, beautiful shops that look like a dealership, Miller said. "That is the future."

"It is hard to be a paint and body outfit and start up from there," he said.

Trinity has 10 mechanical bays, offering alignments, oil changes, brake repair, wheels and tires.

"The average time between collisions is seven years," Miller said. "But, people need an oil change all the time. We are looking for ways to get customers in the door."

"With consolidation, fewer but bigger shops are providing more and more services," Miller said. "While customers are getting pickier and pickier and pickier. They expect more service, details, coffee bars, playrooms for the kids and plasma TV screens."

The difference between today and 20 years ago is telling, he said.

"When I bought Trinity, they didn't even have a detail bay. They did not even wash the car," Miller said. "For 20 years they got away without cleaning the car. Now, we wash and vac for any service, even a basic oil change."

The state of the industry today is higher and higher levels of service, nice shops that resemble a doctors' office with all the amenities of a new car dealership.

"We are built to handle it, but it puts a strain on other shops to compete," he said. "We are set for the future and the customers love it." ◀