1 PHOENIX, ARIZONA, WEDNESDAY, AUGUST 11, 2004 2 9:03 A.M. 3 4 THOMAS JOSEPH ZAGURSKI, 5 HAVING BEEN FIRST DULY SWORN, WAS **EXAMINED AND TESTIFIED AS FOLLOWS:** 6 7 8 **EXAMINATION** 9 BY MR. FISHBACK: SIR, GOOD MORNING. CAN I ASK YOU TO STATE YOUR NAME, PLEASE, AND SPELL IT FOR THE RECORD. THOMAS J. ZAGURSKI.

Q HOW DO YOU SPELL YOUR LAST NAME?

A Z-A-G-U-R-S-K-I.

Q MR. ZAGURSKI, HAVE YOU EVER BEEN DEPOSED BEFORE?

A SEVERAL YEARS AGO.

Q OKAY. LET ME JUST BRIEFLY RUN THROUGH JUST SOME OF THE -- THE STANDARD MANTRA OF A DEPOSITION, A COUPLE OF THINGS, ONE BEING YOU'RE UNDER OATH. THE COURT REPORTER JUST PUT YOU UNDER OATH, AND YOUR TESTIMONY, EVEN THOUGH WE'RE IN A ROOM, HAS THE SAME FORCE AND EFFECT AS IF YOU WERE IN A COURT OF LAW. DO YOU UNDERSTAND THAT? A RIGHT.

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- Q IT'S IMPORTANT THAT YOU LET ME ASK MY QUESTIONS
- 2 IN FULL BEFORE YOU ANSWER THEM. A COUPLE OF REASONS: TO
- 3 MAKE SURE YOU UNDERSTAND FULLY MY QUESTION; AND.
- 4 SECONDLY, TO MAKE SURE THE COURT REPORTER CAN PUT DOWN
- 5 EVERYTHING AND WE'RE NOT INTERRUPTING EACH OTHER 'CAUSE
- 6 SHE CAN'T TYPE BOTH OF OUR SENTENCES AT ONE TIME.
- I'M ENTITLED TO YOUR BEST ESTIMATION TODAY. I 7
- 8 DON'T WANT YOU TO GUESS OR SPECULATE. IS THERE ANY
- 9 REASON WHY YOU THINK THAT YOU COULDN'T GIVE YOUR BEST **TESTIMONY TODAY?**
- A NO. THERE'S NO REASON THAT I CAN'T.
- Q OKAY. IT'S IMPORTANT THAT IF YOU ARE GOING TO ANSWER A QUESTION WITH -- RATHER THAN WITH AN "UH-HUH" OR AN "UNH-UNH," YOU GIVE "YES" OR "NO" SO THAT SOMEONE READING THIS LATER CAN UNDERSTAND YOUR ANSWER. HAVE YOU TAKEN ANY MEDICATIONS OR ANY KIND OF DRUGS THAT MIGHT IMPACT YOUR ABILITY TO RECALL PAST EVENTS OR YOUR ABILITY TO PROVIDE TRUE AND ACCURATE **TESTIMONY THIS MORNING?**

A NO, I HAVE NOT.

Q OKAY. YOU'RE ENTITLED TO A BREAK IF YOU NEED ONE VIRTUALLY AT ANY TIME; SO JUST LET ME KNOW, AND WE'LL TAKE A BREAK FOR WHATEVER REASON.
SIR, WHAT IS YOUR PRESENT ADDRESS?
A 15315 EAST REDROCK DRIVE.

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- 1 Q WHAT CITY?
- 2 A FOUNTAIN HILLS, ARIZONA.
- 3 Q CAN YOU BRIEFLY TELL ME WHERE MOUNTAIN HILLS
- 4 IS?
- 5 A FOUNTAIN.
- 6 MR. RILEY: FOUNTAIN.
- 7 BY MR. FISHBACK:
- 8 Q FOUNTAIN HILLS. WHERE IS THAT?
- 9 A IT'S IN THE NORTHEAST SECTION OF THE VALLEY.
- Q SO IT'S SOMEWHERE -- A SUBURB OF PHOENIX?
- A YES.
- Q HOW LONG HAVE YOU LIVED THERE, SIR?
- A FOUR YEARS.
- Q ARE YOU CURRENTLY EMPLOYED?
- A MY WIFE HAS A BUSINESS, AND I WORK WITH HER, YES.
- Q OKAY. WHAT'S THE NAME OF THAT BUSINESS?
- A MARIPOSA IMPRESSIONS.
- Q AND WHAT'S THE NATURE OF THE BUSINESS?
- A WE IMPRINT GOLF BALLS.
- Q WELL --
- MR. RILEY: WE CAN GET YOU A DISCOUNT.
- BY MR. FISHBACK:
- Q PLENTY OF BUSINESS IN THESE PARTS. THERE ARE
- PLENTY OF GOLF COURSES. WHENEVER I COME DOWN HERE, I'M

- 1 AMAZED THAT -- PROBABLY GOLF 12 MONTHS A YEAR HERE.
- 2 CAN'T YOU?
- 3 A UH-HUH.
- 4 Q HOW LONG -- ARE YOU JUST AN EMPLOYEE OF
- 5 MARIPOSA IMPRESSIONS, OR ARE YOU AN OFFICER?
- 6 A I'M AN OFFICER.
- 7 Q OKAY. HOW LONG HAVE YOU BEEN INVOLVED WITH
- 8 MARIPOSA IMPRESSIONS?
- 9 A SINCE MY RETIREMENT FROM GENUINE PARTS COMPANY.
- Q WHEN WAS THAT?
- A JUNE 30, 1999.

- Q DID YOU HAVE ANY OTHER EMPLOYMENT BETWEEN YOUR WORK AT GENUINE PARTS AND THEN MARIPOSA IMPRESSIONS?
- A NO, I DID NOT.
- Q DID YOU HAVE -- DID YOU GO TO HIGH SCHOOL?
- A YES.
- Q WHERE WERE YOU BORN, FIRSTLY?
- A OMAHA, NEBRASKA.
- Q WHAT'S YOUR DATE OF BIRTH?
- A 10/3/38.
- Q DID YOU GO TO HIGH SCHOOL?
- A YES.
- Q IN OMAHA?
- A YES.
- Q WHAT'S THE NAME OF THE HIGH SCHOOL?

- 1 A CREIGHTON PREP.
- 2 Q PRIVATE OR PUBLIC SCHOOL?
- 3 A PRIVATE.
- 4 Q DID YOU GRADUATE FROM HIGH SCHOOL, AND THEN
- 5 WHERE DID YOU GO AFTER THAT? ANY SECONDARY EDUCATION?
- 6 A LATTENDED OMAHA UNIVERSITY FOR ONE SEMESTER.
- 7 DROPPED OUT OF THERE, AND THEN WENT TO WORK FOR GENUINE
- 8 PARTS COMPANY FEBRUARY 25TH, 1957.
- 9 Q HAVE YOU AT ANY TIME GONE BACK AND RECEIVED A POSTSECONDARY EDUCATION DEGREE?
- A NO, I HAVE NOT.
- Q ALL RIGHT. WHEN YOU FIRST STARTED WORKING AT GENUINE PARTS, WHERE WERE YOU WORKING?
- A IN THE STOCKROOM OF THE DISTRIBUTION CENTER AS A STOCKER.
- Q WHERE WAS THE DISTRIBUTION CENTER?
- A IT WAS ON HARNEY STREET, 2011, AS I RECALL.
- Q IN WHAT CITY?
- A OMAHA.
- Q WAS THERE SOME -- DID YOU KNOW SOMEONE THAT WORKED AT THE STOCKROOM THAT GOT YOU THE JOB, OR WAS THERE SOME OTHER REASON WHY YOU SOUGHT EMPLOYMENT THERE? A MY FATHER OWNED A BAR. ONE OF HIS CUSTOMERS KNEW A PERSON IN THE MACHINE SHOP AND RECOMMENDED THAT I GO DOWN THERE AND APPLY FOR A JOB.

- 1 Q SO YOU WERE JUST LOOKING FOR A -- FOR WORK.
- 2 THEN?

- 3 A CORRECT.
- 4 Q IS THERE SOME REASON WHY AFTER ONLY A COUPLE OF
- 5 MONTHS AT THE UNIVERSITY OF OMAHA, I THINK YOU SAID --
- 6 A RIGHT.
- 7 Q -- YOU DECIDED TO PURSUE OTHER INTERESTS?
- 8 A THE PRIMARY REASON BEING THAT, FIRST OF ALL, I
- 9 COULDN'T AFFORD TO GO THERE, SECONDARY REASON BEING THAT I WASN'T ALL THAT IMPRESSED WITH THE ACADEMIA THERE AND DECIDED THAT I WAS WASTING MY TIME.
- Q OKAY. HOW BIG WAS THE DISTRIBUTION CENTER IN OMAHA?
- A VERY SMALL.
- Q ARE THERE MULTIPLE DISTRIBUTION CENTERS AROUND THE COUNTRY FOR GENUINE PARTS?
- A YES, THERE ARE.
- Q WHAT DID THE OMAHA DISTRIBUTION CENTER SERVICE, WHAT GEOGRAPHIC AREA?

MR. RILEY: ARE YOU TALKING IN 1957?

BY MR. FISHBACK:

Q YEAH. JUST WHEN YOU STARTED THERE TO THE EXTENT THAT YOU KNOW.

A NEBRASKA, WITH THE EXCEPTION OF THE PANHANDLE, THE TWO WESTERNMOST TIERS OF COUNTIES IN IOWA, ONE STORE

- 1 IN KANSAS, AND A COUPLE OF STORES IN SOUTH DAKOTA.
- 2 Q CAN YOU BRIEFLY DESCRIBE FOR ME YOUR DUTIES AS
- 3 A STOCKROOM CLERK.
- 4 A I BEGAN BY RECEIVING SHIPMENTS FROM
- 5 MANUFACTURERS, PUTTING THEM IN NUMERICAL ORDER ON A
- 6 SHELF, PROGRESSED FROM THERE TO ACTUALLY FILLING ORDERS
- 7 TO BE SHIPPED TO CUSTOMERS.
- 8 Q HOW LONG DID YOU WORK IN THE STOCKROOM IN
- 9 OMAHA?
- A INCLUDING THE TIME THAT I WAS ALSO THE STOCKROOM MANAGER, IT WOULD HAVE BEEN SEVEN OR EIGHT YEARS.
- Q SO SOMETIME MAYBE UNTIL 1965 APPROXIMATELY?
- A YEAH, YES.
- Q DURING THE TIME IN 1957 TO 1965, DID YOU BECOME FAMILIAR WITH THE BRANDS OF MATERIALS THAT WERE BEING RECEIVED BY GENUINE PARTS AT THAT OMAHA, NEBRASKA DISTRIBUTION CENTER?
- A YES, I DID.
- Q HAVE YOU EVER HEARD OF A COMPANY CALLED BENDIX?
- A YES, I HAVE.
- Q AND DURING THE TIME 1957 TO 1965, DO YOU RECALL

RECEIVING SHIPMENTS FROM BENDIX TO THE OMAHA, NEBRASKA DISTRIBUTION CENTER?

A NO. THERE WERE NONE.

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- 1 Q HOW ARE YOU FAMILIAR WITH BENDIX?
- 2 A IT'S A WELL-KNOWN BRAND NAME ADVERTISED
- 3 REGULARLY IN THE TRADE MAGAZINES.
- 4 Q HAD YOU -- HAD YOU HEARD OF IT -- IF YOU CAN
- 5 TAKE YOURSELF BACK TO THE YEARS 1957 TO '65 AND SEPARATE
- 6 THAT OUT FROM WHAT YOU NOW KNOW, DURING THAT TIME PERIOD
- 7 HAD YOU HEARD OF BENDIX BEFORE?
- 8 A CERTAINLY. WE HAD A COMPETITOR UP THE STREET
- 9 THAT STOCKED BENDIX.
- Q WHO WAS THE COMPETITOR?
- A STORZ SUPPLY.
- Q STORE SUPPLY?
- A STORZ, S-T-O-R-Z.
- Q WAS THAT A LOCAL DISTRIBUTOR?
- A YES.
- Q WAS IT ALSO A RETAILER, RETAIL OUTFIT?
- A YES.
- Q WAS THE GENUINE PARTS DISTRIBUTION CENTER, DID IT ALSO HAVE A CORRESPONDING RETAIL OUTLET AT THE SAME LOCATION?
- A YES, IT DID.
- Q AND WHAT WAS THE NAME OF THAT?
- A GENUINE PARTS COMPANY.
- Q SO YOU COULD -- YOU COULD AS A CUSTOMER -- A GUY WHO NEEDED TO DO AUTO REPAIRS COULD COME INTO THE

- 1 GENUINE PARTS COMPANY IN OMAHA, NEBRASKA AND PURCHASE
- 2 AUTOMOBILE PARTS?
- 3 A YES, ALTHOUGH IN THE EARLY YEARS THAT I WORKED
- 4 IN THE BUSINESS, THE -- WHAT YOU CALL THE RETAIL OUTLET
- 5 WAS MORE PRIMARILY FOR PEOPLE IN THE TRADE, MECHANICS.
- 6 CAR DEALERS, THINGS OF THIS NATURE. FOR YOU TO WALK
- 7 INTO A STORE, THEY MIGHT -- WOULD WAIT ON YOU IF YOU
- 8 WERE THE LAST MAN STANDING. NOW, THAT CHANGED OVER THE
- 9 YEARS, BUT THAT'S THE WAY IT WAS WHEN WE STARTED.
- Q FAIR TO SAY THAT THE MAJORITY OF YOUR BUSINESS BETWEEN THE YEARS '57 TO '65, IF IT WAS CUSTOMERS COMING IN TO PURCHASE, IT WASN'T THE AVERAGE -- WELL, LET ME STATE IT A DIFFERENT WAY.

DURING THE YEARS '57 TO '65, WOULD IT BE FAIR TO SAY THAT MOST OF THE CUSTOMERS WERE IN FACT MECHANICS AND THOSE ENGAGED IN AN OCCUPATION IN THE SERVICE OF AUTOMOBILES AND VEHICLES?

A THAT'S CORRECT.

MR. GRAHAM: I'LL JUST STATE A BELATED
OBJECTION. VAGUE AND AMBIGUOUS. I HAVE TO ASK: ARE
YOU TALKING ABOUT CUSTOMERS OF THE DISTRIBUTION CENTER
OR CUSTOMERS OF THE RETAIL OUTLET AT THE DISTRIBUTION
CENTER?

MR. FISHBACK: NO. CUSTOMERS OF THE RETAIL OUTLET.

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- 1 MR. GRAHAM: THANK YOU.
- 2 BY MR. FISHBACK:
- 3 Q AND THAT'S HOW YOU ANSWERED THE QUESTION;
- 4 RIGHT?
- 5 A YES.
- 6 Q OKAY. DURING THAT '57 TO '65 TIME PERIOD.
- 7 WAS -- WAS THERE A RAIL SPUR ATTACHED TO THE
- 8 DISTRIBUTION CENTER?
- 9 A NO, THERE WAS NOT.
- Q DID -- HOW DID ALL OF THE PARTS -- HOW WERE THEY DELIVERED?
- A BY TRUCK.
- Q LARGE 18-WHEELER-TYPE TRUCK?
- A TYPICALLY, YES.
- Q WITH A SEPARATE CARGO AREA FROM THE CAB?
- A THAT'S RIGHT.
- Q THOSE KINDS OF VEHICLES?
- A YEAH.
- Q AND HOW OFTEN DID SHIPMENTS ARRIVE THERE?
- A DAILY.
- Q AND WERE -- WAS THE DISTRIBUTION CENTER A SEVEN-DAY-A-WEEK OPERATION?
- A NO, IT WAS NOT.
- Q HOW MANY --
- A FIVE DAYS.

- 1 Q -- DAYS -- FIVE DAYS. REGULAR BUSINESS HOURS?
- 2 A CORRECT.
- 3 Q THE DISTRIBUTION CENTER AT THAT TIME DID STOCK
- 4 BRAKE PARTS, DIDN'T IT?

- 5 A THAT'S RIGHT.
- 6 Q DO YOU KNOW FROM WHOM THOSE -- WHO WAS THE
- 7 MANUFACTURER OF THE BRAKE PARTS?
- 8 A THE BRAND NAME WAS RAYLOC, AND THEY WERE
- 9 SUPPLIED TO US BY RAYLOC, ATLANTA, GEORGIA.
- Q WERE THERE ANY OTHER BRANDS OF BRAKES THAT WERE SUPPLIED TO THE DISTRIBUTION CENTER DURING THE YEARS '57 TO '65?
- A SAY AGAIN. I'M SORRY.
- Q WERE THERE ANY OTHER BRANDS OF BRAKES THAT WERE SUPPLIED TO THE DISTRIBUTION CENTER IN OMAHA DURING THIS 1957 TO '65 TIME PERIOD?
- A THERE WAS ALSO A BRAND OF LININGS PRIMARILY FOR LARGE TRUCKS, OCCASIONALLY FOR PASSENGER CAR -- PASSENGER CAR-SIZED VEHICLES, AND THAT PRODUCT WAS SUPPLIED BY AMERICAN BRAKEBLOK.
- Q DO YOU KNOW IF DURING -- IF RAYLOC BRAKES HAD BEEN SUPPLYING BRAKES TO THE OMAHA DISTRIBUTION CENTER FOR SOME TIME BEFORE YOU GOT THERE?
- A I DON'T SPECIFICALLY KNOW THAT, BUT I WOULD ASSUME THAT.

- 1 Q NO ONE INFORMED YOU THAT THERE HAD BEEN A
- 2 CHANGE, FOR EXAMPLE, IN THE MANUFACTURER OF THE BRAKES
- 3 THAT WAS NOW SUPPLYING THE DISTRIBUTION CENTER AT OMAHA?
- 4 A NO. AS A MATTER OF FACT, GENUINE PARTS COMPANY
- 5 ACQUIRED THE OMAHA DISTRIBUTION CENTER IN 1955.
- 6 Q WHAT WAS IT BEFORE THAT?
- 7 A DON'T RECALL THE NAME. THE OWNER'S NAME WAS
- 8 MAKINICH.
- 9 Q WAS IT AN AUTO PARTS DISTRIBUTION CENTER?
- A YES, IT WAS.
- Q HOW LONG HAS GENUINE PARTS BEEN IN EXISTENCE?
- A AS I RECALL. SINCE 1928.
- Q YOU HAD SAID THAT THERE WERE BRAKE LININGS SUPPLIED BY AMERICAN BRAKEBLOK. WERE THERE OTHERS WHO SUPPLIED BRAKE LININGS DURING THAT TIME?
- A NO, THERE WERE NOT.
- Q AND WERE THE NAMES OF THE MANUFACTURERS PRINTED ON THE PRODUCT BOX?
- A YES.
- Q SO THE -- THE BRAKES SAID RAYLOC?
- A THAT'S CORRECT.
- Q AND THE BRAKE LININGS SAID AMERICAN BRAKEBLOK?
- A THAT'S RIGHT.
- Q DID THEY ALSO INCLUDE THE NAME GENUINE PARTS ON

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- 1 A NO.
- 2 Q AND DO YOU KNOW AT THAT TIME -- OR DID ANYONE
- 3 TELL YOU -- I SHOULD ASK IT THAT WAY.
- 4 DID ANYONE EVER TELL YOU DURING THAT TIME THAT
- 5 THE BRAKES AND BRAKE LININGS WERE AN ASBESTOS-CONTAINING
- 6 PRODUCT?
- 7 A NO.
- 8 Q DO YOU RECALL SEEING ANY WARNINGS ON ANY OF THE
- 9 BOXES REGARDING AN ASBESTOS HAZARD?
- A I DON'T RECALL THAT, NO.
- Q AT THE DISTRIBUTION CENTER, HOW WAS THE -- HOW WERE THE PRODUCTS ARRANGED AND SORTED? WAS IT BY BRAND NAME OR BY APPLICATION OR BY VEHICLE TYPE OR SOMETHING ELSE?
- A BY BRAND NAME, BY PART NUMBER.
- Q SO ALL OF THE RAYLOC BRAKES WERE IN A SEPARATE AREA FROM THE AMERICAN BRAKEBLOK PRODUCTS?
- A THAT'S CORRECT.
- Q AND THE PART NUMBER, WAS THAT A GENUINE PARTS PART NUMBER OR SOMEONE ELSE'S PART NUMBER?
- A IN THE -- IN THE CASE OF THE BRAKES, THERE WAS
- A -- SOME SORT OF COUNCIL THAT CAME UP WITH A STANDARDIZED NUMBERING SYSTEM FOR BRAKES, AND THAT BRAKE NUMBER WAS ADOPTED BY RAYLOC.
- Q HAVE YOU EVER HAD HEARD OF THE F.M.S.I. OR

- 1 FRICTION MATERIALS STANDARDS INSTITUTE?
- 2 A RIGHT.
- 3 Q DO YOU KNOW THAT THEY WERE THE ONES WHO CAME UP
- 4 WITH THE NUMBERING SYSTEM FOR BRAKE PARTS?
- 5 A I BELIEVE THAT TO BE CORRECT.
- 6 Q OKAY. AND THAT'S THE NUMBER THAT, TO YOUR
- 7 KNOWLEDGE, RAYLOC AND AMERICAN BRAKEBLOK ADOPTED?
- 8 A RAYLOC ADOPTED IT. AMERICAN BRAKEBLOK DID NOT
- 9 BECAUSE IT WASN'T A SHOE. AMERICAN BRAKEBLOK WAS SIMPLY LINING.
- Q HOW WERE THE AMERICAN BRAKEBLOK PRODUCTS THEN -- WHAT WAS THE PART NUMBER FOR THEM?
- A THERE WERE SEVERAL PART NUMBERS DEPENDING ON THE APPLICATION AND TYING BACK TO THEIR CATALOG. WHETHER THERE WAS ANY EXTERNAL INFLUENCE TO THAT

NUMBERING SYSTEM I AM NOT AWARE OF.

- Q DID GENUINE PARTS HAVE ANY SAY-SO IN TERMS OF THE NUMBERING SYSTEM UTILIZED BY AMERICAN BRAKEBLOK FOR THE PARTS?
- A I DON'T BELIEVE SO.
- Q AND YOU HAD REFERENCED THE AMERICAN BRAKEBLOK CATALOG. HAVE YOU SEEN THAT BEFORE?
- A YES, I HAVE.
- Q DID GENUINE PARTS HAVE ITS OWN CATALOG AT THAT TIME?

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- 1 A NO. GENUINE PARTS DID NOT HAVE ITS OWN CATALOG
- 2 AT THAT TIME.
- 3 Q WHAT WAS GENERALLY THE BUSINESS OF GENUINE
- 4 PARTS IN THE YEARS '57 TO '65 AS YOU UNDERSTAND IT?
- 5 A WE WERE PRIMARILY WAREHOUSE DISTRIBUTORS
- 6 SELLING TO INDEPENDENT OWNERS ALONG WITH OWNING AND
- 7 OPERATING SOME OF OUR OWN STORES IN METROPOLITAN AREAS.
- 8 Q DO YOU KNOW DURING THAT TIME HOW MUCH TOTAL
- 9 BUSINESS GENUINE PARTS WAS DOING?
- A AT THE TIME THAT I WENT TO WORK FOR GENUINE PARTS COMPANY, THEY OWNED AND OPERATED 11 DISTRIBUTION CENTERS, EMPLOYED 1,500 PEOPLE, AND I BELIEVE THAT THE TOTAL SALES WERE SOMEWHERE IN THE AREA OF \$100 MILLION.
- Q AT THAT TIME WAS -- WERE YOU ONE OF THE LEADERS -- WAS GENUINE PARTS ONE OF THE BIGGER COMPANIES INVOLVED IN THIS KIND OF A BUSINESS, OR WERE THERE JUST A BUNCH OF PEOPLE WHO HAD, SAY, A WHOLE BUNCH MORE SALES AND A LOT MORE DISTRIBUTION CENTERS AND MANY MORE EMPLOYEES?

MR. RILEY: OBJECTION. VAGUE AS TO WHAT TYPE OF BUSINESS MEANS, BUT IF YOU UNDERSTAND IT -- BY MR. FISHBACK:

Q DO YOU UNDERSTAND THE QUESTION, SIR?
A I THINK I DO. N.A.P.A. IS AN ASSOCIATION,
NATIONAL AUTOMOTIVE PARTS ASSOCIATION. GENUINE PARTS

- 1 COMPANY WAS A PART OF N.A.P.A., AND AT THAT TIME I THINK
- 2 THERE WERE SOMETHING LIKE MAYBE 28 OWNERSHIPS WITHIN
- 3 N.A.P.A., AND IF YOU PUT ALL THAT TOGETHER, THEY WOULD
- 4 HAVE BEEN THE DOMINANT FORCE IN THE AFTERMARKET.
- 5 Q LET ME MAKE SURE I UNDERSTAND THIS. GENUINE
- 6 PARTS, ALONG WITH OTHER COMPANIES, WERE ALL MEMBERS BY

- 7 CHOICE OF THE NATIONAL AUTO PARTS ASSOCIATION?
- 8 A THAT'S CORRECT.
- 9 Q AND THE NATIONAL AUTO PARTS --

MR. RILEY: AUTOMOTIVE PARTS.

BY MR. FISHBACK:

- Q NATIONAL AUTOMOTIVE PARTS ASSOCIATION. HOW LONG HAD THAT ASSOCIATION BEEN IN EXISTENCE?
- A SINCE 1925.
- Q DO YOU KNOW THE PURPOSE OF ITS ORGANIZATION?
- A THEY WERE A GROUP OF CONTINENTAL RED SEAL ENGINE DISTRIBUTORS WHO DECIDED THAT THEY WOULD NEED TO TAKE REPLACEMENT PARTS CLOSER TO THE MARKETPLACE AS OPPOSED TO CENTERED IN DETROIT AS VEHICLES BECAME MORE POPULAR.
- Q WAS GENUINE PARTS AN ORIGINAL MEMBER?
 A I BELIEVE IT WAS. THE FOUNDER OF OUR COMPANY
 WAS CARLISLE FRAZER. I BELIEVE HE WAS ONE OF THE
 ORIGINAL FOUNDERS. HOWEVER, AT THAT TIME HE HAD A
 FACILITY IN WHEELING, WEST VIRGINIA.

- 1 Q WHEN YOU SAY A --
- 2 MR. RILEY: CAN I CLARIFY?
- 3 MR. FISHBACK: SURE.
- 4 MR. RILEY: NATIONAL AUTOMOTIVE PARTS
- 5 ASSOCIATION WAS FOUNDED IN 1925. GENUINE PARTS WASN'T
- 6 INCORPORATED UNTIL 1928. MR. FRAZER WAS AN EMPLOYEE OF
- 7 THE OWNER OF THE PITTSBURGH MEMBER OF N.A.P.A. AND THEN
- 8 CAME DOWN AND FORMED GENUINE PARTS COMPANY IN ATLANTA.
- 9 GEORGIA THREE YEARS LATER. SO TECHNICALLY GENUINE PARTS COMPANY WAS NOT A FOUNDER, BUT ITS FOUNDER WAS AN EMPLOYEE OR PARTNER OF ONE OF THE OTHER FOUNDERS. MR. FISHBACK: OKAY. THANK YOU.
- Q MR. ZAGURSKI, WITH RESPECT TO THE NATIONAL AUTOMOTIVE PARTS ASSOCIATION AND GENUINE PARTS' INVOLVEMENT, WAS IT YOUR UNDERSTANDING THAT SINCE GENUINE PARTS HAS BEEN IN BUSINESS THEY'VE BEEN A PART OF THE NATIONAL AUTOMOTIVE PARTS ASSOCIATION? A YES.
- Q YOU HAD SAID THAT THERE WERE -- THAT GENUINE PARTS HAD DISTRIBUTION CENTERS AND STORES IN MAJOR METROPOLITAN AREAS DURING THE YEARS '57 TO '65. WHICH METROPOLITAN AREAS DID THAT INCLUDE, TO YOUR KNOWLEDGE? A WHAT I STATED IS THAT WHEN I WENT TO WORK FOR THE COMPANY THERE WERE 11 DISTRIBUTION CENTERS AT THAT TIME, AND THOSE 11 DISTRIBUTION CENTERS WERE -- AND I

- 1 DON'T KNOW THAT THAT COULD BE CALLED ALL OF THEM --
- 2 OBVIOUSLY ATLANTA, GEORGIA, THE HEADQUARTERS; MEMPHIS,
- 3 TENNESSEE; OMAHA, NEBRASKA; PROBABLY IN FLORIDA. I
- 4 DON'T RECALL THE REST.
- 5 MR. RILEY: RATHER THAN TAX HIM --
- 6 THE WITNESS: THEY WERE IN THE SOUTHEAST
- 7 MOSTLY.
- 8 MR. RILEY: RATHER THAN TAX HIM, IF YOU NEED TO
- 9 KNOW SPECIFICALLY, I THINK THAT INFORMATION IS

AVAILABLE. I CAN GET THAT FOR YOU IN RESPONSE TO A LETTER.

BY MR. FISHBACK:

Q OKAY. WERE THERE ANY DISTRIBUTION CENTERS WEST OF OMAHA?

MR. RILEY: OWNED BY GENUINE PARTS COMPANY? MR. FISHBACK: YES. DURING THE YEARS '57 TO '65.

THE WITNESS: '57 TO '65.

BY MR. FISHBACK:

Q YES, SIR.

A THEN THE ANSWER WOULD BE YES. DENVER, COLORADO WAS ACQUIRED IN 1959, AND COLYEAR MOTOR SALES I BELIEVE WAS ACQUIRED IN 1965.

Q WHAT DID COLYEAR MOTOR SALES SERVICE, WHAT AREA?

- 1 A THE WESTERN UNITED STATES.
- 2 Q INCLUDING CALIFORNIA?
- 3 A INCLUDING CALIFORNIA.
- 4 Q THAT WOULD INCLUDE ALL OF CALIFORNIA?
- 5 A YES.
- 6 MR. RILEY: CAN WE DEFINE WESTERN UNITED STATES
- 7 AS WEST OF THE ROCKIES FROM CANADA TO MEXICO?
- 8 BY MR. FISHBACK:
- 9 Q IS THAT WHAT COLYEAR MOTORS -MR. RILEY: WELL, WE HAD THIS DISCUSSION LAST
 NIGHT. FROM PITTSBURGH, "WEST" MEANS FROM WESTERN
 MISSISSIPPI. COLYEAR WAS WEST OF THE ROCKIES.
 BY MR. FISHBACK:
- Q SO COLYEAR MOTORS SERVICED THE AREA WEST OF THE ROCKIES INCLUDING ALL OF THE STATES THEREIN AND PARTS OF MEXICO?
- A NOT NECESSARILY, NO.

MR. RILEY: I DIDN'T SAY MEXICO.

THE WITNESS: NO. BY MR. FISHBACK:

Q OKAY.

A COLYEAR SERVED PRIMARILY CALIFORNIA, OREGON,

WASHINGTON.

Q NEVADA?

A THERE ARE NO DISTRIBUTION CENTERS IN NEVADA.

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- 1 PRIMARILY THOSE THREE STATES.
- 2 Q ANYTHING IN ARIZONA?
- 3 A YES, ARIZONA, PHOENIX.
- 4 Q ANYTHING IN IDAHO?
- 5 A NO.
- 6 Q DO YOU RECALL WHEN COLYEAR MOTORS WAS ACQUIRED?
- 7 A 1965.
- 8 Q BEFORE THAT TIME PERIOD, DID GENUINE PARTS HAVE
- 9 A PRESENCE IN THE WESTERN UNITED STATES?
- A WITH THE EXCEPTION THAT I MENTIONED THAT THEY ACQUIRED THE DENVER, COLORADO DISTRIBUTION CENTER IN 1959.
- Q WAS THE DENVER, COLORADO FACILITY UTILIZED TO PROVIDE PARTS TO THE AREA WEST OF THE ROCKIES DURING THAT TIME PERIOD BUT BEFORE COLYEAR MOTORS WAS ACQUIRED? A WEST OF THE ROCKIES.
- Q IN OTHER WORDS, WEST OF DENVER?
- A THE DISTRIBUTION CENTERS BASICALLY SERVED A MARKET THAT THEY COULD DELIVER TO ON AN OVERNIGHT BASIS BY COMMON CARRIER, "OVERNIGHT" BEING THE KEY WORD. SO DID THE DENVER FACILITY SHIP TO SAN FRANCISCO? NO.
- Q SO THEN DID GENUINE PARTS NOT SUPPLY TO ANY AREA WEST OF DENVER UNTIL -- UNTIL 1965?
- A RIGHT.
- Q AND THAT WOULD INCLUDE GENUINE PARTS DIDN'T

- 1 SUPPLY TO ARIZONA?
- 2 A THAT'S CORRECT.
- 3 Q THEREFORE, GENUINE PARTS WAS DOING NO BUSINESS
- 4 IN THE WESTERN UNITED STATES WEST OF DENVER UNTIL 1965?
- 5 A THAT'S CORRECT.
- 6 Q THERE WERE OTHER BRANDS OF BRAKES AND BRAKE
- 7 LININGS BESIDES RAYLOC AND AMERICAN BRAKEBLOK THAT
- 8 GENUINE PARTS DISTRIBUTED BETWEEN '57 AND '65; IS THAT

- 9 CORRECT?
- A NO, THAT'S NOT CORRECT.
- Q THOSE WERE THE ONLY TWO BRANDS?
- A THAT'S RIGHT.
- Q THERE WERE OTHER TYPES OF AUTOMOTIVE PARTS BESIDES BRAKE LININGS AND BRAKE PARTS THAT GENUINE PARTS WAS DISTRIBUTING DURING THAT TIME; CORRECT? A YES.
- Q WHAT OTHER KINDS OF -- WELL, STRIKE THAT. DO YOU KNOW IF GENUINE PARTS WAS SUPPLYING AUTOMOTIVE GASKETS DURING THAT TIME?
- A YES, THEY WERE.
- Q DO YOU KNOW WHAT BRAND OF AUTOMOTIVE GASKETS?
- A VICTOR GASKETS.
- Q WHAT OTHER BRANDS OF AUTOMOTIVE GASKETS DID GENUINE PARTS STOCK AND DISTRIBUTE?
- A NO OTHER BRANDS.

- 1 Q AND WOULD THE VICTOR GASKETS THAT WERE
- 2 DISTRIBUTED BY GENUINE PARTS, WOULD THEY BE UTILIZED ON
- 3 ALL TYPES AND BRANDS AND MANUFACTURERS OF VEHICLES?
- 4 MR. BRYDON: THIS IS JOHN BRYDON. I'M GOING TO
- 5 OBJECT. VAGUE, AMBIGUOUS, AND OVERBROAD.
- 6 BY MR. FISHBACK:
- 7 Q DO YOU UNDERSTAND THE QUESTION?
- 8 A YEAH, BUT WHAT'S THAT MEAN?
- 9 MR. RILEY: IGNORE IT. JUST GO AHEAD, AND YOU CAN ANSWER THE QUESTION.

THE WITNESS: OH, SAY AGAIN. I'M SORRY.

BY MR. FISHBACK:

Q SURE. I'LL BREAK IT DOWN A LITTLE BIT. WERE THE VICTOR GASKETS THAT WERE DISTRIBUTED BY GENUINE PARTS DURING THE '57 TO '65 TIME PERIOD AVAILABLE FOR VARIOUS AUTOMOTIVE APPLICATIONS AND -- WELL, START WITH THAT.

- A YES, THEY WERE.
- Q AND WERE THEY AVAILABLE FOR VARIOUS MAKES OF VEHICLES?
- A YES.
- Q AND VARIOUS MODELS OF VEHICLES?
- A THAT'S RIGHT.
- Q DID THAT INCLUDE BOTH FOREIGN AND DOMESTIC VEHICLES?

- 1 A IN THOSE -- IN THAT TIME PERIOD, WHATEVER
- 2 FOREIGN VEHICLES MAY -- WE HAVE -- THAT WE MAY HAVE
- 3 APPLICATION FOR WAS VERY LIMITED BECAUSE THE FOREIGN CAR
- 4 MARKET DIDN'T HIT THE UNITED STATES IN 1957.
- 5 Q WELL, CERTAINLY IF YOU HAD A -- YOU NEEDED A
- 6 GASKET FOR A CHEVY OR FORD OR CHRYSLER PRODUCT, GENERAL
- 7 MOTORS PRODUCT INCLUDED, YOU COULD GET IT FROM GENUINE
- 8 PARTS?
- 9 A THAT'S CORRECT.
- Q WAS THERE ANY KIND OF MAKE OR MODEL OR

MANUFACTURER THAT GENUINE PARTS JUST DIDN'T SUPPLY FOR

IN TERMS OF A DOMESTIC PRODUCT?

MR. BRYDON: OBJECTION. VAGUE, AMBIGUOUS.

OVERBROAD. LACKS FOUNDATION.

MR. RILEY: YOU'RE TALKING PASSENGER AUTOMOTIVE

AS OPPOSED TO INDUSTRIAL FORKLIFTS OR SOMETHING LIKE THAT?

MR. FISHBACK: YES.

Q DO YOU UNDERSTAND THE QUESTION, SIR?

A NOT COMPLETELY.

Q ALL RIGHT. LET ME KIND OF TRY TO REPHRASE IT.

A ALL RIGHT.

Q WAS THERE A PARTICULAR MAKE OR MODEL OF PASSENGER VEHICLE THAT GENUINE PARTS DIDN'T SUPPLY OR DISTRIBUTE PARTS FOR?

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- 1 MR. BRYDON: OBJECTION. LACKS FOUNDATION.
- 2 CALLS FOR SPECULATION.
- 3 THE WITNESS: NOT THAT I'M AWARE OF.
- 4 MR. GRAHAM: OBJECTION. VAGUE AND AMBIGUOUS.
- 5 ARE YOU TALKING ABOUT SPECIFIC PARTS OR GASKETS?
- 6 MR. RILEY: HE JUST SAID PARTS.
- 7 BY MR. FISHBACK:
- 8 Q IS THERE THEN -- WOULD THE SAME BE TRUE THAT
- 9 THERE IS NOT A PARTICULAR TYPE OF VICTOR GASKET THAT GENUINE PARTS JUST DIDN'T STOCK, DIDN'T DISTRIBUTE?

A NOT THAT I'M --

MR. BRYDON: LACKS FOUNDATION. CALLS FOR

SPECULATION.

THE WITNESS: NOT THAT I'M AWARE OF.

BY MR. FISHBACK:

Q TO YOUR KNOWLEDGE, WAS THE VICTOR GASKET

DISTRIBUTION SOMETHING NEW THAT HAD JUST STARTED WHEN

YOU BEGAN WORKING FOR GENUINE PARTS?

A I DON'T BELIEVE IT WAS SOMETHING NEW. I

BELIEVE THAT THERE WAS -- THERE WAS A RELATIONSHIP BETWEEN VICTOR GASKETS AND GENUINE PARTS COMPANY FOR A LONG TIME.

Q WHY DO YOU SAY THAT?

A PRIMARILY FROM AN OLD CATALOG THAT I HAPPEN TO HAVE THAT HAS VICTOR GASKETS IN IT.

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- 1 Q DO YOU STILL HAVE THAT CATALOG IN YOUR
- 2 POSSESSION?
- 3 A NO, I DO NOT.
- 4 Q WHEN WAS THE LAST TIME YOU SAW THAT CATALOG?
- 5 A FIVE OR SIX YEARS AGO.
- 6 Q AND DO YOU RECALL THE DATE OF THE CATALOG?
- 7 A NO, I DO NOT.
- 8 Q WAS IT SOMETHING OLDER THAN 1950?
- 9 A YES.
- Q AND IT WAS A GENUINE PARTS CATALOG?
- A NO. IT WAS A N.A.P.A. CATALOG.
- Q DID GENUINE PARTS HAVE ITS OWN CATALOG?
- A NO, THEY DID NOT.
- Q DID ANY OF THE INDIVIDUAL COMPANIES OR ENTITIES THAT -- THAT WERE MEMBERS OF N.A.P.A. HAVE THEIR OWN CATALOGS?
- A I WOULDN'T KNOW THAT.
- Q HAVE YOU EVER SEEN A CATALOG OF A MEMBER ORGANIZATION OF N.A.P.A. THAT WASN'T A N.A.P.A. CATALOG? A NO.
- Q WERE THE OTHER MEMBER COMPANIES OF N.A.P.A. COMPETITORS OF GENUINE PARTS?
- A NO, THEY WERE NOT. THEY EACH -- THEY EACH OPERATED IN THEIR OWN GEOGRAPHIC AREAS.
- Q YOU HAD ORIGINALLY SAID -- WELL, ACTUALLY,

- 1 STRIKE THAT. HOW MANY MEMBERS OF N.A.P.A. WERE THERE IN
- 2 THE YEARS 1957 TO '65?
- 3 MR. RILEY: WELL, YOU HAVE TO PICK A TIME
- 4 PERIOD. START WITH '57. THAT'S THE ONE HE ANSWERED TO.
- 5 AND THE REASON I SAY THAT IS BECAUSE HE'S ALREADY
- 6 INDICATED THERE WERE ACQUISITIONS MADE DURING THAT TIME
- 7 PERIOD.
- 8 MR. FISHBACK: THAT'S WHAT I'M TRYING TO
- 9 ASCERTAIN THE INFORMATION ABOUT.
- Q HOW MANY MEMBERS WERE THERE IN 1957, IF YOU

KNOW?

MR. RILEY: MEMBERS OF N.A.P.A. OR -- MR. FISHBACK: MEMBERS OF N.A.P.A.

MR. RILEY: OH.

THE WITNESS: YOU KNOW, I DON'T KNOW FOR

CERTAIN. I RECALL THAT THERE WERE 28 FOUNDING FATHERS. WHETHER THEY ALL EXISTED IN 1957, I COULDN'T TELL YOU.

BY MR. FISHBACK:

Q AS GENUINE PARTS WAS ACQUIRING MORE DISTRIBUTION CENTERS, DID IT DO SO BY NEW CONSTRUCTION AND OPENING NEW MARKETS, OR WAS IT ACQUIRING OTHER COMPANIES?

A A COMBINATION OF BOTH.

Q SO DO YOU KNOW WHO IN THE N.A.P.A. ORGANIZATION WAS THE SUPPLIER FOR CALIFORNIA DURING THE TIME PERIOD

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- 1 1957 TO 1964, BEFORE COLYEAR MOTORS WAS -- WAS PURCHASED
- 2 OR ACQUIRED?
- 3 A WHO WAS THE SUPPLIER?
- 4 Q YES. IN OTHER WORDS, WHICH N.A.P.A. ENTITY WAS
- 5 RESPONSIBLE FOR CALIFORNIA DURING THE TIME WHEN GENUINE
- 6 PARTS WASN'T INVOLVED?
- 7 A IT WAS COLYEAR MOTOR SALES, WHO WERE -- AND
- 8 THEY WERE A MEMBER OF N.A.P.A.
- 9 Q WHAT NEW MARKETS -- AS OPPOSED TO THE ACQUISITION OF AN EXISTING COMPANY, WHAT NEW MARKETS DID GENUINE PARTS ENTER BETWEEN '57 AND '65? DO YOU UNDERSTAND THE QUESTION?

A NO. I UNDERSTAND THE QUESTION. I DON'T KNOW THE ANSWER.

MR. RILEY: LET ME GO OFF THE RECORD.

MR. FISHBACK: SURE.

(DISCUSSION HELD OFF THE RECORD.)

BY MR. FISHBACK:

Q SIR, DO YOU HAVE MY LAST QUESTION IN MIND?

A NO. I DO NOT.

Q LET ME HAVE THE COURT REPORTER READ IT BACK.

(RECORD READ.)

THE WITNESS: I DON'T KNOW THAT I CAN ANSWER

THAT QUESTION BECAUSE I DON'T KNOW THE ANSWER TO IT. 033

- 1 BY MR. FISHBACK:
- 2 Q SIR, BETWEEN 1957 AND 1965, DID GENUINE PARTS
- 3 RECEIVE PRODUCTS FROM THE ORIGINAL EQUIPMENT
- 4 MANUFACTURERS?
- 5 A NO.

- 6 Q WAS THERE ANY -- STRIKE THAT. DID GENUINE
- 7 PARTS SUPPLY PRODUCTS FOR ALL PARTS OF THE VEHICLE BRAKE
- 8 SYSTEM? IN ADDITION TO THE LININGS OR DRUMS, WERE THERE
- 9 OTHER BRAKE MATERIALS THAT GENUINE PARTS STOCKED?
- A THE PREMISE OF THE DISTRIBUTION SYSTEM AT GENUINE PARTS WAS TO -- TO SUPPLY REPLACEMENT PARTS FOR VEHICLES THAT WERE NORMALLY REPLACED DURING THE WEAR AND TEAR OF THE VEHICLE; SO THE ANSWER IS YES. HOWEVER, IF YOU WERE SAYING DID THEY HAVE A BACKING PLATE FOR A 1957 BUICK, THE ANSWER WOULD BE NO, THAT'S NOT AN ITEM NORMALLY REPLACED. DID WE REPLACE THE SPRINGS? YES. CYLINDERS? YES.
- Q IF SOMEBODY WANTED A BACKING PLATE FOR A '57 BUICK, COULD THEY COME TO GENUINE PARTS AND ASK IT TO BE ORDERED?
- A NO. THEY'D HAVE TO GO TO THE DEALER.
- Q DID THAT PHILOSOPHY CHANGE, TO YOUR KNOWLEDGE, AFTER THE YEAR '65?
- A DON'T BELIEVE SO.
- Q YOU THINK IT'S STILL THE SAME PHILOSOPHY TODAY?

- 1 A IT WAS UNTIL MY RETIREMENT.
- 2 Q WITH RESPECT TO THE VICTOR GASKETS THAT WERE
- 3 DISTRIBUTED BY GENUINE PARTS, WERE THOSE GASKETS
- 4 OBTAINED DIRECTLY FROM THE VICTOR GASKET COMPANY OR
- 5 VICTOR MANUFACTURING COMPANY?
- 6 A YES.
- 7 Q DID THEY -- DID THEY COME IN TRUCKS THAT WERE
- 8 DRIVEN FROM THE VICTOR GASKET COMPANY, THE MANUFACTURING
- 9 FACILITY?
- A IS YOUR QUESTION DID VICTOR SHIP THE GASKETS ON THEIR OWN TRUCKS? THE ANSWER'S NO.
- Q DIFFERENT QUESTION.
- A OKAY.
- Q WERE THERE GENUINE PARTS TRUCKS THAT WERE PICKING UP VICTOR GASKETS AND BRINGING THEM TO THE DISTRIBUTION CENTERS?
- A NO.
- Q DID THE VICTOR GASKETS COME IN VICTOR GASKET BOXES?
- A THAT'S CORRECT.
- Q DID THEY SAY -- SHOW THE NAME VICTOR GASKET COMPANY ON THEM SOMEWHERE?
- A THAT'S RIGHT.
- Q AND DID THEY INCLUDE ANY PART NUMBER ON THEM?
- A YES.

- 1 Q DO YOU KNOW WHAT PART NUMBER WAS INCLUDED? WAS
- 2 IT A GENUINE PARTS PART NUMBER OR A VICTOR PART NUMBER?
- 3 A IT WAS A VICTOR PART NUMBER. GENUINE PARTS
- 4 COMPANY DID NOT ASSIGN ANY PART NUMBERS TO MANUFACTURERS
- 5 TO SHIP THEM PARTS.
- 6 Q DO YOU RECALL IF THERE WERE VICTOR GASKETS
- 7 INCLUDED IN N.A.P.A. CATALOGS?
- 8 A YES, THERE WERE.
- 9 Q THE N.A.P.A. CATALOGS WERE -- WERE PUBLISHED BY THE GENUINE PARTS COMPANY AND THE N.A.P.A. GROUP GENERALLY?
- A MANUFACTURERS -- EACH MANUFACTURER INCLUDING VICTOR PROVIDED CATALOGS WITH THEIR COVER ON IT PRODUCED BY THEM AND USED TO FACILITATE THE SALE OF PARTS.
- Q DID N.A.P.A. HAVE ITS OWN CATALOG WITH A

N.A.P.A. LOGO ON THE FRONT?

- A IT HAD A QUICK REFERENCE CATALOG THAT WAS USED SOMEWHAT AS A SALES PIECE, A VERY ABBREVIATED, LIMITED NUMBER OF APPLICATIONS LISTED.
- Q SO, FOR EXAMPLE, THEN, IF SOMEBODY DURING THE '57 TO '65 TIME PERIOD CAME IN AND NEEDED A GASKET FOR A 1960 BUICK, YOU'D GET THE VICTOR CATALOG OUT AND SAY, "OKAY. LET'S FIGURE OUT WHAT GASKET FITS ON YOUR CAR?" A RIGHT. THAT'S CORRECT.
- Q DO YOU RECALL THERE BEING ANY -- STRIKE THAT.

- 1 DID ANYONE EVER TELL YOU THAT DURING THE '57 TO '65 TIME
- 2 PERIOD THE VICTOR GASKETS HAD AN ASBESTOS COMPONENT TO
- 3 THEM?
- 4 A NO.
- 5 MR. BRYDON: OBJECTION. OVERBROAD.
- 6 BY MR. FISHBACK:
- 7 Q DID ANYONE FROM VICTOR EVER COME IN AND EXPLAIN
- 8 TO YOU ABOUT THE HAZARD ASSOCIATED WITH WORKING WITH
- 9 THEIR ASBESTOS-CONTAINING GASKETS?
- MR. BRYDON: OBJECTION. LACKS FOUNDATION.
- CALLS FOR SPECULATION. ASSUMES FACTS NOT IN EVIDENCE. OVERBROAD.
- MR. GRAHAM: JOIN.
- THE WITNESS: NO.
- BY MR. FISHBACK:
- Q DO YOU RECALL SEEING ANY WARNING OR CAUTION OF

ANY KIND ON THE VICTOR GASKET BOX OR PACKAGING?

A NO.

Q THAT WOULD INCLUDE NO WARNING OF AN ASBESTOS

HAZARD; CORRECT?

A THAT'S CORRECT.

MR. BRYDON: OBJECTION. LACKS FOUNDATION.

CALLS FOR SPECULATION. ASSUMES FACTS NOT IN EVIDENCE.

MR. GRAHAM: JOIN.

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- 1 BY MR. FISHBACK:
- 2 Q HAVE YOU EVER SEEN A VICTOR GASKET CATALOG?
- 3 A YES.
- 4 Q DO YOU RECALL EVER SEEING A WARNING PLACED IN
- 5 CATALOG REGARDING THE ASBESTOS CONTENT AND THE HAZARDS
- 6 ASSOCIATED THEREWITH?
- 7 MR. BRYDON: OBJECTION. COMPOUND. LACKS
- 8 FOUNDATION.
- 9 MR. GRAHAM: JOIN.

MR. RILEY: NOW YOU CAN ANSWER.

THE WITNESS: NO. BY MR. FISHBACK:

Q DO YOU KNOW A COMPANY CALLED DANA CORPORATION?

A YES, I DO.

- Q HOW ARE YOU FAMILIAR WITH THAT COMPANY?
- A THEY WERE A SUPPLIER TO US.
- Q DO YOU REMEMBER WHEN THEY WERE A SUPPLIER?
- A NO, I DO NOT.
- Q DO YOU RECALL IF THEY WERE SUPPLYING PRODUCTS BETWEEN THE -- IN THE 1957 TO '65 TIME PERIOD?

A DANA ACQUIRED SEVERAL COMPANIES OVER THE YEARS, VICTOR GASKETS BEING ONE OF THEM, WEATHERHEAD FITTINGS BEING ANOTHER, AND WHEN THAT -- THOSE ACQUISITIONS TOOK PLACE, I CAN'T RECALL, BUT THE BRAND NAMES REMAINED THE SAME.

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- 1 Q DO YOU RECALL THAT DANA CORPORATION WAS A
- 2 SUPPLIER TO N.A.P.A. AND GENUINE PARTS OR JUST ONE OF
- 3 THOSE ENTITIES?
- 4 A GENUINE PARTS IS A MEMBER OF N.A.P.A.
- 5 Q CORRECT.
- 6 A ALL RIGHT? SO DID THEY SUPPLY GENUINE PARTS?
- 7 YES. DID THEY SUPPLY OTHER MEMBERS OF N.A.P.A.? YES.
- 8 Q WAS -- DID VICTOR GASKET COMPANY OR DANA
- 9 CORPORATION, TO YOUR KNOWLEDGE, HAVE AN EXCLUSIVE DISTRIBUTORSHIP THROUGH N.A.P.A.?

MR. BRYDON: OBJECTION. LACKS FOUNDATION.

CALLS FOR SPECULATION.

THE WITNESS: ARE YOU ASKING DID VICTOR

DISTRIBUTE ITS PRODUCTS THROUGH -- THROUGH DISTRIBUTION

POINTS OTHER THAN N.A.P.A.?

BY MR. FISHBACK:

Q SURE.

A YES, THEY DID.

Q HOW DO YOU KNOW THAT?

A I KNOW THAT BECAUSE COMPETITORS STOCKED THE PRODUCT.

Q NON-N.A.P.A. --

A CORRECT.

Q -- COMPANIES?

A YES.

039

- 1 Q DURING THE '57 TO '65 TIME PERIOD, WERE THERE
- 2 AUTOMOTIVE RETAIL OUTLETS THAT HAD THE NAME N.A.P.A. ON
- 3 THEM?
- 4 MR. GRAHAM: OBJECTION. VAGUE AND AMBIGUOUS.
- 5 THE WITNESS: THE -- THE AUTO PARTS STORES IN
- 6 THOSE DAYS EACH HAD THEIR OWN STORE NAME, AND THEY MAY
- 7 HAVE DISPLAYED AND PROBABLY DID DISPLAY A N.A.P.A. SEAL
- 8 ON THEIR BUILDING.
- 9 BY MR. FISHBACK:
- Q WHAT DID THE N.A.P.A. SEAL LOOK LIKE DURING THE '57-'65 TIME PERIOD?
- A IT LOOKED LIKE AN OUTLINE OF THE UNITED STATES.

THE OUTLINE WAS IN BLACK. THE BACKGROUND WAS YELLOW.

Q AND WHY DO YOU SAY THAT THEY -- WELL, STRIKE

THAT. DO YOU KNOW DURING THAT TIME PERIOD HOW MANY RETAIL OUTLETS N.A.P.A. HAD?

MR. RILEY: OBJECT TO THE FORM OF THE QUESTION.

ARE YOU ASKING HOW MANY RETAIL OUTLETS WERE SERVICED BY

N.A.P.A. DISTRIBUTION CENTER --

MR. FISHBACK: WELL, LET ME START --

MR. RILEY: -- OR ARE YOU ASKING HIM IF

N.A.P.A. OWNED RETAIL OUTLETS?

MR. FISHBACK: SURE. LET ME ASK A DIFFERENT

QUESTION.

Q YOU HAD SAID THAT THE GENUINE PARTS FACILITY AT

- 1 WHICH YOU WORKED ALSO INCLUDED A RETAIL OUTLET.
- 2 A CORRECT.

- 3 Q DID IT HAVE THE N.A.P.A. LOGO ON ITS WINDOW OR
- 4 ON ITS SIGN?
- 5 A YES.
- 6 Q DO YOU KNOW HOW MANY RETAIL OUTLETS THERE WERE
- 7 THAT INCLUDED THE N.A.P.A. LOGO OR N.A.P.A. SEAL ON
- 8 THEIR SIGN OR IN CONJUNCTION WITH THEIR SHOP?
- 9 A NO, I DO NOT.
- Q DO YOU KNOW IF IT WAS A NUMBER THAT RANGED OVER A HUNDRED?
- A NO, I DO NOT.
- Q COULD YOU GIVE ME AN ESTIMATION?
- A IF I WERE TO ESTIMATE AND ASSUME, I WOULD ASSUME THE MAJORITY OF THEM HAD A SEAL ON THEIR BUILDING, BUT I DON'T KNOW THAT.
- Q HOW MANY RETAIL OUTLETS WERE SERVICED BY

N.A.P.A. DISTRIBUTION CENTERS?

MR. RILEY: NATIONWIDE IN 1957?

MR. FISHBACK: '57 TO '65.

THE WITNESS: I COULDN'T TELL YOU THAT NUMBER, AND THAT NUMBER CHANGED YEARLY BECAUSE THE -- THE OBVIOUS GOAL OF BUSINESS IS TO INCREASE SALES, INCREASE STORES THEY COULD SERVE. FOR AN EXAMPLE, IN OMAHA, NEBRASKA THERE WERE 22 STORES WHEN I WENT TO WORK FOR

- 1 THE COMPANY, AND WHEN I LEFT IN 1971, THERE WERE 71.
- 2 BY MR. FISHBACK:
- 3 Q WOULD IT BE TRUE, THEN, THAT BETWEEN 1957 AND
- 4 1965 THERE WAS AN INCREASE IN RETAIL OUTLETS SERVICED BY
- 5 THE N.A.P.A. DISTRIBUTION CENTERS?
- 6 A YES.
- 7 Q DO YOU KNOW WHO WAS RUNNING COLYEAR MOTORS
- 8 PRIOR TO THE ACQUISITION OF THE COMPANY BY N.A.P.A. OR
- 9 BY GENUINE PARTS?
- A THE SON OF THE FOUNDER WHO WAS KILLED IN AN ACCIDENT.
- Q WHAT WAS HIS NAME?
- A LAST NAME COLYEAR, BUT I DON'T RECALL HIS FIRST NAME.
- Q WHEN YOU HAD DISCUSSED EARLIER ABOUT THE ACQUISITION OF COLYEAR MOTORS, WAS IT GENUINE PARTS THAT ACQUIRED COLYEAR MOTORS?
- A THAT'S CORRECT.
- Q DID N.A.P.A. OWN OR ACQUIRE ANYTHING?
- A N.A.P.A. DIDN'T OWN ANYTHING.
- Q OKAY.
- A N.A.P.A. IS AN ASSOCIATION.

- Q JUST A GROUP OF COMPANIES?
- A THAT'S CORRECT.
- Q DO THEY DO -- DO YOU KNOW IF N.A.P.A. IS A

- 1 CORPORATION?
- 2 A I DON'T PERSONALLY KNOW.
- 3 Q DO YOU KNOW IF N.A.P.A. AS AN ORGANIZATION HAD
- 4 ANY RETAIL OUTLETS?
- 5 A THEY DIDN'T OWN ANYTHING.
- 6 Q DID THEY RUN ANY -- ANY RETAIL OUTLETS?
- 7 A NO, THEY DID NOT.
- 8 Q ALL OF THE RETAIL OUTLETS, THEN, WERE OWNED AND
- 9 OPERATED BY THE MEMBERS OF N.A.P.A.?
- A THAT'S CORRECT.

MR. RILEY: WHOA, WHOA. RETAIL OUTLETS OR

DISTRIBUTION CENTERS?

BY MR. FISHBACK:

Q I'M SORRY. THE DISTRIBUTION CENTERS WERE OWNED

AND OPERATED BY MEMBERS OF N.A.P.A.?

A THAT'S RIGHT. YES.

Q DO YOU KNOW IF ANY OF THE MEMBERS OF N.A.P.A.

ALSO OWNED RETAIL OUTLETS UNDER A DIFFERENT NAME?

A I DON'T KNOW THAT.

Q YOU HAD SAID THAT -- WELL, STRIKE THAT. HOW

DID SOMEONE BECOME A MEMBER OF N.A.P.A.?

MR. GRAHAM: I WANT TO OBJECT. WHAT DO YOU

MEAN BY "SOMEONE"?

MR. FISHBACK: SOMEONE OR SOMETHING.

MR. RILEY: IF HE KNOWS.

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- 1 THE WITNESS: I DON'T KNOW THAT.
- 2 MR. RILEY: FOR THE RECORD, HIS OFFER IS IN
- 3 RESPONSE TO THE NOTICE OF DEPOSITION OF P.M.K. WHICH IS
- 4 MUCH MORE LIMITED. BUT I'M -- YOU KNOW, HE'S NOT OFFERED
- 5 AS THE P.M.K. ON EVERYTHING FOR GENUINE PARTS, BUT GO
- 6 AHEAD.
- 7 MR. FISHBACK: OKAY. LET ME MARK AS 1A, B, AND
- 8 C THE NOTICE OF TAKING DEPOSITION OF GENUINE PARTS'
- 9 PERSON MOST KNOWLEDGEABLE AND THEN THE TWO LETTERS REGARDING THE SCHEDULING OF THIS DEPOSITION, AND D IS THE SUBPOENA FOR PERSON MOST KNOWLEDGEABLE.

(PLAINTIFF'S EXHIBITS 1A, 1B, 1C, AND 1D WERE MARKED

FOR IDENTIFICATION BY THE CERTIFIED SHORTHAND REPORTER.)

MR. FISHBACK: CAN YOU READ MY LAST QUESTION BACK.

(THE RECORD WAS READ AS FOLLOWS:

"Q YOU HAD SAID THAT -- WELL,

STRIKE THAT. HOW DID SOMEONE BECOME A

MEMBER OF N.A.P.A.?

"MR. GRAHAM: I WANT TO OBJECT. WHAT

DO YOU MEAN BY 'SOMEONE'?

"MR. FISHBACK: SOMEONE OR SOMETHING.

"MR. RILEY: IF HE KNOWS.

"THE WITNESS: I DON'T KNOW THAT.")

044

- 1 BY MR. FISHBACK:
- 2 Q TO YOUR KNOWLEDGE, DURING THE 1957 AND 1965
- 3 TIME PERIOD, WERE THE MEMBER COMPANIES OF N.A.P.A.
- 4 EXPANDING? WERE THERE MORE OF THEM OR LESS OF THEM?
- 5 A I DON'T BELIEVE THAT THERE WERE MORE MEMBERS,
- 6 BUT PERHAPS MEMBERS ADDED FACILITIES.
- 7 Q AND AS YOU SIT HERE TODAY, YOU CAN'T TELL ME
- 8 ALL OF THE NAMES OF THE MEMBERS OF N.A.P.A. DURING THAT
- 9 TIME PERIOD; CORRECT?
- A THAT'S CORRECT.
- Q YOU BELIEVE THAT'S LISTED SOMEWHERE, THOUGH, DON'T YOU?
- A I'M CERTAIN IT IS.
- Q IT'S INFORMATION THAT IF YOU WERE -- IF YOU WERE ASKED TO ACQUIRE IT, YOU COULD FIND THAT OUT; RIGHT?
- A IF I WERE ASKED TO ACQUIRE?
- Q YES, SIR.
- A I'M A RETIREE. WHO WOULD GIVE ME THAT

INFORMATION?

MR. RILEY: WELL, GENUINE PARTS COULD ANSWER

IT.

BY MR. FISHBACK:

Q YOU STILL KNOW PEOPLE AT GENUINE PARTS, DON'T YOU?

- 1 A YES, I DO.
- 2 Q YOU HAD SAID THAT YOU HAD THOUGHT THAT THE
- 3 N.A.P.A. SEAL OR LOGO WAS PROBABLY PUBLISHED ON THE
- 4 STORE, IN THE INDIVIDUAL RETAIL STORE: IS THAT CORRECT?
- 5 A YES, SIR.
- 6 Q WHY DO YOU THINK THAT IT'S MORE LIKELY THAN NOT
- 7 LIKELY THAT THE N.A.P.A. SEAL WAS DISPLAYED?
- 8 A IT WOULD BE A MARKETING ADVANTAGE TO AN

- 9 INDEPENDENT OWNER TO ALIGN HIMSELF WITH A NATIONALLY RECOGNIZED SYMBOL.
- Q HOW DID A RETAIL OUTLET BECOME AFFILIATED WITH N.A.P.A. IN TERMS OF WORKING WITH N.A.P.A.'S DISTRIBUTION SYSTEM?
- A THE INDEPENDENT OWNERS SERVED BY GENUINE PARTS COMPANY -- AND THOSE ARE THE ONLY ONES THAT I CAN SPEAK TO -- SHOOK HANDS WITH THE DISTRIBUTION CENTER, AND THEY AGREED TO BUY PARTS FROM THE DISTRIBUTION CENTER, AND THE DISTRIBUTION CENTER AGREED TO SELL THEM TO THEM.
- Q DID THOSE RETAIL OUTLETS THAT WERE SUPPLIED BY GENUINE PARTS, WAS THAT AN EXCLUSIVE ARRANGEMENT? A IN WHAT SENSE?
- Q MEANING THAT ALL OF THE AUTOMOTIVE PARTS THAT WERE ACQUIRED BY THE RETAIL OUTLET WERE SOLELY DISTRIBUTED THROUGH THE GENUINE PARTS OUTLET. A THERE WERE NO CONTRACTS, NO AGREEMENTS. YOU

- 1 KNOW, THE OBVIOUS GOAL WAS EXCLUSIVITY. HOWEVER, THAT
- 2 WOULD NOT HAVE PREVENTED AN INDEPENDENT OWNER WITH A
- 3 N.A.P.A. AUTO PARTS STORE, FOR AN EXAMPLE, TO BUY BENDIX
- 4 BRAKES.
- 5 Q SO THE INDEPENDENT RETAIL OPERATOR COULD IN
- 6 FACT BE SHOPPING WITH YOU AND YOUR COMPETITORS?
- 7 A THAT'S CORRECT.
- 8 Q DID THERE COME A TIME WHEN THAT CHANGED, IN
- 9 OTHER WORDS, WHEN IT BECAME AN INDEPENDENT RETAIL OUTLET, WAS SOLELY BOUND TO THE N.A.P.A. DISTRIBUTORSHIP?
- A I CAN ONLY SPEAK TO 1999, AND THE ANSWER'S NO.
- Q SO DURING -- DOES THAT MEAN UP UNTIL 1999 IT HAD BEEN AS YOU PREVIOUSLY DESCRIBED?
- A RIGHT.
- Q I'M ASSUMING THERE WERE SOME CONTRACTS BY THAT TIME, THOUGH. CORRECT?
- A NO, THERE WERE NOT.
- Q THEY WERE STILL JUST HANDSHAKE DEALS?
- A THAT'S RIGHT.
- Q YOU'VE NEVER SEEN A CONTRACT BETWEEN A RETAIL -- RETAIL OUTLET, AN INDEPENDENT RETAIL OUTLET, AND GENUINE PARTS OUTLINING THE TERMS OF THE AUTOMOTIVE EQUIPMENT DISTRIBUTORSHIP?
- A I HAVE NOT.

- 1 Q WHO PROVIDES THE SEAL OR SIGN TO THE RETAIL
- 2 OPERATOR THAT SAYS N.A.P.A.?
- 3 A TYPICALLY THE DISTRIBUTION CENTER.
- 4 Q DOES THE RETAIL OPERATOR HAVE TO PURCHASE THAT,
- 5 OR IS IT JUST GIVEN TO THE -- GIVEN TO THE RETAIL OUTLET
- 6 BY N.A.P.A. IN AN EFFORT TO FACILITATE N.A.P.A. SALES?
- 7 A IN THE EARLY YEARS, THE INDEPENDENT OWNER
- 8 PARTICIPATED IN THE PURCHASE OF THE SIGN, AND AS TIME
- 9 WENT BY, THE DISTRIBUTION CENTER BASICALLY BORE THAT EXPENSE.
- Q DID N.A.P.A. SUPPLY CATALOGS TO THE INDEPENDENT RETAIL OUTLETS?
- A YES, THEY DID.
- Q AND THESE WERE THE SAME CATALOGS THAT, FOR EXAMPLE, WOULD HAVE BEEN IN THE GENUINE PARTS OUTLET IN OMAHA, NEBRASKA?
- A THAT'S RIGHT, SUPPLIED BY THE MANUFACTURERS.
- Q AND DID N.A.P.A. SUPPLY N.A.P.A. CATALOGS OR BROCHURES TO THE INDEPENDENT RETAIL OUTLETS?
- A THEY MADE AVAILABLE THE QUICK REFERENCE CATALOG THAT I DISCUSSED EARLIER THAT WAS A ONCE-A-YEAR PUBLICATION AND VERY LIMITED IN DISTRIBUTION.
- Q WHAT PRODUCTS CAME PACKAGED IN N.A.P.A. BOXES OR WITH THE N.A.P.A. LOGO ON THE BOXES THAT WERE -- THAT WERE DESTINED TO THE INDEPENDENT RETAIL OUTLETS?

- 1 A SAY THAT AGAIN. PLEASE.
- 2 Q WHAT AUTOMOTIVE PRODUCTS INCLUDED THE N.A.P.A.
- 3 LOGO ON THEM THAT WERE DESTINED FOR THE INDEPENDENT
- 4 RETAIL OUTLETS?
- 5 A THERE WERE QUITE A FEW MANUFACTURERS WHO
- 6 SUPPLIED PARTS AND PARTS LINES TO US WITH THE N.A.P.A.
- 7 LOGO. THE EXCEPTION TO THAT WOULD BE VICTOR GASKETS,
- 8 WHICH WE SPOKE TO -- SPOKE OF EARLIER WHERE THEY HAD
- 9 MORE DISTRIBUTION THAN JUST N.A.P.A. WEATHERHEAD FITTINGS WOULD BE ANOTHER EXAMPLE, TRICO WIPER BLADES, AND IT COULD GO ON AND ON. SO I WOULD SAY THE MAJORITY OF OUR PRODUCT DID HAVE A N.A.P.A. LOGO ON BUT THERE WAS A GREAT DEAL THAT DID NOT.
- Q DO YOU KNOW WHO ELBERT DAVIDSON IS?
- A NO, I DO NOT.
- Q NEVER MET HIM THAT YOU KNOW OF; RIGHT?
- A NO, SIR.
- Q EVER BEEN TO MENDOTA, CALIFORNIA?
- A MENDOTA, YES, I HAVE.

Q WHAT WAS THE REASON FOR YOU GOING THERE?
A I WAS THE GENERAL MANAGER OF THE FRESNO
DISTRIBUTION CENTER, AND MENDOTA WAS IN MY MARKET.
Q MR. DAVIDSON, WHO IS THE PLAINTIFF IN THIS
CASE -- YOU UNDERSTAND THERE'S A LAWSUIT PENDING AND
THAT'S WHY YOU'RE HERE; RIGHT?

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- 1 A CERTAINLY.
- 2 Q MR. DAVIDSON AS THE PLAINTIFF HAS TESTIFIED
- 3 THAT HE RECALLS PURCHASING BRAKES FROM N.A.P.A. OUTLETS
- 4 AND ON THE BOX OF THOSE BRAKES THERE WAS CONTAINED A --
- 5 THE N.A.P.A. LOGO OR SEAL. IS THAT -- IN YOUR
- 6 ESTIMATION, DO YOU DISAGREE WITH MR. DAVIDSON'S
- 7 RECOLLECTION OF EVENTS?
- 8 A IF HE'S BUYING THE PRODUCT RAYLOC, I WOULD
- 9 ASSUME YES, THERE WAS A N.A.P.A. LOGO ON THEM.
- Q OKAY. SO THE BRAKES AND BRAKE LININGS INCLUDED THE N.A.P.A. LOGO ON THE BOX?
- A THOSE LININGS SUPPLIED BY RAYLOC, YES.
- Q AND THE BRAKES --

MR. RILEY: WELL --

BY MR. FISHBACK:

Q WELL, THE BRAKES WERE SUPPLIED BY RAYLOC, CORRECT?

A CORRECT.

Q SO THE RAYLOC BRAKES INCLUDED NOT ONLY THE NAME RAYLOC ON THEM BUT ALSO THE N.A.P.A. LOGO?

A THAT'S RIGHT.

Q AND THE RAYLOC BRAKES WEREN'T REPACKAGED BY N.A.P.A. AND/OR GENUINE PARTS INTO A DIFFERENT BOX THAN THEY CAME IN, BUT WHEN THEY ORIGINALLY GOT TO GENUINE PARTS, FOR EXAMPLE, IN OMAHA, THEY HAD THE N.A.P.A. LOGO

- 1 AS WELL AS THE RAYLOC LOGO ON THE BOX?
- 2 A YES.
- 3 Q AND WOULD THE SAME BE TRUE FOR THE AMERICAN
- 4 BRAKEBLOK LININGS?
- 5 A NO.
- 6 Q DID THOSE LININGS CONTAIN THE N.A.P.A. SEAL OR
- 7 LOGO ON THE BOX?
- 8 A NO, IT DID NOT.
- 9 Q DID THEY COME PACKAGED IN A BOX?
- A YES, THEY DID.

Q THEY ONLY INCLUDED THE AMERICAN BRAKEBLOK LOGO? A AGAIN, AMERICAN BRAKEBLOK WAS DISTRIBUTED THROUGH SEVERAL DISTRIBUTORS; THEREFORE, NO, THERE WAS NOT A N.A.P.A. LOGO.

Q WHO WAS THE -- STRIKE THAT. WHAT WAS THE RELATIONSHIP BETWEEN -- STRIKE THAT AGAIN. LET ME START OVER.

TO YOUR KNOWLEDGE, WAS RAYLOC BRAKES ITS OWN COMPANY?

A YES.

Q WAS IT A MEMBER OF N.A.P.A.?

A I'M NOT QUITE CERTAIN HOW TO ANSWER THAT. I DON'T BELIEVE THAT THEY WERE NECESSARILY MEMBERS OF N.A.P.A., BUT I DO BELIEVE THAT PERHAPS THEY WERE PAYING DUES OR SOMETHING OF THIS NATURE.

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- 1 MR. RILEY: THIS IS IN THE AREA WHERE HE'S
- 2 NOT -- WHERE HE'S NOT KNOWLEDGEABLE.
- 3 MR. FISHBACK: OKAY. HE'S ANSWERED.
- 4 MR. RILEY: CAN I CLARIFY FOR YOU ON THE
- 5 RECORD?
- 6 MR. FISHBACK: YOU CAN CLARIFY. SURE.
- 7 MR. RILEY: THAT RAYLOC IS A DIVISION OF
- 8 GENUINE PARTS COMPANY AND IS NOT A SEPARATE
- 9 CORPORATION --
- MR. FISHBACK: OKAY.
- MR. RILEY: -- AND HAS ALWAYS BEEN.
- MR. FISHBACK: OKAY.
- Q HOW LONG HAS GENUINE PARTS BEEN HEADQUARTERED IN ATLANTA?
- A TO MY KNOWLEDGE, FROM THE BEGINNING, 1928.
- Q SO IT SOUNDS LIKE ANY AUTOMOTIVE PART THAT WAS SOLD EXCLUSIVELY THROUGH THE N.A.P.A. DISTRIBUTORSHIP INCLUDED THE N.A.P.A. LOGO ON THE BOX AND THOSE AUTOMOTIVE PARTS THAT WERE SOLD TO -- THROUGH BOTH N.A.P.A. AND OTHER ORGANIZATIONS DIDN'T HAVE THE N.A.P.A. LOGO?
- A THAT'S AS I UNDERSTOOD IT, YES.
- Q DID N.A.P.A. DO ANY OF ITS -- ANY REPACKAGING OF MATERIALS THAT DIDN'T INCLUDE THE -- THE N.A.P.A. LOGO ON THE MANUFACTURER'S BOX BUT THEN N.A.P.A. TOOK

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1 THEM OUT, PUT THEM IN THEIR OWN BOX?

- 2 A NO, NO.
- 3 MR. RILEY: AND AGAIN, FOR THE RECORD, HE'S NOT
- 4 OFFERED AS THE PERSON MOST KNOWLEDGEABLE IN REGARD TO
- 5 THE N.A.P.A. LOGO'S USE, AND I WOULD REFER YOU TO ROSS
- 6 KENNEDY'S TESTIMONY THAT WE MADE AVAILABLE, WHO IS FROM 7 N.A.P.A.
- 8 MR. FISHBACK: YEAH. AND I'LL JUST RESPOND
- 9 JUST BRIEFLY. I'VE LOOKED AT MR. KENNEDY'S TESTIMONY, AND WE MAY NEED TO TALK WITH MR. KENNEDY BECAUSE I DON'T THINK THAT HIS -- HIS TESTIMONY DOESN'T ANSWER SOME OF THE QUESTIONS I HAVE. BUT I UNDERSTAND THAT THIS INDIVIDUAL, HE'S NOT THE SO-CALLED PERSON MOST KNOWLEDGEABLE, BUT HE HAS BEEN WITH THE COMPANY FOR SO MANY YEARS.

MR. RILEY: RIGHT. BUT HE'S GIVING YOU HIS RECOLLECTION.

MR. FISHBACK: I APPRECIATE THAT.

Q IN TERMS OF THE OMAHA DISTRIBUTION CENTER WHERE YOU WERE EMPLOYED UNTIL '65. DID --

MR. RILEY: NO. HE DIDN'T SAY THAT. HE SAID

HE WAS THERE UNTIL '71. HE WAS STOREROOM MANAGER UNTIL '65 AND --

MR. FISHBACK: RIGHT. I'M ONLY TALKING ABOUT

THE YEARS UP UNTIL 1965.

- 1 Q DO YOU UNDERSTAND?
- MR. RILEY: YEAH. BUT YOU JUST SAID HE WAS
- 3 ONLY EMPLOYED THERE UNTIL '65.
- 4 MR. FISHBACK: NO. I SAID HE WAS EMPLOYED
- 5 THERE UNTIL, WHERE HE WAS EMPLOYED UNTIL 1965. I'M ONLY
- 6 TALKING ABOUT THAT TIME PERIOD.
- 7 MR. RILEY: ALL RIGHT.
- 8 BY MR. FISHBACK:
- 9 Q '57 TO '65 IN OMAHA --
- A FINE.
- Q -- DID GENUINE PARTS HAVE ITS OWN FLEET OF TRUCKS?
- A NO, IT DID NOT.
- Q HOW DID IT MOVE SUPPLIES FROM THE DISTRIBUTION CENTER TO THE RETAIL OUTLETS?
- A BY COMMON CARRIER.
- Q DID THE COMMON CARRIERS HAVE THE N.A.P.A. LOGO ON THEM?
- A NO.
- Q AT SOME POINT THERE WERE TRUCKS WITH THE N.A.P.A. LOGO ACQUIRED; CORRECT? SEEMS LIKE I'VE SEEN

THEM.

A N.A.P.A. DISTRIBUTION CENTERS BEGAN FREIGHT DELIVERY TO THEIR CUSTOMERS IN MAYBE THE '70S, LATE '60S PERHAPS.

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- 1 Q DID GENUINE PARTS HAVE ITS OWN SALES FORCE THAT
- 2 SOUGHT TO PERSUADE THOSE RETAIL OUTLETS TO DO BUSINESS
- 3 WITH GENUINE PARTS AND N.A.P.A.?
- 4 A YES.
- 5 Q WAS THERE A SALES FORCE IN OMAHA?
- 6 A YES, THERE WAS.
- 7 Q WAS THERE SALES FORCES LOCATED THROUGHOUT THE
- 8 COUNTRY?
- 9 A TO MY KNOWLEDGE, THERE WERE.
- Q WERE THERE SALES FORCES LOCATED IN STATES WHERE GENUINE PARTS DIDN'T OPERATE A DISTRIBUTION CENTER? A NO.
- Q IN OTHER WORDS, PRIOR TO 1964, '65, THERE WAS NO SALES FORCE THAT WAS OPERATING IN CALIFORNIA?
- A NO, THERE WAS NOT.
- MR. RILEY: FROM GENUINE PARTS COMPANY.
- MR. FISHBACK: FROM GENUINE PARTS.
- Q THE -- WELL, AFTER 1965, WHEN YOU -- YOU
- STOPPED WORKING IN THE STOCKROOM, WHAT DID YOU DO?
- A I BECAME THE SERVICE MANAGER, AND I OPERATED IN THAT CAPACITY UNTIL I BECAME WHAT WAS CALLED AN OPERATIONS MANAGER.
- Q HOW LONG WERE YOU THE SERVICE MANAGER?
- A AS I RECALL, FOUR YEARS.
- Q UNTIL 1969?

- 1 A YES.
- 2 Q WHAT WERE YOUR RESPONSIBILITIES AS A SERVICE
- 3 MANAGER?
- 4 A ESSENTIALLY THE -- THE INTERNAL OPERATION:
- 5 OVERSEEING THE STOCKROOM MANAGER, OVERSEEING THE
- 6 PURCHASING DEPARTMENT. AND THOSE WOULD HAVE BEEN THE
- 7 TWO PRIMARY AREAS OF MY RESPONSIBILITY.
- 8 Q HAD YOU EVER WORKED IN -- DIRECTLY IN THE
- 9 PURCHASING DEPARTMENT BEFORE?
- A NO.
- Q WHAT WAS THE -- DO YOU KNOW HOW THE PURCHASING DEPARTMENT OPERATED?

- A OH, CERTAINLY.
- Q HOW DID IT WORK?
- A IT WAS ON A CARD SYSTEM.
- Q WHAT DO YOU MEAN BY THAT?
- A EACH PART NUMBER WAS RECORDED ON A STOCK CARD. SALES WERE POSTED FROM THOSE STOCK CARDS. FROM THE BALANCES OF THOSE STOCK CARDS, RECEIPTS WERE ADDED TO THEM, AND THEN SOMEONE WAS RESPONSIBLE FOR REVIEWING THEM AND PICKING A PERIOD OF TIME, WHETHER IT BE 30, 45 DAYS, TO DETERMINE THE NUMBER OF SALES, WHICH THEN BECAME WHAT WAS KNOWN A PREMARK.
- Q A WHAT?
- A A PREMARK.

- 1 Q PREMARK. OKAY.
- 2 A SO THEN THE ORDER QUANTITY FOR THE ORDER TO BE
- 3 PLACED WEEKLY WITH THE MANUFACTURER WAS THE DIFFERENCE
- 4 BETWEEN THE BALANCE ON HAND AND THAT PREMARK NUMBER. SO
- 5 IF THE PREMARK NUMBER IS 45 AND THE BALANCE ON HAND IS
- 6 15, THEN THE ORDER QUANTITY IS 30.
- 7 Q WHO SET THE AMOUNT OF STOCK ON HAND? WHO SET
- 8 THAT AMOUNT? IN OTHER WORDS, THE AMOUNT OF PRODUCT THAT
- 9 YOU WANTED TO HAVE AVAILABLE, WHO DETERMINED THAT?
- A THERE WAS A CLERK THAT DID THAT MANUAL CALCULATION.
- Q HOW WAS THAT -- HOW WAS THE CALCULATION PERFORMED? WAS IT BASED ON PRIOR SALES IN SOME RELATION TO UPCOMING FUTURE SALES? WHAT WAS DRIVING THAT NUMBER? A PRIMARILY PRIOR SALES.
- Q HOW MANY PEOPLE WERE EMPLOYED -- BY THE WAY, WAS THE OMAHA DISTRIBUTION CENTER STILL RUN BY GENUINE PARTS DURING THE '65 TO '69 TIME PERIOD?
- A YES.
- Q AND IT STILL HAD A RETAIL OUTLET IN THE FRONT?
- A YES.
- Q DID IT HAVE A -- DID IT ADVERTISE IN TELEPHONE BOOKS?
- A YES.
- Q DID IT ADVERTISE UNDER THE NAME GENUINE PARTS?

- 1 A I THINK PRIMARILY THE ADVERTISEMENT WAS UNDER
- 2 THE NAME N.A.P.A.
- 3 Q WAS THAT GENERALLY THE CASE FOR OTHER GENUINE

- 4 PARTS RETAIL OUTLETS?
- 5 A YES. NOW, YOU'RE TALKING ABOUT COMPANY-OWNED
- 6 RETAIL OUTLETS.
- 7 Q COMPANY-OWNED RETAIL OUTLETS, YES, SIR.
- 8 A YES, UH-HUH.
- 9 Q AND WHAT ABOUT THOSE STORES THAT WERE NOT COMPANY OWNED BUT WERE AFFILIATED WITH N.A.P.A.? DO YOU KNOW WHAT THEIR ADVERTISING PRACTICES GENERALLY WERE? A IT WAS THEIR CHOICE. THEY COULD USE THE N.A.P.A. LOGO AS PART OF THEIR YELLOW PAGE ADVERTISING, FOR EXAMPLE, IF THEY WISHED, OR THEY COULD CHOOSE NOT TO.
- Q ONCE A RETAIL OUTLET WAS AFFILIATED WITH N.A.P.A., WERE THERE ANY RESTRICTIONS ON THEIR USE OF THE N.A.P.A. LOGO OR SEAL?

A NO.

- Q WERE THERE ANY GUIDELINES THAT GOVERNED THE USE OF THE N.A.P.A. LOGO AND SEAL?
- A THERE WOULD HAVE BEEN GUIDELINES REGARDING THE MENTION, PERHAPS COLORS, THINGS OF THIS NATURE, YES. THOSE WERE GUIDELINES. YES, THEY WERE.
- Q SO BASICALLY ALL OF THE N.A.P.A. LOGOS LOOKED

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- 1 THE SAME, THOUGH, AT THAT TIME?
- 2 A PRETTY MUCH.
- 3 Q AT SOME POINT THE SEAL CHANGED FROM THE BLACK
- 4 BACKGROUND WITH THE YELLOW OUTLINE TO SOMETHING ELSE;
- 5 RIGHT?
- 6 A THAT'S CORRECT.
- 7 Q WHAT DID IT CHANGE TO?
- 8 A A HEXAGON-SHAPED SYMBOL WITH THE WORDS N.A.P.A.
- 9 IN THE CENTER.
- Q IS THAT WITH A BLUE BACKGROUND?
- A YOU KNOW, TO BE HONEST, I DON'T REMEMBER.
- Q THE WORDS -- BY THE WAY, THE WORD N.A.P.A.

APPEARED ON THE -- ON THE PRIOR LOGO, CORRECT, WITH THE BLACK BACKGROUND AND THE YELLOW OUTLINE?

- A AS I REMEMBER, IT WAS SPELLED OUT IN SCRIPT, "NATIONAL AUTOMOTIVE PARTS ASSOCIATION." AND I THINK
- THAT THERE WAS -- THERE WERE THE LETTERS N.A.P.A. IN THERE, BUT I HAVEN'T SEEN ONE OF THOSE FOR YEARS.
- Q WHEN DID THE LOGO CHANGE TO THE HEXAGON, IF YOU RECALL?
- A I DON'T RECALL.
- Q DO YOU BELIEVE IT WAS WHILE YOU WERE STILL WORKING AS THE SERVICE MANAGER IN OMAHA?

- A NO. I THINK IT WAS SOMETIME AFTER THAT.
- Q OKAY. BY THE TIME YOU BECAME SERVICE MANAGER

- 1 IN THE YEARS '65 TO '69, DO YOU KNOW HOW MANY
- 2 DISTRIBUTION CENTERS GENUINE PARTS HAD?
- 3 A NO, I DO NOT.
- 4 Q WAS THERE AN AREA OF THE COUNTRY THAT YOU KNOW
- 5 GENUINE PARTS DIDN'T SUPPLY OR SERVICE?
- 6 MR. RILEY: DID NOT?
- 7 MR. FISHBACK: DID NOT.
- 8 THE WITNESS: WELL, FROM THE TIME FRAME
- 9 WHICH --

BY MR. FISHBACK:

- Q DURING THE TIME PERIOD '65 TO '69.
- A '65 TO '69 WOULD HAVE THEN INCLUDED THE ACQUISITION OF COLYEAR MOTOR SALES IN THE WEST COAST. FROM '57 TO '69, THERE WOULD HAVE BEEN AN ACQUISITION IN MINNEAPOLIS, ONE IN DENVER, BUT TO GIVE YOU A TOTAL NUMBER. THAT WASN'T REALLY MY RESPONSIBILITY.
- Q BY 1969 IS IT YOUR UNDERSTANDING THAT GENUINE PARTS COMPANY WAS SUPPLYING OR COULD SUPPLY AUTOMOBILE AFTERMARKET PARTS TO THE 48 CONTINENTAL STATES? A NO.
- Q WHICH AREA OF THE COUNTRY WAS GENUINE PARTS NOT ACTIVE IN?

MR. RILEY: AS --

THE WITNESS: GENUINE PARTS WAS NOT ACTIVE IN

THE TEXAS MARKET, IN THAT BELT --

- 1 BY MR. FISHBACK:
- 2 Q AND THIS IS --
- 3 A -- AND OKLAHOMA, PENNSYLVANIA, AND THERE WERE
- 4 SEVERAL STATES THAT WE WERE NOT ACTIVE IN.
- 5 Q IS THAT BECAUSE THERE WERE OTHER N.A.P.A.
- 6 MEMBERS THAT ALREADY HAD CLAIMED THAT TERRITORY?
- 7 A I DON'T KNOW IF THE WORD "CLAIMED THAT
- 8 TERRITORY" IS CORRECT, BUT THERE WERE OTHER MEMBERS
- 9 SERVING THAT MARKET AND THERE WERE PERHAPS SOME MARKETS THAT DIDN'T -- WOULDN'T SUPPORT THE INVESTMENT OF A DISTRIBUTION CENTER, MONTANA BEING A GOOD EXAMPLE. 500,000 PEOPLE IN MONTANA, NOT ALL THAT MANY CARS, A LOT OF DISTANCE -- WASN'T ECONOMICAL.
- Q SO, FOR EXAMPLE, THERE WERE NO RETAIL OUTLETS

THAT BORE THE NAME N.A.P.A. OR LOGO OR SEAL OF N.A.P.A. IN MONTANA THROUGH 1969?

A COULD HAVE BEEN AN INDEPENDENT -- COULD HAVE BEEN AN INDEPENDENT BUYING PARTS FROM MINNEAPOLIS, FOR EXAMPLE. MINNEAPOLIS DISTRIBUTION CENTER BOASTED THAT ITS FURTHEST CUSTOMER WAS 1,009 MILES AWAY. I HAPPEN TO REMEMBER THAT NUMBER.

Q THE MINNEAPOLIS DISTRIBUTION CENTER WAS A GENUINE PARTS FACILITY?

A BECAME ONE.

Q BY '69 IT WAS A GENUINE PARTS FACILITY?

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- 1 A YES.
- 2 Q WAS THERE ANY PORTION OF THE UNITED STATES THAT
- 3 A GENUINE PARTS DISTRIBUTION CENTER COULD NOT REACH IF
- 4 IT WAS REQUESTED TO DO SO?
- 5 A WELL, FIRST --
- 6 MR. RILEY: I WILL OBJECT ON THAT AS VAGUE AND
- 7 SPECULATIVE.
- 8 THE WITNESS: I DON'T KNOW WHO WOULD HAVE BEEN
- 9 THE REQUESTER.

BY MR. FISHBACK:

Q WELL, FOR EXAMPLE, YOU SAID THAT THERE WAS NO GENUINE PARTS OUTLET IN TEXAS, NOT A FACILITY OF GENUINE PARTS FOR SERVICING. RIGHT?

A THAT'S CORRECT. BUT IT WAS SERVED BY A MEMBER OF N.A.P.A.

Q CORRECT. BUT IS IT ALSO TRUE THAT THERE WAS A DISTRIBUTION CENTER THAT COULD FEASIBLY SERVICE THE TEXAS MARKET THAT WAS -- WAS OWNED AND OPERATED BY GENUINE PARTS?

MR. GRAHAM: I HAVE TO OBJECT. VAGUE AND

AMBIGUOUS AND CALLS FOR SPECULATION. YOU MEAN A GENUINE PARTS DISTRIBUTION CENTER?

THE WITNESS: I'M NOT -- I'M NOT CERTAIN. YOU KNOW, I DON'T UNDERSTAND THE QUESTION THERE. 062

- 1 BY MR. FISHBACK:
- 2 Q WELL, LET ME GIVE YOU ANOTHER EXAMPLE. YOU HAD
- 3 SAID THAT PENNSYLVANIA, FOR EXAMPLE, WAS AN AREA THAT
- 4 WAS NOT SERVICED BY GENUINE PARTS --
- 5 A RIGHT.
- 6 Q -- UP THROUGH 1969; CORRECT?
- 7 A THAT'S CORRECT.
- 8 Q BUT THE SURROUNDING AREAS WERE SERVICED BY
- 9 GENUINE PARTS: MARYLAND, NEW YORK --

MR. RILEY: HE HAS --

MR. FISHBACK: -- VIRGINIA.

MR. RILEY: HE HASN'T SAID THAT. MR. FISHBACK: I UNDERSTAND.

Q IS THAT CORRECT, SIR?

A I WAS NOT FAMILIAR WITH WHAT GENUINE PARTS

COMPANY SERVED IN THE EASTERN UNITED STATES. I'M A

MIDWESTERN BOY, AND I VAGUELY KNOW WHERE MARYLAND IS.

COULD WE TAKE A RECESS?

Q SURE.

A THANKS.

(RECESS.)

BY MR. FISHBACK:

Q WHAT DID YOU DO AFTER YOU CEASED BEING A

SERVICE MANAGER IN '69?

A I BECAME THE OPERATIONS MANAGER.

- 1 Q STILL IN OMAHA?
- 2 A YES, UNTIL JANUARY 9, 1971.
- 3 Q WHAT WERE YOUR GENERAL JOB DUTIES IN CONNECTION
- 4 THEREWITH?
- 5 A AN EXPANSION OF THE SERVICE MANAGER'S JOB WHICH
- 6 ALSO INCLUDED OVERSEEING THE BOOKKEEPING DEPARTMENT.
- 7 Q DID YOU BECOME FAMILIAR WITH THE AMOUNT OF --
- 8 OR MORE FAMILIAR WITH THE TOTAL SALES OF GENUINE PARTS
- 9 UP THROUGH 1971 ON A YEARLY BASIS?
- A GENUINE PARTS ALWAYS SUPPLIED ON A MONTHLY BASIS A SALES REPORT COVERING ALL OPERATIONS OF THE COMPANY INCLUDING A YEAR-END REPORT. IF YOU ASK ME FOR A SPECIFIC DOLLAR AMOUNT OF A SPECIFIC YEAR, CHANCES ARE I CAN'T TELL YOU.
- Q CAN YOU GIVE ME -- YOU HAD EARLIER SAID THAT TOTAL SALES APPROXIMATED A HUNDRED MILLION DOLLARS A YEAR.
- A IN 1957.
- Q CORRECT. WHAT WAS THE -- CAN YOU GIVE ME SOME ESTIMATION IN 1971?
- A NO.
- Q IS IT YOUR UNDERSTANDING THAT THE SALES HAD INCREASED DOLLAR AMOUNT BY THAT TIME?
- A OH, YES, SUBSTANTIALLY.
- Q DO YOU KNOW WHAT THE TOTAL SALES ARE TODAY OR

- 1 BY THE TIME YOU WERE WORKING -- IN 1999?
- 2 A I BELIEVE NOW GENUINE PARTS COMPANY IS AN
- 3 8-BILLION-DOLLAR-A-YEAR COMPANY OPERATING IN FOUR
- 4 DIFFERENT AREAS OF INDUSTRY INCLUDING THE PARTS
- 5 BUSINESS.
- 6 Q DURING THE YEARS UP UNTIL 1971, DID YOU SEE
- 7 SIGNIFICANT CHANGES IN THE BRANDS OF AUTOMOTIVE PARTS
- 8 THAT GENUINE PARTS WAS DISTRIBUTING?
- 9 A NO.
- Q THEY WERE STILL USING RAYLOC BRAKES?
- A CORRECT.
- Q AND AMERICAN BRAKEBLOK LININGS?
- A YES.
- Q AND VICTOR GASKET MATERIALS?
- A YES.
- MR. BRYDON: OBJECTION. VAGUE, AMBIGUOUS.
- OVERBROAD. LACKS FOUNDATION.
- BY MR. FISHBACK:
- Q HAD YOU BY THAT TIME SEEN ANY WARNINGS
- REGARDING ASBESTOS HAZARD ON ANY OF THOSE PRODUCTS: THE
- BRAKES, BRAKE LININGS, OR GASKETS?
- A NOT THAT I RECALL.
- MR. BRYDON: OBJECTION. OVERBROAD.
- BY MR. FISHBACK:
- Q WERE YOU GIVEN ANY -- ANY PARTICULAR TRAINING

- 1 OR SCHOOLING BY GENUINE PARTS TO BECOME AN OPERATIONS
- 2 MANAGER?
- 3 A IN 1968, I ATTENDED AN EXECUTIVE DEVELOPMENT
- 4 SEMINAR.
- 5 Q WHERE WAS THAT?
- 6 A THAT WAS IN ATLANTA, GEORGIA.
- 7 Q PUT ON BY?
- 8 A GENUINE PARTS COMPANY.
- 9 Q HOW LONG WAS THE COURSE?
- A APPROXIMATELY A WEEK.
- Q AT THE END OF IT YOU GOT A CERTIFICATE OF SOME
- SORT THAT SAID YOU COMPLETED THE COURSE?
- A YES.
- Q ANY ADDITIONAL CONTINUING EDUCATION THAT GENUINE PARTS PROVIDED TO YOU IN AN EFFORT TO STRENGTHEN YOUR SKILLS AS AN OPERATIONS MANAGER OR A SERVICE MANAGER?
- A I ATTENDED DALE CARNEGIE.
- Q HOW LONG -- WHEN WAS THAT?
- A LONG TIME AGO.

- Q OKAY. WAS THAT DONE AT -- ON -- AT THE REQUEST OF GENUINE PARTS OR INSISTENCE OF GENUINE PARTS? A NO, THEY DID NOT INSIST. IT WAS A RECOMMENDATION.
- Q HOW LONG -- HOW LONG DID THAT LAST, AND WHAT

- 1 WERE THE -- WHAT WAS THE COURSE, EDUCATION?
- 2 A HOW TO WIN FRIENDS AND INFLUENCE PEOPLE, AND I
- 3 DON'T KNOW HOW LONG IT TOOK --
- 4 Q OKAY.
- 5 A -- BUT I WENT TO IT.
- 6 Q IT WAS PAID FOR BY GENUINE PARTS?
- 7 A JOINTLY.
- 8 Q BETWEEN YOU AND GENUINE PARTS?
- 9 A I HAD AN INVESTMENT IN IT.
- Q ANY OTHER CONTINUING EDUCATION THAT WAS PROMOTED BY GENUINE PARTS TO YOU?
- A OH, BACK IN 1961 I WENT TO SPICER SCHOOL, WHICH WAS TO LEARN ABOUT TRANSMISSIONS AND CLUTCHES AND DRIVE LINES AND POWER TAKE-OFFS.
- Q WHY DID YOU -- WHY WAS THAT IMPORTANT?
- A IT'S A VERY COMPLICATED PRODUCT LINE, AND IT REQUIRED A LEVEL OF EXPERTISE, AND IT WAS A VERY LUCRATIVE PRODUCT LINE FOR US.
- Q SO THAT -- THAT WAS A COURSE THAT GENUINE PARTS REQUESTED THAT YOU ATTEND?
- A YES.
- Q AND WAS THAT JUST IN AN EFFORT SO THAT YOU COULD FULLY AND BETTER SERVE THE CUSTOMERS IN TERMS OF WHAT THEY -- WHAT PARTICULAR PRODUCT THEY NEEDED FOR THE VEHICLE?

- 1 A THAT'S CORRECT.
- 2 Q WERE THERE OTHERS FROM GENUINE PARTS WHO
- 3 ATTENDED THE CLASS WITH YOU?
- 4 A THE SPICER CLASS?
- 5 Q YES, SIR.
- 6 A YES.
- 7 Q WAS IT SOLELY A CLASS DESIGNED FOR GENUINE
- 8 PARTS EMPLOYEES?
- 9 A I DON'T RECALL. THAT WAS 1961.
- Q WHERE DID THE CLASS TAKE PLACE?
- A TOLEDO, OHIO.

Q DO YOU KNOW THE RELATIONSHIP BETWEEN DANA CORPORATION AND SPICER COMPANY OR CORPORATION?

A I BELIEVE IN 1961 SPICER WAS ITS OWN COMPANY.

LATER TO BE ACQUIRED BY DANA. I BELIEVE THAT'S CORRECT.

Q WHAT PRODUCTS WAS SPICER SUPPLYING TO GENUINE PARTS?

A POWER TAKE-OFFS, DRIVE LINE COMPONENTS, OCCASIONALLY TRANSMISSIONS, ALTHOUGH WE DIDN'T NECESSARILY STOCK THE TRANSMISSIONS AT THE DISTRIBUTION CENTER LEVEL.

Q AND TO YOUR KNOWLEDGE, SPICER HAD BEEN A SUPPLIER TO GENUINE PARTS FOR SO MANY YEARS; CORRECT? A I BELIEVE THAT'S CORRECT.

Q WAS SPICER A MEMBER OF N.A.P.A.?

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- 1 A I DON'T KNOW.
- 2 Q WHEN YOU STOPPED BEING THE OPERATIONS MANAGER
- 3 IN OMAHA, WHAT -- WHAT DID YOU DO NEXT?
- 4 A I WAS TRANSFERRED TO SACRAMENTO, CALIFORNIA AS
- 5 A GENERAL MANAGER.
- 6 Q WHO WAS YOUR EMPLOYER AT THAT TIME? GENUINE
- 7 PARTS?
- 8 A GENUINE PARTS COMPANY.
- 9 Q HOW LONG WERE YOU A GENERAL MANAGER?
- A OF THAT FACILITY?
- Q IN SACRAMENTO. YES, SIR.
- A TO THE END OF JUNE 1973.
- Q WAS THIS A DISTRIBUTION CENTER?
- A CORRECT.
- Q DID GENUINE PARTS ALSO HAVE A RETAIL OUTLET LOCATED THERE AS WELL?
- A NO, THEY DID NOT.
- Q WHAT WAS THE CLOSEST GENUINE PARTS RETAIL OUTLET TO SACRAMENTO?

A I'M NOT -- I'M NOT REAL CERTAIN BECAUSE WHEN WE ACQUIRED COLYEAR MOTOR SALES, COLYEAR MOTOR SALES HAD A LITTLE DIFFERENT APPROACH TO OPERATING RETAIL STORES. SO WE DIDN'T HAVE A RETAIL STORE IN THE SACRAMENTO METROPOLITAN AREA, AND YOU RECALL I TOLD YOU THAT WE PRIMARILY FOCUSED ON METROPOLITAN AREAS FOR OUR OWN

- 1 COMPANY-OWNED STORES. WE DIDN'T HAVE ONE IN FRESNO,
- 2 CALIFORNIA WHICH THEN DID EXIST. WE HAD HAD A

- 3 DISTRIBUTION CENTER IN SAN FRANCISCO WHICH WE CLOSED IN
- 4 1972 AND MOVED IT TO MORGAN HILL, CALIFORNIA, AND IT DID
- 5 NOT HAVE RETAIL. SO I WOULD SAY THE CLOSEST ONE PERHAPS
- 6 WAS LOS ANGELES.
- 7 Q WHAT DO YOU MEAN BY COLYEAR MOTORS TOOK A
- 8 DIFFERENT APPROACH TO THE RETAIL OUTLETS?
- 9 A THEY PROMOTED INDEPENDENT OWNERSHIPS EVEN WITHIN THE METROPOLITAN AREAS, WHEREAS IN ATLANTA, GEORGIA, FOR AN EXAMPLE, THAT WHOLE MARKET WAS SERVED BY GENUINE PARTS COMPANY, THE PHILOSOPHY BEING THAT YOU AND I ARE TWO INDEPENDENT BUSINESS PEOPLE AND WE'RE 12 MILES APART AND THERE'S THIS VERY LUCRATIVE MARKET RIGHT BETWEEN US AND YOU DON'T WANT TO AND YOU CAN'T EXPAND AND I DON'T WANT TO EXPAND BUT NEITHER ONE OF US WANTS TO SEE SOMEBODY IN THE MIDDLE OF US. AND THE WHOLE IDEA OF DISTRIBUTION WAS TO MAXIMIZE DISTRIBUTION, NOT HAVE EVERYBODY HAVE THEIR OWN PRIVATE PLAYGROUND.
- Q SO COLYEAR MOTORS WAS MORE ACCEPTING OF THE PRIVATE PLAYGROUND?

A YES.

Q WERE THERE -- AFTER GENUINE PARTS ACQUIRED COLYEAR MOTORS, WERE THERE STILL COLYEAR MOTORS RETAIL OUTLETS? DID THEY SAY COLYEAR MOTORS ON THE TOP OF

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- 1 THEM?
- 2 A NO.
- 3 Q WHAT DID THEY SAY?
- 4 A THEY WERE INDEPENDENT OWNERSHIPS.
- 5 Q AND THEY HAD THE N.A.P.A. LOGO ON THE WINDOW?
- 6 A CORRECT.
- 7 Q PRIOR TO THAT ACQUISITION OF COLYEAR MOTORS BY
- 8 GENUINE PARTS, WAS COLYEAR MOTORS A AUTOMOTIVE SUPPLY
- 9 OUTFIT? IS THAT WHAT THEIR BUSINESS WAS?
- A THEIR BUSINESS WAS THE DISTRIBUTION OF

AUTOMOTIVE PARTS TO PARTS STORES, N.A.P.A. PARTS.

Q THE SAME THINGS THAT GENUINE PARTS WERE DOING,

JUST THEY WERE DOING IT IN A DIFFERENT AREA?

A CORRECT.

MR. RILEY: AND WITHOUT THE RETAIL OUTLETS.

BY MR. FISHBACK:

Q AND NO RETAIL OUTLETS BY COLYEAR MOTORS?

A THAT'S RIGHT.

Q UPON THE ACQUISITION OF COLYEAR MOTORS BY

GENUINE PARTS, WAS THERE A CHANGE IN MANAGEMENT, DO YOU

KNOW?

MR. RILEY: WHERE?

MR. FISHBACK: AT COLYEAR MOTORS. MR. RILEY: THEY WERE ACQUIRED.

THE WITNESS: THEY WERE ACQUIRED. THEIR

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- 1 HEADQUARTERS CEASED TO EXIST. THEIR HEADQUARTERS THEN
- 2 WAS IN ATLANTA, GEORGIA.
- 3 BY MR. FISHBACK:
- 4 Q WHAT WERE YOUR RESPONSIBILITIES AS GENERAL
- 5 MANAGER IN SACRAMENTO?
- 6 A THE DISTRIBUTION CENTERS OPERATED AUTONOMOUSLY.
- 7 YOU WERE RESPONSIBLE FOR SALES, PROFITS, PAYING YOUR OWN
- 8 BILLS, HIRING YOUR OWN PEOPLE.
- 9 Q HOW MANY PEOPLE WERE YOU SUPERVISING?
- A THAT WAS A SMALL OPERATION AT THE TIME THAT I WAS THERE. THERE WERE PERHAPS 40.
- Q SO MUCH SMALLER OPERATION THAN THE DISTRIBUTION CENTER OF OMAHA?

A YES.

- Q DID YOU GO TO SACRAMENTO BY CHOICE, OR SOMEONE TELL YOU YOU HAD TO GO?
- A I WAS OFFERED AN OPPORTUNITY TO BE PROMOTED, AND I ACCEPTED IT.
- Q OKAY. DURING THE TIME UP TO 1973, DID YOU SEE A CHANGE IN THE BRANDS OF PRODUCTS THAT WERE BEING SUPPLIED OR DISTRIBUTED THROUGH THE N.A.P.A. SACRAMENTO OFFICE AS COMPARED WITH THOSE PRODUCTS THAT HAD BEEN DISTRIBUTED THROUGH THE OMAHA OUTLET?
 MR. BRYDON: OBJECTION. OVERBROAD.

THE WITNESS: YES, AND THE PRIMARY ONE BEING

- 1 BRAKES. IN SACRAMENTO, CALIFORNIA, WE WERE SUPPLIED AND
- 2 SOLD CALI-BLOK BRAKES.
- 3 BY MR. FISHBACK:
- 4 Q CALI-BLOK?
- 5 A CALI-BLOK.
- 6 Q HAD YOU BEEN FAMILIAR WITH CALI-BLOK IN YOUR
- 7 WORK OUT OF THE OMAHA, NEBRASKA DISTRIBUTING FACILITY?
- 8 A NO. I HAD NOT HEARD OF IT BEFORE.
- 9 Q WHAT IS CALI-BLOK BRAKES? JUST A BRAND NAME?
- A YES. A COMPANY IN SOUTHERN CALIFORNIA.
- Q DO YOU KNOW THE RELATIONSHIP THAT CALI-BLOK HAD WITH COLYEAR MOTORS?
- A NO, I DO NOT.

Q WAS CALI-BLOK A NEW SUPPLIER OF AUTOMOTIVE BRAKES WHEN YOU TOOK OVER THE GENERAL MANAGER DUTIES AT -- IN SACRAMENTO IN 1971?

A MY IMPRESSION IS THAT IT WAS A NEW SUPPLIER, YES.

Q PRIOR TO THAT TIME, DO YOU KNOW WHO WAS SUPPLYING BRAKES TO THE N.A.P.A. OUTLETS IN CALIFORNIA? A NO, I DO NOT.

Q SO IT COULD HAVE BEEN CALI-BLOK, THEN; CORRECT?

A COULD HAVE BEEN.

MR. RILEY: WAIT A SECOND.

(MR. RILEY AND THE WITNESS CONFERRED OFF

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- 1 THE RECORD.)
- 2 THE WITNESS: I'M REMINDED THAT WHEN WE
- 3 ACQUIRED COLYEAR THERE WAS A BONDING PLANT IN OAKLAND.
- 4 CALIFORNIA OWNED BY COLYEAR. SO THAT WOULD HAVE BEEN
- 5 THE SUPPLIER TO THE DISTRIBUTION CENTERS.
- 6 BY MR. FISHBACK:
- 7 Q A COLYEAR BRAKE BONDING PLANT IN --
- 8 A OAKLAND.
- 9 Q -- IN OAKLAND?

A RIGHT. AND THAT PLANT PROBABLY CLOSED JUST BEFORE I GOT TO SACRAMENTO.

Q SO UP PRIOR TO THAT TIME, THEN, BRAKE LININGS WERE BEING SUPPLIED BY COLYEAR DIRECTLY?

A IT WOULD SEEM THAT WAY, YES, SIR.

Q DO YOU KNOW WHY IT WAS THAT CALI-BLOK BECAME THE BRAND OF BRAKES DISTRIBUTED THROUGH N.A.P.A. IN CALIFORNIA AS OPPOSED TO RAYLOC OR AMERICAN BRAKEBLOK? A NO, I DO NOT.

Q DO YOU KNOW IF CALI-BLOK BRAKES -- BY THE WAY, WERE THEY BRAKE OR BRAKE LININGS OR BOTH? A BRAKES.

Q DO YOU KNOW IF CALI-BLOK WAS SOLD THROUGH --STRIKE THAT. DO YOU KNOW IF CALI-BLOK WAS DISTRIBUTED THROUGH THE N.A.P.A. DISTRIBUTION CENTER ALONG WITH THE RAYLOC BRAND BRAKES IN CALIFORNIA, OR WAS IT ONE OR THE

- 1 OTHER?
- 2 A IT WAS CALI-BLOK. IT WAS NOT RAYLOC.
- 3 Q SO IF YOU BOUGHT BRAKES IN CALIFORNIA FROM A
- 4 N.A.P.A. STORE THAT WAS UTILIZING THE N.A.P.A.

- 5 DISTRIBUTION NETWORK, THEN IT WAS A CALI-BLOK BRAND
- 6 BRAKE?
- 7 A THAT'S CORRECT.
- 8 Q AND THAT STARTED AT LEAST, TO YOUR KNOWLEDGE,
- 9 AS EARLY AS 1970?
- A CORRECT.
- Q DO YOU KNOW WHEN THAT RELATIONSHIP CEASED BETWEEN N.A.P.A. DISTRIBUTION AND CALI-BLOK?
- A NO, I DO NOT, BECAUSE I WAS TRANSFERRED TO THE NORTHWEST IN 1973, AND IT EXISTED THEN.
- Q IN THE NORTHWEST WERE THEY -- WAS N.A.P.A.

DISTRIBUTING CALI-BLOK BRAKES?

- A NO, NO. WE HAD OUR OWN BONDING PLANT IN PORTLAND, OREGON.
- Q WHEN YOU SAY "WE," WHO'S THE "WE"?
- A GENUINE PARTS.
- Q SO THE BRAKES NOW ARE BEING MANUFACTURED BY GENUINE PARTS?
- A IN PORTLAND FOR DISTRIBUTION TO SEATTLE, SPOKANE, PORTLAND DISTRIBUTION CENTERS. IT WAS A SMALL SEPARATION.

- 1 Q HOW LONG WAS THAT BONDING PLANT IN PORTLAND --
- 2 HOW LONG HAD IT BEEN IN OPERATION?
- 3 A YOU KNOW, I DON'T KNOW. AGAIN, I WOULD MAKE
- 4 THE ASSUMPTION THAT IT WAS A FACILITY STARTED BY COLYEAR
- 5 AND ACQUIRED BY GENUINE PARTS IN 1965.
- 6 Q DO YOU KNOW WHEN THE GENUINE PARTS BONDING
- 7 PLANT IN PORTLAND CEASED OPERATION?
- 8 A SOMEWHERE -- LET'S SEE. I WAS THERE, I
- 9 BELIEVE. SO IT WOULD HAVE BEEN BETWEEN '79 AND '86. IT WOULD HAVE MOVED TO SALT LAKE CITY.
- Q IN WHAT YEAR, THEN?
- A BETWEEN '79 AND '86.
- Q YOU CAN'T GET ANY CLOSER THAN THAT?
- A THAT'S HOW I EVEN KNOW WHAT MY CLOTHES ARE: "I BOUGHT THAT SUIT WHEN I WAS IN PORTLAND" OR "I BOUGHT THAT SUIT WHEN I WAS IN SEATTLE." SO I CAN GIVE YOU FIVE-YEAR SPANS.
- Q IN THE TIME PERIOD AFTER THE GENUINE PARTS BONDING PLANT IN PORTLAND CEASED MANUFACTURING --A UH-HUH.
- Q -- BRAKES, WHO -- WHAT WAS THE BRAND NAME OF THE SUPPLIER TO THEN -- WHAT WAS THE BRAND NAME OF THE BRAKE LINING OR BRAKE ITSELF FOR PORTLAND, SEATTLE IN THE NORTHWEST MARKET?

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- 1 MOVED TO SALT LAKE.
- 2 Q HAVE YOU EVER HEARD OF A COMPANY CALLED E.I.S.
- 3 BRAKES?
- 4 A E.I.S., YES, I HAVE.
- 5 Q HOW ARE YOU FAMILIAR WITH THAT COMPANY?
- 6 A SAME THING: I SEE IT IN TRADE JOURNALS, THINGS
- 7 OF THIS NATURE. KIND OF A DISTINCTIVE LOGO.
- 8 Q HAVE YOU SEEN IT IN -- DO YOU KNOW IF THERE WAS
- 9 A RELATIONSHIP BETWEEN E.I.S. BRAKES AND N.A.P.A.?
- A NOT THAT I'M AWARE OF.
- Q IN 1986, THERE WAS A BONDING -- BETWEEN '79 AND '86 THERE WAS A GENUINE PARTS BRAKE BONDING PLANT IN SALT LAKE CITY?

A IT WAS IN OMAHA, WENT TO SALT LAKE CITY.

MR. RILEY: WAS IN PORTLAND.

THE WITNESS: PORTLAND. I'M SORRY.

MR. RILEY: PORTLAND.

THE WITNESS: IT WAS IN PORTLAND AND THEN WENT

TO SALT LAKE CITY.

MR. RILEY: IT WAS ACTUALLY LISTED AS PAYSON, UTAH, WHICH IS JUST SOUTH OF SALT LAKE CITY.

BY MR. FISHBACK:

Q WAS THERE A PARTICULAR BRAND OF BRAKES THAT WERE BEING MANUFACTURED IN THOSE FACILITIES? WAS IT A GENUINE PARTS BRAND BRAKE?

- 1 A IT WAS RAYLOC. IT WAS A GENUINE PARTS
- 2 FACILITY.
- 3 Q SO THE BRAKES, THOUGH, WERE RAYLOC BRAND?
- 4 A CORRECT.
- 5 Q AT THE COLYEAR BONDING PLANT IN OAKLAND, WERE
- 6 THE BRAND OF BRAKES BEING MANUFACTURED ALSO RAYLOC, OR
- 7 WERE THEY SOME OTHER BRAND?
- 8 A I WOULD MAKE THE ASSUMPTION THAT THEY WERE
- 9 RAYLOC SINCE RAYLOC -- IT WAS A DERIVATIVE OF THE NAME COLYEAR.
- Q WHAT DO YOU MEAN, "DERIVATIVE OF THE NAME COLYEAR"?
- A TURN IT AROUND BACKWORDS, AND COLYEAR SPELLS RAYLOC WITHOUT AN E IN IT.
- Q HOW DO YOU SPELL COLYEAR?

- A C-O-L-Y-E-A-R.
- Q SOMEBODY TELL YOU THAT ONE TIME OR ANOTHER?
- A SURE. EVERYTHING IN LIFE IS LEARNED.
- Q DID YOU EVER SEE A -- STRIKE THAT. WERE THE CALI-BLOK BRAKES PACKAGED BY CALI-BLOK BRAKE COMPANY?

A YES, SIR.

- Q AND THEY CAME TO N.A.P.A. DISTRIBUTION CENTERS ALREADY PACKAGED AND IN BOXES?
- A THAT'S CORRECT.
- Q DID THEY HAVE THE CALI-BLOK NAME ON THEM OR

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- 1 LOGO?
- 2 A MY RECOLLECTION IS THAT THEY DID, YES.
- 3 Q DO YOU KNOW IF THEY ALSO HAD THE N.A.P.A. SEAL
- 4 OR LOGO ON THEM?
- 5 A I DON'T RECALL THAT.
- 6 Q DO YOU RECALL THERE EVER BEING A WARNING
- 7 IMPRINTED REGARDING ASBESTOS HAZARD REGARDING THE USE OF
- 8 CALI-BLOK BRAKES?
- 9 A I DON'T RECALL, NO.
- Q DID ANYONE FROM CALI-BLOK EVER -- OR A REPRESENTATIVE FROM THAT COMPANY EVER COME UP AND TALK WITH YOU WHEN YOU WERE IN SACRAMENTO ABOUT THE HAZARDS ASSOCIATED WITH WORKING WITH AND AROUND CALI-BLOK ASBESTOS-CONTAINING BRAKES?

A NO.

- Q DID CALI-BLOK SUPPLY A CATALOG?
- A YES, SIR.
- Q DO YOU RECALL LOOKING AT THAT CATALOG, SEEING IT?
- A I'M SURE I LOOKED AT IT.
- Q DO YOU REMEMBER THAT THERE WAS A WARNING REGARDING THE HEALTH HAZARDS ASSOCIATED WITH ASBESTOS AS A RESULT OF WORKING WITH OR AROUND THE CALI-BLOK BRAKES CONTAINED IN THAT CATALOG?
- A I DON'T RECALL THAT THERE WAS ONE OR IF THERE

- 1 WASN'T ONE.
- 2 Q WAS THE CALI-BRAKE --
- 3 MR. RILEY: CALI-BLOK.
- 4 BY MR. FISHBACK:
- 5 Q -- CALI-BLOK CATALOG --
- 6 A IT'S --

- 7 Q -- SUPPLIED TO THE VARIOUS N.A.P.A. RETAIL
- 8 OUTLETS? STRIKE THAT QUESTION. I DON'T WANT TO CONFUSE 9 THIS.

WERE THE CALI-BLOK CATALOGS SUPPLIED TO THE VARIOUS RETAIL OUTLETS THAT WERE IN THE N.A.P.A. DISTRIBUTION NETWORK?

A TO CLARIFY THE CATALOG DISTRIBUTION: I EARLIER TOLD YOU THAT MANUFACTURERS SUPPLIED CATALOGS FOR THE SALE OF THEIR PRODUCT. GENERALLY THEY WERE SHIPPED IN BULK TO A DISTRIBUTION CENTER, THEN REDISTRIBUTED TO THE VARIOUS RETAIL OUTLETS BECAUSE OF THE COST AND HANDLING THAT KIND OF PRODUCT. IF YOU HAVE A 10-POUND CATALOG, EVEN IF YOU'RE TRYING TO SEND IT PARCEL POST, IT GETS MIGHTY EXPENSIVE. THIS WAS AN ECONOMICAL FORM OF DISTRIBUTION.

- Q SO DID GENUINE PARTS, THEN, ASSEMBLE THE VARIOUS MANUFACTURERS' CATALOG INTO ONE BIG CATALOG? A NO.
- Q SO THERE WAS A CATALOG FOR EVERY DIFFERENT KIND

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- 1 OF PART OR MANUFACTURER?
- 2 A THAT'S CORRECT. AND THERE WAS AN INDUSTRY
- 3 STANDARD CALLED THE WEATHERLY INDEX SYSTEM THAT
- 4 EVERYONE'S CATALOG FIT INTO. FOR AN EXAMPLE, ALL MOTOR
- 5 PARTS CATALOGS WENT UNDER 001: ALL RADIATOR PRODUCTS
- 6 WENT UNDER 400. SO THAT'S HOW A RETAIL OUTLET ACTUALLY
- 7 ASSEMBLED WHAT WE WOULD CALL A COUNTER CATALOG.
- 8 Q SO WHEN YOU WALK INTO AN AUTOMOTIVE RETAIL
- 9 STORE, THEY HAVE THAT BIG STACK OF CATALOGS ON THE COUNTER. IT'S ALL ORGANIZED IN SOME VARIOUS FASHION WITH THE VARIOUS MANUFACTURERS' CATALOGS UNDER DIFFERENT TABS.

A SURE.

Q GENUINE PARTS DIDN'T PUT TOGETHER THAT CATALOG FOR THE RETAIL OUTLETS?

A NO.

- Q YOU JUST SENT IT OVER THERE, AND THEN THE RETAIL OUTLET KNEW HOW TO ASSEMBLE THEM ACCORDINGLY? A RIGHT.
- Q AND BY -- BY THE WAY, CONCERNING THE TIME PERIOD UP TO 1973, DID GENUINE PARTS PUBLISH ITS OWN CATALOG?
- A ONLY THE QUICK REFERENCE CATALOG THAT I HAD MENTIONED TO YOU EARLIER.
- Q WHAT KIND OF INFORMATION IS CONTAINED IN THE

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- 1 QUICK REFERENCE CATALOG?
- 2 A OH, IT'S JUST SUPER-POPULAR NUMBERS, MAKES AND
- 3 MODELS, THE IDEA BEING TO GIVE IT TO A DEALER WITH THE
- 4 HOPE THAT HE WOULD BOTHER TO LOOK UP HIS OWN PARTS AND
- 5 CALL THE PARTS STORE AND SAY, "SEND ME A CS786 ECHLIN"
- 6 INSTEAD OF "SEND ME A CONTACT SET FOR CHEVROLET."
- 7 Q RIGHT. HOW WELL DID THAT WORK?
- 8 A I GUESS YOU PICKED UP ON MY INFLECTION OF THE
- 9 WORD "HOPE," DIDN'T YOU? NOT VERY WELL.
- Q DID N.A.P.A. PUBLISH ITS OWN CATALOG BY THAT TIME?
- A N.A.P.A. BEING THE ASSOCIATION?
- Q YES, SIR.
- A I DON'T BELIEVE SO.
- Q DID GENUINE PARTS HAVE TO PAY DUES TO N.A.P.A.

TO BE -- TO MAINTAIN ITS MEMBERSHIP?

A IN THAT THE INDEPENDENT OWNERS DID NOT PAY

DUES, I WOULD ASSUME THAT THEY DIDN'T PAY DUES.

Q THE INDEPENDENT OWNERS MEANING OF THE RETAIL OUTLETS?

A RIGHT.

Q DO YOU KNOW WHO WAS IN CHARGE OF N.A.P.A. DURING THE TIME PERIOD UP TO SAY BETWEEN '65 AND '73? DID IT HAVE A PRESIDENT OR A C.E.O. OR -- A GENERAL MANAGER.

- 1 Q GENERAL MANAGER?
- 2 A '65 TO '73. COULD HAVE BEEN A GENTLEMAN NAMED
- 3 DICK DEGNAN WHO SINCE PASSED AWAY. THERE HAVE BEEN
- 4 SEVERAL GENERAL MANAGERS OF N.A.P.A. OVER THE YEARS.
- 5 Q WHO'S THE GENERAL MANAGER OF N.A.P.A. TODAY?
- 6 DO YOU KNOW?
- 7 A NO, I DO NOT.
- 8 Q WHO WAS THE GENERAL MANAGER OF N.A.P.A. WHEN
- 9 YOU WERE LAST EMPLOYED BY GENUINE PARTS?
- A I BELIEVE IT WAS STEVE HANDSCHU, BUT I DON'T KNOW THAT FOR SURE.
- Q WHERE IS N.A.P.A. HEADQUARTERED?
- A CURRENTLY IN ATLANTA, GEORGIA. STARTED IN
- DETROIT AND MOVED TO CHICAGO. NOW IT'S IN ATLANTA.
- Q DOES IT OCCUPY OFFICES DIFFERENT FROM THOSE OF GENUINE PARTS?
- A THEY'RE ON THE SAME CAMPUS.

- Q HOW LARGE IS THE GENUINE PARTS CAMPUS?
- A SURPRISINGLY SMALL FOR A COMPANY THAT BIG.

THREE-STORY BUILDING.

- Q IN ATLANTA PROPER?
- A IN THE SUBURB, CIRCLE 75 PARKWAY.
- Q DOES N.A.P.A., AS YOU KNOW IT, HAVE ITS OWN

FULL STAFF OF -- OF EMPLOYEES?

A IT'S MY UNDERSTANDING, YES.

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- 1 I'M SORRY.
- 2 MR. FISHBACK: YOU NEED TO TAKE A BREAK? SURE.
- 3 (RECESS.)
- 4 BY MR. FISHBACK:
- 5 Q WHAT TERRITORY OR REGION DID YOU COVER AS THE
- 6 GENERAL MANAGER FOR THE SACRAMENTO, CALIFORNIA
- 7 DISTRIBUTION CENTER?
- 8 A SACRAMENTO DISTRIBUTION CENTER SERVED TO THE
- 9 OREGON BORDER, TO THE COASTAL MOUNTAINS ON THE WEST, AND TO NEVADA -- TO RENO, CARSON CITY, GARDNERVILLE -- AND TO THE SOUTH TO STOCKTON, CALIFORNIA.
- Q SO YOU DIDN'T -- SACRAMENTO DIDN'T SERVICE THE SACRAMENTO BAY AREA?
- A NO, IT DIDN'T.
- Q STOPPED JUST BEFORE THAT?
- A RIGHT.
- Q DID IT GO AS FAR AS FAIRFIELD?
- A FAIRFIELD WAS SERVED BY THE THEN-SAN FRANCISCO DISTRIBUTION CENTER --
- Q OKAY.
- A -- AND CONTINUED TO BE SERVED WHEN THE FACILITY WAS MOVED TO MORGAN HILL. SO IT WASN'T A SQUARE BLOCK.
- Q WHAT ABOUT -- WHO SERVICED THE AREA BETWEEN SACRAMENTO AND FAIRFIELD?
- A THE ONLY OTHER --

- 1 Q IF THERE WAS --
- 2 A THERE WERE TWO STORES. TWO TOWNS THERE.
- 3 VACAVILLE BEGAN BEING SERVED BY SAN FRANCISCO. THAT
- 4 TRANSFERRED TO SACRAMENTO, AND SACRAMENTO ALWAYS DID
- 5 SERVE DAVIS.
- 6 Q YEAH. WHAT ABOUT THE AREA EAST OF STOCKTON TO
- 7 THE NEVADA BORDER? TO THE EXTENT THAT THERE WERE ANY
- 8 OUTLETS THERE, THAT WOULD INCLUDE SONORA, FOR EXAMPLE?

- 9 A SONORA ENDED UP BEING SERVED BY THE FRESNO DISTRIBUTION CENTER.
- Q AND WHAT ABOUT THE NORTHWEST COAST OF CALIFORNIA? WAS THAT SERVICED BY SACRAMENTO OR BY SOME OTHER DISTRIBUTION CENTER LIKE SAN FRANCISCO?
- A SAN FRANCISCO, THEN MORGAN HILL. RIGHT.
- Q WHAT IS A N.A.P.A. JOBBER?
- A HE'S AN INDEPENDENT OWNER THAT OWNS A PARTS STORE. JOBBER IS AN ANCIENT TERM THAT EVERY EFFORT HAS BEEN MADE TO CHANGE THAT. A JOBBER IS A GUY THAT IS IN THE DIRTY WAREHOUSE WITH A CIGAR IN HIS MOUTH.
- Q SO ALL OF THE INDEPENDENT RETAIL OUTLETS THAT WERE SUPPLIED THROUGH THE N.A.P.A. DISTRIBUTION NETWORK WERE CALLED N.A.P.A. JOBBERS --
- A CORRECT.
- Q -- OR COULD BE REFERRED TO AS N.A.P.A. JOBBERS?
- A THAT'S RIGHT.

- 1 Q IS THERE A LIST THAT YOU KNOW OF OF N.A.P.A.
- 2 JOBBERS IN CALIFORNIA FOR THE YEARS UP TO 1980?
- 3 A IF YOU'RE LOOKING FOR A SPECIFIC YEAR, I'M NOT
- 4 CERTAIN. THAT LIST IS AN EVOLVING LIST. AS -- AS
- 5 STORES ARE ADDED, THEY'RE ADDED TO THE LIST. AS STORES
- 6 CLOSE, THEY'RE DELETED FROM THE LIST.
- 7 Q BUT IT'S CERTAINLY THE PRACTICE OF GENUINE
- 8 PARTS TO MAINTAIN ITS CUSTOMER LIST: CORRECT?
- 9 A BY LOCATION, YES.
- Q AND THEN THE QUESTION IS, THEN: HOW OFTEN IS THE LIST UPDATED? DO YOU KNOW?
- A WE MAINTAIN A LIST NAME, ADDRESS, PHONE NUMBER, NUMBER OF CATALOGS REQUIRED, OWNER, MANAGER, SALESPERSON, WHATEVER, AND WE MAINTAIN THAT ANNUALLY. IT'S UPDATED ANNUALLY.
- Q HOW LONG ARE THOSE LISTS KEPT?
- A WHEN I WAS THE MANAGER, THEY WEREN'T KEPT.
- Q THEY WERE JUST DISCARDED YEARLY?
- A RIGHT.
- Q DO YOU KNOW IF GENUINE PARTS HAS A DOCUMENT RETENTION POLICY CONCERNING THOSE CUSTOMER LISTS? A I DO NOT KNOW.
- Q WHAT OTHER WAYS DID GENUINE PARTS COMPANY TRACK ITS CUSTOMERS, INDEPENDENT RETAIL OUTLET CUSTOMERS?
- A I ASSUME YOU'RE TALKING ABOUT TRACKING THEIR

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- 1 SALES OR THEIR PURCHASES FROM THE DISTRIBUTION CENTER.
- 2 Q DID THEY --
- 3 A TRACKED THEM THAT WAY.
- 4 Q WHERE IS THAT -- WHERE WAS THAT INFORMATION
- 5 MAINTAINED?
- 6 A IT BEGAN TO BE COMPUTERIZED SOMEWHERE IN THE
- 7 MIDDLE '60S, BUT I DON'T RECALL HOW LONG THE HISTORY WAS
- 8 KEPT. YOU KNOW, TYPICALLY IF I WERE LOOKING AT A
- 9 PURCHASE SUMMARY, WHICH IS WHAT THAT WAS CALLED, IT WOULD SHOW ABOUT THREE YEARS OF HISTORY.
- Q DO YOU KNOW IF THE SALES MANAGERS KEPT MORE DETAILED RECORDS OF CUSTOMERS?
- A NO, SIR.
- Q WAS THERE A SALES TEAM THAT OPERATED OUT OF SACRAMENTO?
- A YES.
- Q DID THE SALES TEAM OPERATE OUT OF ALL THE DISTRIBUTION CENTERS?
- A TO MY KNOWLEDGE, YES.
- Q WHAT DID YOU DO AFTER YOU LEFT SACRAMENTO AS A GENERAL MANAGER?
- A I WENT TO SEATTLE, WASHINGTON AS A GENERAL MANAGER.
- Q AND WERE YOUR JOB DUTIES DIFFERENT THAN WHEN -- THAN THE DUTIES YOU HAD AT SACRAMENTO?

- 1 A NO. THEY WERE THE SAME, JUST A LARGER
- 2 OPERATION.
- 3 Q OTHER THAN THE DISTINCTION IN THE BRAKES THAT
- 4 WERE DISTRIBUTED THROUGH N.A.P.A. FOR THE PACIFIC
- 5 NORTHWEST THAT YOU DESCRIBED EARLIER, DID YOU SEE A
- 6 DIFFERENCE IN ANY OF THE OTHER AUTOMOTIVE PRODUCTS THAT
- 7 WERE SUPPLIED BY N.A.P.A.?
- 8 A IN THE NORTHWEST, THERE WAS A SUPPLIER OF OTHER
- 9 REBUILT PRODUCTS, NOTABLY ELECTRICAL, WATER PUMPS, AND THAT WAS A COMPANY CALLED PARTEX, P-A-R-T-E-X, AND THEY WERE HEADQUARTERED IN -- AT THAT TIME IN SEATTLE.
- Q AND SO PARTEX WAS THEN SELLING PRODUCTS TO GENUINE PARTS FOR DISTRIBUTION THROUGH ITS N.A.P.A. NETWORK?
- A THAT'S RIGHT.
- Q AND THAT WAS ONLY THROUGH THE PACIFIC NORTHWEST; CORRECT?
- A YES.
- Q BY 1973 DO YOU KNOW IF THERE WAS AN AREA OF THE

CONTINENTAL UNITED STATES THAT WASN'T BEING SERVICED BY A N.A.P.A. ENTITY?

- A AN ENTITY BEING THE DISTRIBUTION CENTER?
- Q YES. A N.A.P.A. DISTRIBUTION CENTER, WHETHER IT BE OWNED BY GENUINE PARTS OR SOME OTHER MEMBER OF N.A.P.A.

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- 1 A I DON'T BELIEVE THAT THERE WERE ANY VOIDS. IT
- 2 MAY HAVE BEEN SPARSE IN CERTAIN PARTS OF THE COUNTRY BUT
- 3 NO VOIDS.
- 4 Q PRIOR TO 1973, WAS THERE A -- AN EARLIER DATE
- 5 IN TIME WHEN YOU BELIEVED THAT THERE WERE NO VOIDS IN
- 6 DISTRIBUTION OF N.A.P.A. ACROSS THE COUNTRY?
- 7 A NO.
- 8 Q SO 1973 WOULD HAVE BEEN THE FIRST YEAR, TO YOUR
- 9 KNOWLEDGE, THAT N.A.P.A. DISTRIBUTION CENTERS COVERED THE ENTIRE CONTINENTAL UNITED STATES?
- A I DON'T KNOW THAT THAT'S CORRECT. IT COULD HAVE VERY WELL BEEN MUCH EARLIER THAN THAT.
- Q YOU JUST DON'T HAVE THE INFORMATION?
- A NO, SIR, I DON'T.
- Q WHY WERE YOU MOVED FROM SACRAMENTO TO SEATTLE?
- A I WAS PROMOTED.
- Q WHY WAS IT A PROMOTION IF YOU WERE STILL A GENERAL MANAGER?
- A A LARGER OPERATION GENERATING MORE SALES AND PROFITS.
- Q DID GENUINE PARTS DISTRIBUTE INTO CANADA?
- A NO.
- Q DO YOU KNOW HOW MANY N.A.P.A. JOBBERS THERE WERE WEST OF THE ROCKIES BY 1973?
- A NO, I DO NOT.

- 1 Q CAN YOU GIVE ME AN ESTIMATION? WAS THERE OVER
- 2 A HUNDRED?
- 3 A OH, CERTAINLY.
- 4 Q WAS IT OVER A THOUSAND?
- 5 A GIVEN THAT THERE ARE PROBABLY -- LET'S SEE. I
- 6 THINK THERE ARE 11 OR 12 N.A.P.A. DISTRIBUTION CENTERS
- 7 WEST OF THE ROCKIES. A THOUSAND WOULD PROBABLY BE A
- 8 PRETTY GOOD NUMBER.
- 9 Q COULD -- COULD IT BE MORE?
- A NOT MUCH MORE.

Q WHO WERE YOUR MAIN COMPETITORS AS OF 1973 LET'S SAY THAT IN THE AREA WEST OF THE ROCKIES FOCUSING PRIMARILY ON CALIFORNIA?

A NATIONALLY, AMERICAN PARTS, WHICH THEN BECAME KNOWN AS BIG A; A LOT OF LOCAL INDEPENDENT DISTRIBUTORS ALMOST IN EVERY MARKETPLACE, NOT TOO MANY TIED TO A NATIONAL UMBRELLA.

Q WAS BIG A A NATIONAL -- TIED TO THE NATIONAL UMBRELLA, AS YOU SAID?

A PRETTY MUCH.

Q WHEN YOU SAY LOCAL DISTRIBUTORS, ARE YOU REFERRING TO SOMETHING LIKE A LOCAL WHOLESALE OUTLET? A YES

Q IS THERE ANY OF THOSE PARTICULAR LOCAL DISTRIBUTORS THAT YOU FOUND TO BE PARTICULARLY

090

- 1 COMPETITIVE?
- 2 MR. RILEY: WHERE?
- 3 MR. FISHBACK: IN CALIFORNIA.
- 4 MR. RILEY: NOT SEATTLE?
- 5 MR. FISHBACK: NO.
- 6 Q AGAIN, MY QUESTION WAS FOCUSING ON THE WEST
- 7 COAST WEST OF THE ROCKIES WITH A FOCUS ON CALIFORNIA,
- 8 BUT IF YOU --
- 9 A SOME COME TO MIND. IN SACRAMENTO THERE WAS A COMPANY CALLED C & L, CHANCER & LYON, A VERY GOOD HOUSE AND A GOOD COMPETITOR. EVERY METROPOLITAN MARKET THAT I HAVE WORKED IN HAS HAD A STRONG COMPETITOR.
- Q WAS THERE ANY AREA OR METROPOLITAN AREA OR REGION WHERE GENUINE PARTS WERE DRIVEN OUT OF BUSINESS BECAUSE OF A LOCAL DISTRIBUTOR --

A NO.

Q -- YOU KNOW, HAD TO SHUT DOWN THEIR OPERATION BECAUSE THEY COULDN'T COMPETE?

A NO.

Q WAS THERE TIMES WHEN IT WAS THE OTHER WAY AROUND, WHEN THE LOCAL DISTRIBUTORS WERE UNABLE TO COMPETE WITH GENUINE PARTS AND WERE FORCED OUT OF BUSINESS?

A NOT TO MY KNOWLEDGE.

Q WAS THERE ANY PARTICULAR LOCATION IN CALIFORNIA

091

1 UP TO 1973 THAT GENUINE PARTS DIDN'T SERVICE THROUGH ITS

- 2 N.A.P.A. JOBBERS?
- 3 A SAN FRANCISCO.
- 4 Q SO THERE WERE NO N.A.P.A. OUTLETS IN
- 5 SAN FRANCISCO?
- 6 A NO.
- 7 Q WHY WAS THAT?
- 8 A THE RENT'S TOO HIGH, THE LABOR'S TOO EXPENSIVE,
- 9 THE MARKET'S TOO COMPETITIVE, AND YOU CAN'T FIND A PLACE TO PARK YOUR CAR. OTHER THAN THAT, IT WOULD BE A GREAT PLACE TO DO BUSINESS.

BY MR. FISHBACK:

Q ANY OTHER AREAS WHERE THERE WAS NO N.A.P.A. PRESENCE?

A THERE COULD BE. THEY JUST DON'T COME TO MIND.

THAT ONE WAS SIGNIFICANT BECAUSE THAT'S A LARGE CITY.

Q WERE THERE ATTEMPTS MADE TO ACCESS

SAN FRANCISCO BUT IT JUST NEVER WORKED OUT RIGHT?

A NEVER WORKED OUT RIGHT.

Q WAS THERE AT ANY TIME PRIOR TO 1973 A

PROFITABLE N.A.P.A. OUTLET, MEANING A RETAIL

INDEPENDENTLY OWNED RETAIL OUTLET, IN SAN FRANCISCO FOR ANY SIGNIFICANT AMOUNT OF TIME?

A I DON'T KNOW.

Q WHAT DID YOU DO AFTER YOU -- STRIKE THAT. HOW

- 1 MANY PEOPLE WERE YOU SUPERVISING AS A GENERAL MANAGER IN
- 2 SEATTLE?
- 3 A OH, I DON'T KNOW. A HUNDRED, SOMEWHERE IN
- 4 THERE.
- 5 Q YOU HAD BEEN WITH THE COMPANY WHEN YOU WERE IN
- 6 SEATTLE NEARLY 20 YEARS. WERE THERE OTHERS WHO HAD BEEN
- 7 THERE LONGER?
- 8 A IN SEATTLE?
- 9 Q NO. IN GENUINE PARTS.
- A OH, CERTAINLY.
- Q WHO WAS YOUR -- WHO WAS YOUR BOSS WHEN YOU WERE IN SEATTLE?
- A THAT WAS WHAT WAS CALLED THE NORTHWEST DIVISION, AND WHEN I WENT THERE, A GENTLEMAN NAMED BEN GARVIN WAS THE NORTHWEST DIVISION MANAGER. HE IS WHO I ANSWERED TO.
- Q WHERE DID YOU GO AFTER YOU LEFT SEATTLE?
- A IN 1979, I WENT TO PORTLAND, OREGON.
- Q WHAT WAS YOUR JOB TITLE THERE?
- A GENERAL MANAGER.
- Q HOW LONG WERE YOU IN PORTLAND?

A TO 1986.

Q HOW WERE YOUR DUTIES DIFFERENT FROM YOUR POSITIONS IN SACRAMENTO AND SEATTLE? A NONE.

■093

- 1 Q WERE THE PRODUCTS THAT N.A.P.A. WAS -- AND
- 2 GENUINE PARTS WERE SUPPLYING MARKEDLY DIFFERENT FROM
- 3 THOSE PRODUCTS YOU HAD PREVIOUSLY SEEN SUPPLIED THROUGH
- 4 THE N.A.P.A. DISTRIBUTION NETWORK?
- 5 A NOT REALLY, NO.
- 6 Q AND THROUGHOUT THIS TIME UP TO 1986, IS IT YOUR
- 7 UNDERSTANDING THAT THE COMPANY WAS GROWING BOTH IN
- 8 NUMBER OF EMPLOYEES AND TOTAL SALES?
- 9 A YES.
- Q AND AS WELL AS IN ITS ACQUISITION OF OTHER COMPANIES: CORRECT?

A I WISH I COULD TELL YOU THE DATES OF THE ACQUISITIONS, BUT I CANNOT. YOU KNOW, ACQUISITIONS CONTINUED. FOR EXAMPLE, WHEN I WAS IN PORTLAND, SOMEWHERE BETWEEN -- AGAIN, SOMEWHERE BETWEEN '73 AND '79, THE N.A.P.A. DISTRIBUTION CENTERS IN CHICAGO AND NORMAL, ILLINOIS WERE ACQUIRED. THE ONES HEADQUARTERED IN DALLAS WERE ACQUIRED. SO --

MR. RILEY: WHILE YOU WERE IN PORTLAND, YOU SAID, SEVENTY -- YOU SAID WHILE YOU WERE IN SEATTLE.

THE WITNESS: I'M SORRY.

MR. RILEY: YOU MEAN '79 TO '86?

THE WITNESS: '79 TO '86. THANK YOU.

BY MR. FISHBACK:

Q DID YOU SEE ANY DIFFERENCE WHEN YOU WERE IN

094

- 1 PORTLAND AS TO THE RELATIONSHIP BETWEEN GENUINE PARTS
- 2 AND THE N.A.P.A. JOBBERS?
- 3 A IN WHAT RESPECT?
- 4 Q WELL, FOR EXAMPLE, YOU HAD TALKED EARLIER ABOUT
- 5 THE HANDSHAKE DEALS REGARDING DISTRIBUTION. DID THAT
- 6 CHANGE. TO YOUR KNOWLEDGE?
- 7 A THAT CONTINUED ON THROUGHOUT MY CAREER.
- 8 Q DID GENUINE PARTS STILL OPERATE ITS OWN RETAIL
- 9 OUTLETS?

A WE DID IN PORTLAND. WE HAD LIMITED COVERAGE IN SEATTLE. SEATTLE WAS A MIXTURE OF A COUPLE OF COMPANY-OWNED STORES, AND THE BALANCE OF THEM BEING

INDEPENDENT OWNERSHIPS.

- Q WAS THERE A LIST OF COMPANY-OWNED STORES?
- A YES.
- Q DID YOU HAVE THAT LIST?
- A DO I HAVE THAT LIST? NO.
- Q DID YOU?
- A DID I HAVE THAT? YES, I HAD THE LIST.
- Q HOW REGULARLY WAS THAT LIST UPDATED?
- A ANNUALLY, ALONG WITH THE OTHERS.
- Q IT WAS A DIFFERENT LIST, THOUGH, THAN THE INDEPENDENT N.A.P.A. JOBBERS LIST; RIGHT?
- A WE WERE RATHER ECONOMICAL. IT WAS ON THE SAME 8 1/2-BY-11 PIECE OF PAPER.

095

- 1 Q CAN YOU TELL ME ALL OF THE RETAIL OUTLETS
- 2 OPERATED BY GENUINE PARTS IN CALIFORNIA IN THE YEAR 1959
- 3 TO 1980?
- 4 A NO, SIR, I CANNOT.
- 5 Q CAN YOU GIVE ME ANY OF THE NAMES -- OR
- 6 LOCATIONS OF ANY GENUINE PARTS RETAIL OUTLETS IN
- 7 CALIFORNIA BETWEEN 1959 AND 1980?
- 8 A YOUR QUESTION WOULD BE MORE APPROPRIATELY 1965
- 9 TO 1980 'CAUSE THAT'S WHEN GENUINE PARTS CAME TO
- CALIFORNIA. AND I CANNOT GIVE YOU THOSE, NO, SIR.
- Q CAN YOU GIVE ME THE NAMES OF ANY?
- A NO, SIR. THE OPERATION I MANAGED FROM '71 TO
- '73 DID NOT HAVE COMPANY-OWNED STORES.
- Q YOU HAD EARLIER MENTIONED, I THOUGHT, THAT

THERE WAS A RETAIL OUTLET IN SACRAMENTO?

- A THERE -- THERE WAS AN INDEPENDENT RETAIL OUTLET IN SACRAMENTO.
- Q BUT IT WASN'T A GENUINE PARTS-OWNED --
- A NO, SIR.
- Q AND AS YOU SIT HERE TODAY, YOU CAN'T RECALL THE NAMES OR LOCATIONS OF ANY OF THE GENUINE PARTS-OWNED RETAIL OUTLETS IN CALIFORNIA?
- A AS I HAD MENTIONED TO YOU EARLIER IN -- I

DIDN'T BELIEVE THERE WERE ANY IN FRESNO, CALIFORNIA.

THERE WERE NONE IN SAN FRANCISCO, THEN TO BECOME MORGAN

- 1 HILL, AND I'M NOT CERTAIN ABOUT LOS ANGELES AND SAN
- 2 DIEGO.
- 3 Q THE RETAIL OUTLETS WERE NOT ALWAYS AT THE SAME

- 4 LOCATION AS THE DISTRIBUTION CENTER; RIGHT?
- 5 A THAT'S CORRECT.
- 6 Q THERE WAS A DISTRIBUTION CENTER IN CITY X AND
- 7 THEN A GENUINE PARTS RETAIL OUTLET IN CITY Y. LET ME
- 8 BACK UP AND MAKE IT MORE SPECIFIC. SEATTLE HAD A
- 9 DISTRIBUTION CENTER; CORRECT?
- A RIGHT.
- Q SEATTLE ALSO HAD A RETAIL OUTLET, GENUINE PARTS RETAIL OUTLET; CORRECT?
- A CORRECT.
- Q WERE THEY ON THE SAME PHYSICAL PROPERTY?
- A THEY WERE NOT, BUT THEY WERE IN THE SAME CITY.
- Q CORRECT. SO THERE WAS -- THERE WERE OTHER LOCATIONS WHERE GENUINE PARTS HAD A DISTRIBUTION CENTER WHERE THE RETAIL OUTLET WAS LOCATED AT THE SAME PROPERTY LOCATION; IS THAT CORRECT?
- A THAT'S RIGHT.
- Q LIKE OMAHA, FOR EXAMPLE?
- A RIGHT.
- Q AND THEN THERE -- THERE WAS THE ALTERNATIVE TO THAT WHERE GENUINE PARTS OPERATED A DISTRIBUTION CENTER, AND IN THE SAME CITY BUT A DIFFERENT PROPERTY, GENUINE

097

- 1 PARTS ALSO OPERATED A RETAIL STORE.
- 2 A IT WASN'T AN ALTERNATIVE. THE CRITERIA WOULD
- 3 HAVE BEEN THAT IF THE DISTRIBUTION CENTER WERE LOCATED
- 4 IN AN AREA THAT WAS CONDUCIVE TO RETAIL-TYPE BUSINESS
- 5 AND THE BUILDING COULD ACCOMMODATE THE FACILITY, THEN
- 6 THERE WAS A RETAIL OUTLET WITHIN THAT FACILITY, BUT
- 7 THERE WERE ALSO ALWAYS ADDITIONAL WHAT WE WOULD CALL
- 8 BRANCH STORES LOCATED AWAY FROM THE DISTRIBUTION CENTER.
- 9 Q TO YOUR KNOWLEDGE, WERE THERE ALWAYS BRANCH STORES IN CALIFORNIA AFTER 1965?

MR. RILEY: ASKED AND ANSWERED. HE SAID

SEVERAL TIMES THAT THERE WERE NOT.

MR. FISHBACK: NO. IT'S NOT WHAT HE SAID. HE

SAID HE COULDN'T TELL ME WHERE THEY WERE.

THE WITNESS: WHAT I SAID WAS THAT THERE WERE

NO COMPANY-OWNED STORES IN SACRAMENTO, FRESNO, MORGAN HILL/SAN FRANCISCO, AND WHETHER THERE WERE COMPANY-OWNED STORES IN LOS ANGELES AND SAN DIEGO, I COULDN'T TELL.

BY MR. FISHBACK:

- Q WHAT ABOUT ALL THE OTHER CITIES IN CALIFORNIA?
- A THOSE ARE THE CITIES THAT WE OPERATED
- DISTRIBUTION CENTERS.
- Q I UNDERSTAND, BUT YOU ALSO JUST TOLD ME THAT

THERE WERE LOCATIONS WHERE GENUINE PARTS OPERATED A DISTRIBUTION CENTER -- STRIKE THAT. ISN'T IT ALSO THE

098

- 1 CASE THAT GENUINE PARTS HAD BRANCH STORES IN CITIES
- 2 WHERE THERE WAS NO DISTRIBUTION CENTER?
- 3 A FROM THE DEFINITION THAT IT COULD BE A TOWN
- 4 WITHIN THE METROPOLITAN AREA. SO, FOR AN EXAMPLE, IF
- 5 WE'RE LOOKING HERE IN PHOENIX, OUR DISTRIBUTION CENTER
- 6 HERE IS IN PHOENIX. WE HAVE A BRANCH STORE IN TEMPE.
- 7 WE HAVE A BRANCH STORE IN MESA. WE HAVE A BRANCH STORE
- 8 IN SCOTTSDALE, BUT WE DO NOT HAVE A BRANCH STORE 50,
- 9 60 MILES AWAY IN PAYSON, UTAH.
- Q SO THAT ONLY SUGGESTS THAT THE BRANCH STORES ARE WITHIN SOME REASONABLE PROXIMITY OF A DISTRIBUTION CENTER?
- A GENERALLY THERE ARE BOUNDARIES WHERE YOU DON'T KNOW IF YOU'RE IN ONE OR YOU'RE IN ONE OF THE OTHER, GENERALLY SPEAKING.
- Q WHAT DID YOU DO AFTER YOU WERE GENERAL MANAGER IN PORTLAND?
- A I MOVED TO FRESNO IN 1986.
- Q AND YOU WERE A GENERAL MANAGER THERE?
- A CORRECT.
- Q TILL WHAT TIME?
- A TILL 1992, AND I WAS TRANSFERRED HERE TO PHOENIX AS THE GENERAL MANAGER UNTIL THE TIME THAT I RETIRED.
- Q YOU RETIRED IN 1999; RIGHT?

- 1 A YES, SIR.
- 2 Q DID YOU TAKE REGULAR RETIREMENT?
- 3 A EARLY RETIREMENT. I'M YOUNGER THAN I LOOK.
- 4 Q ARE YOU RECEIVING A PENSION --
- 5 A YEAH.
- 6 Q -- FROM GENUINE PARTS?
- 7 A YES, SIR.
- 8 Q ARE YOU A STOCKHOLDER IN THE COMPANY?
- 9 A I'M A MINOR STOCKHOLDER.
- Q WHAT PERCENTAGE OF YOUR INCOME IS GENERATED AS A RESULT OF YOUR STOCK HOLDINGS IN GENUINE PARTS?
- A IT WOULDN'T PAY MY PAPER BILL.
- Q OKAY. HOW LONG HAVE YOU BEEN A STOCKHOLDER?
- A I FIRST HELD STOCK IN 1959. I BOUGHT AND SOLD

STOCK ALL THROUGH THOSE YEARS, AND I HAVE VERY LITTLE AT THIS POINT IN TIME.

Q ARE YOU RECEIVING COMPENSATION FOR YOUR TIME TODAY?

A NO, I AM NOT.

Q IS ANY AMOUNT OF YOUR PENSION LINKED TO THE PROFITABILITY OF GENUINE PARTS?

A ONLY TO THE EXTENT THAT PROFITS FUND THE PENSION FUND BUT NOT -- IT DOESN'T FLUCTUATE WITH PROFITABILITY, NO.

Q ARE YOU STILL RECEIVING ANY SORT OF HEALTH OR

100

- 1 INCIDENTAL BENEFITS THROUGH GENUINE PARTS?
- 2 A I'VE NOW REACHED THE GOLDEN AGE OF MEDICARE.
- 3 SO I DO HAVE A MEDICARE SUPPLEMENT AVAILABLE THROUGH
- 4 GENUINE PARTS AT A PRICE WHICH I'VE REVIEWED TO SEE --
- 5 WHICH SEEMED TO BE COMPETITIVE IN THE INSURANCE MARKET.
- 6 THERE'S NO SUBSIDY TO IT, IF THAT'S WHAT YOU'RE ASKING.
- 7 Q WHEN YOU RETIRED, DID SOMEONE TELL YOU YOU
- 8 MIGHT HAVE TO COME AND DO DEPOSITIONS?
- 9 A NO.
- Q WHEN DID YOU FIND OUT ABOUT THIS DEPOSITION?
- A I -- WELL, I FOUND OUT ABOUT THE DEPOSITION A WEEK AGO. WE'VE HAD CONVERSATION, PAT AND I, ASKING ME QUESTIONS. WE MET A FEW YEARS AGO, AND IT JUST EVOLVED TO THIS. HE ASKED IF I'D BE WILLING TO DO THIS, AND I TOLD HIM YES.
- Q DID YOU DO ANYTHING IN PARTICULAR IN PREPARATION FOR YOUR DEPOSITION TODAY?
- A NO. SIR.
- Q WERE YOU SHOWN ANY DOCUMENTS IN PREPARATION FOR YOUR DEPOSITION?
- A NO, SIR.
- Q DID YOU ASK TO SEE ANY DOCUMENTS --
- A NO.
- Q -- IN PREPARATION FOR THE DEPOSITION?
- A NO.

- 1 Q OTHER THAN CONVERSATIONS YOU HAD WITH ANY
- 2 ATTORNEYS, DID YOU HAVE ANY CONVERSATIONS WITH ANYONE IN
- 3 PREPARATION FOR THIS DEPOSITION?
- 4 A NO, I DID NOT.
- 5 Q DO YOU CURRENTLY HAVE IN YOUR POSSESSION ANY

- 6 CATALOGS FROM N.A.P.A. OR GENUINE PARTS?
- 7 A NO, I DO NOT.
- 8 Q DO YOU CURRENTLY HAVE IN YOUR POSSESSION ANY OF
- 9 THE LISTS OF N.A.P.A. JOBBERS OR N.A.P.A. -- OR GENUINE PARTS BRANCH STORES?
- A I HAVE NOTHING.
- Q ALL RIGHT. CAN I HAVE THE DEPOSITION NOTICE. WHEN YOU WERE IN FRESNO IN 1986 TO 1992, HOW FAMILIAR DID YOU BECOME WITH THE PRIOR OPERATIONS IN FRESNO?
- A I'M SORRY. YOU HAVE TO CLARIFY THAT FOR ME.
- Q WELL, HOW LONG HAD THE FRESNO DISTRIBUTION CENTER BEEN IN OPERATION PRIOR TO YOUR BECOMING GENERAL MANAGER?
- A AS FAR AS I KNOW, FRESNO WAS AN ONGOING OPERATION GOING BACK WELL INTO THE COLYEAR MOTOR SALES DAYS. HOW FAR BACK, I COULDN'T TELL YOU, BUT I DO KNOW WHEN I WAS IN SACRAMENTO IN 1971 FRESNO DISTRIBUTION CENTER WAS ALSO IN EXISTENCE IN 1971.
- Q DO YOU -- YOU SAID THAT YOU HAD -- YOU'RE FAMILIAR WITH THE CITY OF MENDOTA; CORRECT?

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- 1 A YES.
- 2 Q HAVE YOU BEEN TO MENDOTA?
- 3 A OH, YES.
- 4 Q YOU DIDN'T LIVE IN MENDOTA, DID YOU?
- 5 A NO, NO.
- 6 Q OKAY. THERE WERE N.A.P.A. JOBBERS IN MENDOTA?
- 7 A THERE WAS ONE. SOMEWHAT OF A MAVERICK. I'M
- 8 HAVING TROUBLE RECALLING HIS NAME. FIRST NAME, CHUCK.
- 9 CAN'T REMEMBER HIS LAST NAME.
- Q DO YOU REMEMBER HOW LONG CHUCK HAD BEEN A N.A.P.A. JOBBER?
- A I BELIEVE HE TOOK IT OVER FROM HIS FATHER. I BELIEVE IT'S A LONGTIME OPERATION.
- Q LET ME SEE IF I CAN GET YOU HIS -- REFRESH YOUR RECOLLECTION AS TO HIS LAST NAME. ONE SECOND.
- A YEAH. THAT WILL BE FINE. HE WAS A CHALLENGE.
- Q WELL, MAYBE I CAN'T.
- A WELL, I'M REACHING THE AGE WHERE I'LL REMEMBER IN A COUPLE OF DAYS AND I'LL CALL YOU.
- Q YEAH.

MR. RILEY: CALL ME, NOT HIM.

BY MR. FISHBACK:

Q AT ANY RATE, THERE WAS A FELLOW BY THE -- YOU RECALL HIS FIRST NAME BEING CHUCK WHO RAN THE N.A.P.A. JOBBER STORE IN MENDOTA?

103

- 1 A YES, SIR.
- 2 Q AND DO YOU KNOW HOW LONG THAT STORE HAD BEEN IN
- 3 OPERATION?
- 4 A I HAD MENTIONED EARLIER I THOUGHT THAT HE HAD
- 5 TAKEN IT OVER FROM HIS FATHER. I THOUGHT IT WAS A
- 6 LONGTIME OPERATION.
- 7 Q WHAT INFLUENCE OR ROLE DID GENUINE AUTO PARTS
- 8 HAVE IN THE DAY-TO-DAY OPERATION OF THE JOBBER STORES?
- 9 MR. RILEY: GENUINE PARTS, NOT GENUINE AUTO PARTS.

MR. FISHBACK: LET ME REPHRASE THE QUESTION TO MAKE SURE IT'S CORRECT.

Q WHAT ROLE DID GENUINE PARTS HAVE IN THE DAY-TO-DAY OPERATION OF THE N.A.P.A. JOBBER STORES?
A IT WAS THE ROLE OF ASSISTANCE, SUPPLYING THEIR PARTS NEEDS ON A REGULAR BASIS AND PROMPTLY, BUT AS FAR AS DICTATING POLICY, PROCEDURE, NONE.

Q DID GENUINE PARTS REQUIRE THAT THE N.A.P.A. LOGO BE DISPLAYED?

A NO, IT DID NOT. AS I HAD MENTIONED EARLIER, THERE WERE NO CONTRACTS OR AGREEMENTS.

Q WAS IT PART OF THE UNSPOKEN AGREEMENT, THAT IN FACT THE N.A.P.A. LOGO WOULD BE DISPLAYED IN A PROMINENT LOCATION AT THE JOBBER STORE?

A THERE WAS AN ENCOURAGEMENT TO DISPLAY IT.

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- 1 HOWEVER, I CAN THINK OF A VERY, VERY LARGE CUSTOMER IN
- 2 CALIFORNIA THAT DID NOT HAVE A N.A.P.A. LOGO ON THE
- 3 STORE.
- 4 Q WHO IS THAT?
- 5 A NAME IS BART RIEBE, AND HE WAS IN GRASS VALLEY,
- 6 CALIFORNIA.
- 7 Q BART RIEBE?
- 8 A UH-HUH.
- 9 Q WAS -- THAT WOULD BE THE EXCEPTION TO THE NORMAL WHERE A N.A.P.A. JOBBER WOULDN'T DISPLAY A N.A.P.A. SEAL OR LOGO IN A PROMINENT LOCATION OF THE STORE; CORRECT?

A I'M SURE THERE ARE OTHERS, BUT, YES, YOU KNOW, TO SPEAK BROADLY, IT'S OBVIOUSLY AN EXCEPTION OR IT WOULDN'T BE SO PREVALENT.

Q PART OF GENUINE PARTS' SALES FORCE

RESPONSIBILITY WAS TO INCREASE THE FAMILIARITY WITH THE N.A.P.A. BRAND, N.A.P.A. LOGO; CORRECT?

A YES.

Q THEY EVEN -- THEY HAVE A NASCAR -- THEY SPONSOR A NASCAR VEHICLE?

A CURRENTLY I THINK THAT'S PART OF THE MARKETING STRATEGY.

Q DOES GENUINE PARTS HAVE ITS OWN MARKETING FORCE, OR IS IT RELATED SOLELY TO THAT OF N.A.P.A.?

■105

- 1 A WELL, THEY HAVE THEIR OWN MARKETING FORCE.
- 2 Q WHAT DOES THE GENUINE PARTS LOGO LOOK LIKE
- 3 TODAY?
- 4 A GENUINE PARTS NEVER DID HAVE A LOGO. IT USES
- 5 THE N.A.P.A. LOGO.
- 6 Q SO WHEN GENUINE PARTS MARKETS, IT ACTUALLY IS
- 7 MARKETING N.A.P.A.?
- 8 A YES.
- 9 MR. RILEY: TODAY.

BY MR. FISHBACK:

Q TODAY. HAS IT BEEN DIFFERENT THAN THAT IN THE PAST?

A HAS IT BEEN DIFFERENT? I DON'T BELIEVE SO.
GENUINE PARTS COMPANY MARKETS N.A.P.A. WHERE THEY ARE AS A BRAND RECOGNITION. IF THAT'S CALLED MARKETING, THAT'S WHAT IT IS.

Q MR. DAVIDSON HAD RECALLED PURCHASING BENDIX BRAKES FROM THE MENDOTA N.A.P.A. AUTO PARTS STORE. WERE THOSE BENDIX BRAKES SUPPLIED THROUGH GENUINE PARTS AND N.A.P.A. DISTRIBUTION?

A ABSOLUTELY NOT, BUT THAT DOES NOT MEAN THAT HE DID NOT PURCHASE BENDIX BRAKES FROM THE MENDOTA STORE BECAUSE, AS WE HAD TALKED ABOUT EARLIER, THE INDEPENDENT OWNERS HAD THE LATITUDE TO DO WHATEVER.

Q DID GENUINE PARTS SUPPLY BORGWARNER BRAND

- 1 CLUTCHES?
- 2 A NO.
- 3 Q HOW DO YOU KNOW THAT?
- 4 A 'CAUSE I'VE NEVER SEEN IT.
- 5 Q YOU EVER HEARD OF BORGWARNER?
- 6 A HEARD OF BORGWARNER.
- 7 Q WHAT WAS THE BRAND OF CLUTCHES THAT WERE

- 8 SUPPLIED THROUGH THE N.A.P.A. DISTRIBUTION CHAIN?
- 9 A RAYLOC.
- Q RAYLOC BRAKE AND CLUTCHES?
- A CORRECT.
- Q DO YOU KNOW -- HAVE YOU EVER BEEN TO THE

N.A.P.A. AUTO PARTS STORE -- STRIKE THAT. HAVE YOU EVER BEEN TO THE N.A.P.A. JOBBER IN BLYTHE?

- A YES, I HAVE.
- Q WHEN DID YOU GO THERE?
- A AS PART OF MY DUTIES AS THE GENERAL MANAGER OF THE PHOENIX DISTRIBUTION CENTER, BLYTHE WAS A STORE THAT WE SERVED; SO I'VE BEEN THERE SEVERAL TIMES.
- Q WERE ALL OF THE PRODUCTS THAT YOU PREVIOUSLY HAD MENTIONED BEING SUPPLIED THROUGH THE GENUINE PARTS AND N.A.P.A. DISTRIBUTION CHAIN SOLD TO THE BLYTHE STORE?
- A ARE YOU ASKING IF HE HAD ANY OTHER PRODUCTS WITHIN HIS STORE?

- 1 Q NO. MY -- DID THE BLYTHE STORE STOCK BRAKES
- 2 AND GASKETS, TO YOUR KNOWLEDGE?
- 3 A YES.
- 4 Q AND THOSE WERE BRAKES AND GASKETS THAT WERE
- 5 PURCHASED THROUGH THE N.A.P.A. DISTRIBUTION NETWORK?
- 6 A ASTRECALL.
- 7 Q AND THAT WOULD HAVE BEEN THE RAYLOC BRAND?
- 8 A CORRECT.
- 9 Q BRAKES AND VICTOR BRAND GASKETS?
- A YES, SIR.
- Q WAS THE CALI-BLOK BRAKES EVER SOLD IN ARIZONA?
- A I DON'T KNOW.
- Q THEY COULD HAVE BEEN?
- A COULD HAVE BEEN.
- Q WAS THE BLYTHE STORE A N.A.P.A. JOBBER OR A BRANCH STORE?
- A IT WAS A N.A.P.A. JOBBER.
- Q AND HAS THERE EVER BEEN A BRANCH STORE IN BLYTHE?
- A NO. SIR.
- Q HAVE YOU EVER BEEN TO THE EL CENTRO N.A.P.A. JOBBER STORE?
- A I'VE BEEN TO EL CENTRO. I HAVE NOT BEEN TO THE JOBBER STORE.
- Q DO YOU HAVE ANY REASON TO DISAGREE THAT THERE

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- 1 IS A N.A.P.A. JOBBER STORE IN EL CENTRO?
- 2 A OH, I KNOW THERE IS. I'VE SEEN THE BUILDING.
- 3 Q IS IT A BRANCH STORE OR A RETAIL OUTLET?
- 4 STRIKE THAT. IS IT A BRANCH STORE OR A N.A.P.A. JOBBER?
- 5 A MY UNDERSTANDING IS THAT IT'S A N.A.P.A.
- 6 JOBBER.
- 7 Q WHERE WAS IT -- WHERE WAS ITS DISTRIBUTION
- 8 CENTER?
- 9 A IT COULD HAVE BEEN SAN DIEGO OR LOS ANGELES, AND FRANKLY, I DON'T KNOW HOW THEY -- ALL THAT WENT.
- Q THERE WAS ALSO A N.A.P.A. JOBBER IN FRESNO, CALIFORNIA; IS THAT CORRECT?
- A YES. MORE THAN ONE.
- Q AND AS YOU RECALL IT, THERE WAS NEVER A BRANCH STORE IN FRESNO; CORRECT?
- A THERE WERE BRANCH STORES IN FRESNO BUT NOT DURING THE TIME PERIOD THAT YOU ORIGINALLY ASKED ME. THERE CURRENTLY ARE BRANCH STORES IN FRESNO, CALIFORNIA, IN ADDITION TO INDEPENDENT OWNERS WITHIN THE SAME METROPOLITAN AREA.
- Q WHEN, TO YOUR KNOWLEDGE, DID THE FIRST BRANCH STORES OPEN IN FRESNO?
- A I CAN'T SAY FOR CERTAIN. I DON'T KNOW.
- Q DO YOU THINK IT WAS BEFORE 1970?
- A IT WAS NOT BEFORE 1970.

- 1 Q DO YOU THINK IT WAS BEFORE 1980?
- 2 A DON'T KNOW FOR SURE. WHEN I WENT THERE IN
- 3 1986, WE HAD BRANCH STORES. THEY WERE IN A STATE OF
- 4 DISARRAY, AND I DON'T THINK THEY HAD BEEN IN EXISTENCE
- 5 FOR THAT LONG.
- 6 Q HAVE YOU EVER BEEN TO KERMAN, CALIFORNIA?
- 7 A YES, SIR.
- 8 Q THAT WAS SERVICED BY THE FRESNO DISTRIBUTION
- 9 CENTER?
- A CORRECT.
- Q IS THERE ANY BRANCH STORES IN KERMAN?
- A INDEPENDENT OWNER BUT NOT A BRANCH STORE.
- Q HAVE YOU EVER BEEN TO THE N.A.P.A. AUTO PARTS STORE OR N.A.P.A. JOBBER STORE IN YUMA, ARIZONA?
- A IN YUMA?
- Q YES, SIR.
- A I KNOW WHERE THEY ARE. I KNOW THE CURRENT OWNER. I HAVE NEVER BEEN IN THE STORES.

Q IS IT A BRANCH STORE OR A N.A.P.A. -- OR A JOBBER?

A IT'S A JOBBER.

Q HAS THERE EVER BEEN A BRANCH STORE IN YUMA?

A DON'T KNOW FOR SURE. IF IT WAS, IT WOULD HAVE BEEN UNDER THE COLYEAR DAYS, WHICH WERE A LONG, LONG TIME AGO.

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- 1 Q DID GENUINE PARTS PROVIDE PARTS AND EQUIPMENT
- 2 THROUGH ITS N.A.P.A. DISTRIBUTION NETWORK FOR
- 3 INTERNATIONAL BRAND VEHICLES?
- 4 A AS IN VOLVO, SAAB, THOSE KINDS OF VEHICLES?
- 5 MR. RILEY: OR DO YOU MEAN THE INTERNATIONAL
- 6 BRAND TRUCK?
- 7 BY MR. FISHBACK:
- 8 Q THE INTERNATIONAL BRAND OF TRUCK OR VEHICLE.
- 9 A WE DID HAVE PARTS FOR INTERNATIONAL TRUCKS.

AND I MUST EXCUSE MYSELF AGAIN. I'M SORRY.

MR. FISHBACK: OKAY. WE'RE JUST ABOUT --

INCIDENTALLY, WE'RE JUST ABOUT READY TO FINISH UP --

THE WITNESS: OKAY. ALL RIGHT.

MR. FISHBACK: SO --

THE WITNESS: I'LL BE RIGHT BACK.

MR. FISHBACK: AS I TOLD YOU I WOULD.

(RECESS.)

BY MR. FISHBACK:

Q DO YOU KNOW WHAT A RIO MILITARY VEHICLE IS?

A A RIO?

Q RIO, YEAH.

A SPECIFICALLY, I DON'T KNOW. I'VE HEARD THE WORD RIO, BUT IF YOU ASKED ME TO DESCRIBE ONE TO YOU, I COULDN'T DO THAT.

Q YOU WOULDN'T DISPUTE MR. DAVIDSON'S TESTIMONY

- 1 SAYING, THEN, THAT HE BOUGHT PARTS FOR A REASSEMBLY
- 2 REPAIR OF A RIO MILITARY VEHICLE AT A N.A.P.A. JOBBER
- 3 STORE IN CENTRAL VALLEY OF CALIFORNIA?
- 4 A IN THAT I DON'T KNOW THAT WE EVER CARRIED PARTS
- 5 FOR RIO, I COULDN'T ANSWER.
- 6 Q OKAY. GENUINE PARK -- DID GENUINE PARTS.
- 7 THROUGH ITS N.A.P.A. DISTRIBUTION NETWORK, SUPPLY
- 8 AUTOMOTIVE PARTS FOR LIGHT-DUTY EQUIPMENT LIKE
- 9 FORKLIFTS?

A VERY LIMITED.

Q DID GENUINE PARTS HAVE INDIVIDUALS, WHETHER THEY BE SALESMEN OR OTHERWISE, WHO VISITED THE AUTOMOTIVE SERVICE FACILITIES WHERE THE ACTUAL WORK WAS BEING DONE?

A THERE WERE MANUFACTURERS' REPRESENTATIVES REPRESENTING CERTAIN PRODUCT LINES, AND YES, THEY WOULD CALL ON REPAIR FACILITIES.

Q SO GENUINE PARTS RECOGNIZED THAT THE BRAKES AND BRAKE LININGS THAT IT WAS SUPPLYING WOULD IN SOME INSTANCES BE SANDED OR ARCED AND GROUND? WOULD THAT BE TRUE?

MR. RILEY: OBJECTION TO THE EXTENT THAT YOUR QUESTION IMPLIES THAT IT IS IN THE SEQUENCE TO THE PRIOR ANSWER.

THE WITNESS: STATE YOUR QUESTION AGAIN,

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- 1 PLEASE.
- 2 BY MR. FISHBACK:
- 3 Q DO YOU KNOW WHAT ARCING AND GRINDING OF BRAKES
- 4 IS?
- 5 A YES, I DO.
- 6 Q YOU'VE SEEN THAT DONE?
- 7 A A LONG TIME AGO.
- 8 Q DO YOU BELIEVE THAT GENUINE PARTS KNEW THAT THE
- 9 BRAKES AND BRAKE -- AND/OR BRAKE LININGS THAT IT WAS SUPPLYING TO ITS N.A.P.A. JOBBERS AND BRANCH STORES WOULD BE ARCED AND GROUND?

A ARCING AND GRINDING, TO MY KNOWLEDGE, HASN'T EXISTED FOR 30 YEARS. THE THING THAT ARCING AND GRINDING REALLY ACCOMPLISHED YEARS AGO WAS TO BE ABLE TO TAKE A SET OF OVERSIZED LINING, FOR AN EXAMPLE, ARC IT TO FIT THE -- TO FIT THE DRUM, AND THEN FINISH THE BRAKE JOB, BUT THAT HASN'T -- THAT HASN'T EXISTED FOR YEARS AND YEARS.

Q HAVE YOU EVER SEEN OR HEARD OF A MECHANIC USING AN AIR HOSE TO BLOW OUT THE BRAKE ASSEMBLY OR -- OR WHEEL HUB ASSEMBLY IN THE -- DURING THE COURSE OF BRAKE WORK?

A I'M SURE IT EXISTS. YOU KNOW, I DIDN'T -- MY RESPONSIBILITIES DID NOT NECESSARILY INVOLVE CALLING ON REPAIR SHOPS.

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Q WAS THERE EVER A TIME OR CIRCUMSTANCE, TO YOUR
2 RECOLLECTION, THAT GENUINE PARTS BEGAN INCLUDING
3 WARNINGS OF ASBESTOS HAZARDS IN THE BRAKES AND BRAKE
4 LININGS THAT IT WAS DISTRIBUTING TO THE BRANCH STORES OR
5 RETAIL OUTLETS?
  A NOT THAT I'M AWARE OF.
    Q WAS THERE EVER A TIME THAT YOU KNOW OF THAT ONE
7
8 OF YOUR BOSSES DISCUSSED WITH YOU THE POTENTIAL HEALTH
9 HAZARDS ASSOCIATED WITH WORKING WITH OR AROUND
ASBESTOS-CONTAINING AUTOMOTIVE PRODUCTS?
A NO.
MR. FISHBACK: ALL RIGHT. WELL, I DON'T --
BEING IT'S -- IT'S AFTER THE NOON HOUR AND I PROMISED
YOU THAT WE WOULD END AT YOUR REQUEST OF NOON, I'LL
RECESS THE DEPOSITION NOW, AND I DON'T KNOW THAT I MIGHT
HAVE ANY ADDITIONAL QUESTIONS FOR YOU. AND IF I DO. I'LL
TALK WITH YOUR COUNSEL ABOUT FINDING ANOTHER CONVENIENT
DATE SOMETIME SOON THAT WE CAN RESUME THIS, BUT I
APPRECIATE YOUR TIME TODAY. YOU'VE BEEN VERY HELPFUL IN
THE INFORMATION PROVIDED. THANK YOU.
THE WITNESS: YOU'RE WELCOME.
MR. FISHBACK: OFF THE RECORD.
(ENDING TIME: 12:10 P.M.)
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1
           WITNESS'S CERTIFICATE
2
3
       I AM THE WITNESS IN THE FOREGOING PROCEEDINGS.
6 I HAVE READ THE FOREGOING PROCEEDINGS, AND HAVING MADE
7 SUCH CHANGES AND CORRECTIONS AS I DESIRE. I CERTIFY THAT
8 THE SAME IS TRUE OF MY OWN KNOWLEDGE, EXCEPT AS TO THOSE
9 MATTERS WHICH ARE THEREIN STATED UPON MY INFORMATION OR
BELIEF, AND AS TO THOSE MATTERS, I BELIEVE IT TO BE
TRUE.
I DECLARE UNDER PENALTY OF PERJURY UNDER THE
LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING IS
TRUE AND CORRECT.
EXECUTED ON _____
AT ______
         THOMAS JOSEPH ZAGURSKI
115
          REPORTER'S CERTIFICATE
1
2
3
       I, MARIA A. MORA, RPR, CSR NO. 12001, A
5 CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF
6 CALIFORNIA, DO HEREBY CERTIFY:
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7 THAT PRIOR TO BEING EXAMINED THE WITNESS NAMED

- 8 IN THE FOREGOING PROCEEDINGS WAS BY ME DULY SWORN TO
- 9 TESTIFY TO THE TRUTH, THE WHOLE TRUTH, AND NOTHING BUT THE TRUTH;

THAT SAID PROCEEDINGS WERE TAKEN BY ME IN SHORTHAND AT THE TIME AND PLACE HEREIN NAMED AND WERE THEREAFTER TRANSCRIBED INTO TYPEWRITING UNDER MY DIRECTION, SAID TRANSCRIPT BEING A TRUE AND CORRECT TRANSCRIPTION OF MY SHORTHAND NOTES.
I FURTHER CERTIFY THAT I HAVE NO INTEREST IN THE OUTCOME OF THIS ACTION.

MARIA A. MORA

CSR NO. 12001, RPR