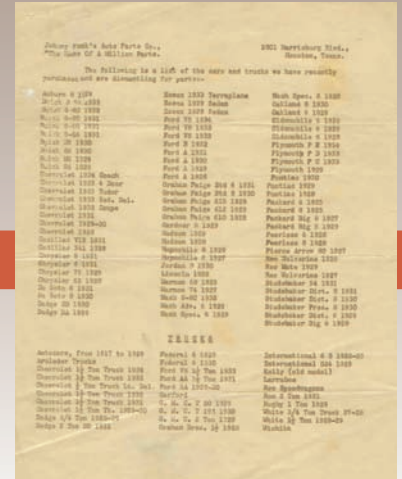




The little boy on top of the junk pile is Vernon Frank as a young boy.



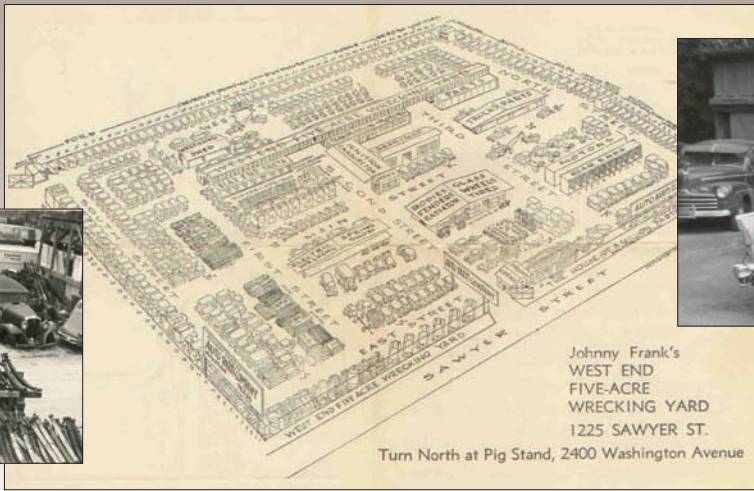
The House of a Million Parts

With Johnny Frank, the answer was always yes.

By D. L. Foor

If asked to make a guess as to the location of the oldest automobile salvage yard in the United States, the answer might be Detroit or Dearborn or someplace well-known for automotive manufacturing. Although a good guess, that answer would be wrong. It's Houston, TX. The Auto Parts Company, as it was known when established in 1910 by Johnny Frank and his brother J. Will Frank, is considered the oldest auto salvage yard in the country.

From a storefront bicycle shop in downtown Houston, from which rumor has it Johnny sold the axle off his own car to a man in need of one, to today's soon to be downsized Johnny Frank's Auto Parts Co., three generations have solidly run the business with invention, progressive thinking, and an "honest desire to treat everyone squarely."



Three Generations

Johnny Frank, who wore suits every day, usually white, kept a clean one in his car for a quick change if necessary, was considered a real pistol, a mover, and a shaker. It was said, he could talk a bent wheel straight. He was active in his church, the Lion's Club, the Dale Carnegie course, and went back to college in his 70s.

"My grandfather was way ahead of his time," Carter Frank, Johnny Frank's grandson and owner of Johnny Frank's Auto Parts, said. "It was a pretty progressive yard. From what I saw as a kid, they sold everything out of a car, including the used wheel bearings. Bearings were a big part of cars in those days, and I guess they were very expensive. My first memories of the salvage yard are when I used to play there as a kid, and they were already dismantling cars as standard procedure. Most traditional junkyards didn't do that. They did not process a car before they sold the parts.

"Going back to the 30s, my grandfather had a marking system, an inventory system. He took all the cars that were manufactured at the time and listed them alphabetically. Then he assigned numbers to them. Buick was the 97th car, Chevrolet was 122, Ford was 257, and so on. Then he dismantled them and marked the parts. He had the bins in numerical order so they would put the Buick alternators in the 97 bin, the Chevrolet in 122, etc. He had bins for all the small parts: generators, carburetors, starters, cylinder heads, glass, tail lights, wheel parts, hubs, etc. I think you'd call that pretty progressive for the times. We used

that kind of system until we got a computer system in the 1980s."

The inventory system setup by Johnny, who passed away in 1958 at the age of 73, was considered too unwieldy by his son Vernon as he grew into the business. He believed it took up too much time and space so the business started selling more major components – motors, transmissions, front ends, doors, rear ends, etc. – and less smaller parts. Vernon also sold some used cars, which eventually became a big part of the business.

"Vernon was born and raised in the salvage yard," Joe Moughon, CPA, who came to work with the Franks in about 1988, said. "I'd say that he probably had about a 7th or 8th grade education, but he was one of the smartest men I knew. That guy could construct anything out of junk. Like if we had to have a fence or a motor support or something, Vernon would go to his welding shop and would build whatever was useful for the operation of the business.

"One time, back in the Bonnie and Clyde days, Vernon was up in East Texas, around Shreveport, to tow a car. He had some kind of a tow bar that fit on the back of his car, which he had probably constructed himself, in the back seat. So Vernon got pulled over by a cop, and he saw that thing in the back of his car and thought Vernon was part of the



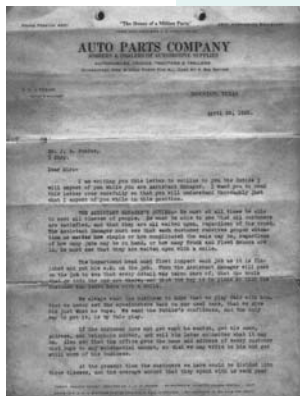
*JOHNNY FRANK
was considered a real
PISTOL, A MOVER,
and a shaker.
IT WAS SAID
he could talk a bent
WHEEL STRAIGHT.*

**The Job: Assistant Manager
The Salary: \$50 a Week**

Anyone in the recycling business who knew or knows of H.G.J. Frank, a.k.a. Johnny Frank, always agreed on one thing, he was ahead of his time in the junkyard business.

The following letter (all six pages are transcribed here) was written by Johnny Frank on April 26, 1928, to Mr. J.B. Ponder, a prospective employee, on company letterhead, which uses one of the company's trademark slogans "The House of a Million Parts." (Other slogans used over the years included: "We do particular work for particular people," "It pays to get the best," and "It's what you Save, not what you Make that counts.")

"By reading the letter," Joe Moughon, CPA and long-time business associate to the Franks, said, "you can see Johnny Frank's business acumen was superb." Page 1 of the six page letter is shown at right.



Mr. J. B. Ponder
c/o Shop.

Dear Sir:

I am writing you this letter to outline to you the duties I will expect of you while you are Assistant Manager. I want you to read this letter over carefully so that you will understand thoroughly just what I expect of you while in this position.

THE ASSISTANT MANAGER'S DUTIES: He must at all times be able to meet all classes of people. He must be able to see that all customers are satisfied, and that they are all waited upon, regardless of the crowd. The Assistant Manager must see that each customer receives proper attention no matter how simple or how complicated the sale may be, regardless of how many jobs may be on hand, or how many Truck and Fleet Owners are in, he must see that they are waited upon with a smile.

The Department head must first inspect each job as it is finished and put his o.k. on the job. Then the Assistant Manager will pass on the job to see that every detail was taken care of, that the tools that go into the car are there, and that the key is in place so that the customer can leave here with a smile.

We always want the customer to know that we play fair with him, that we never set the speedometers back on our used cars, that we give him just what he buys. We want the public's confidence, and the only way to get it, is by fair play.

If the customer does not get what he wanted, get his name, address, and telephone number, and sell him later no matter what it may be. Also see that the office gets the name and address of every customer that buys to any substantial amount, so that we may write to him and get still more of his business.

At the present time the customers we have would be divided into three classes, and the average amount that they spend with us each year is as follows:

1. Car Owner - \$50.00 per year
2. Fleet Owner - \$150.00 per year
3. Garage - \$350.00 per year

So you can readily see how much more we can increase our business by just adding customers continually to our list, and by seeing that the ones we now have on it are always satisfied.

All classes of work must be guaranteed and inspected by the Assistant Manager after it has been inspected by the Foreman or the Department Head, to see that it is in A1 shape. He also must be

able to time any kind of a motor, valves and ignition. He must be able to adjust carburetors, test coils, generators, and starters, must be able to set gears and bearings properly, in order to be able to check any foreman or mechanic, no matter what the job may be. A profit must be made on all jobs. The mechanic should be able to make three times the amount of his salary before you can say he is making money or a profit. He must be able to handle all classes of help, and to know how to keep good help, and to fire the rest, or a man that is not earning any money, as dead and dishonest ones must go. No one can be discharged unless the owner is consulted excepting on such help that is here to-day and gone to-morrow, which we call laboring help, and they are not on the office list. Every-

one must be given a chance to work himself up as high as he is able to go, as good help is what I want and good help is what I need, to make the best organization that has ever been built up to correspond with this kind of a business, by doing this we will all win, and both the owner and the employees will gain by it.

"Cleanliness is next to Godliness". I want the place kept clean from the front end to the back at all times. I want the grease off the floor always. See that each department head keeps his department swept and cleaned at all times, and that his stock is always in the proper places.

Sales Promotion. I want you to plan things to promote the Sales. We must get the Sales on a higher basis, and this is a thing that must be taken in hand and attended to immediately. I want the Sales increased to such an extent that we will readily overcome any financial difficulties that may come up. Read up on Sales Promotion, increase the Sales, increase each Department.

I want you to attend all automobile shows and conventions held in the city. Attend the clubs that talk over new ideas in salesmanship. Visit such places as the Hughes Tool Co., the Ford Plant, Peden Iron and Steel Co., First National Bank, Texas Company, and several other companies of this size. Get their ideas, and we can readily improve ours. Suggest advertising where it is necessary to get rid of some merchandise. Move the dead stock immediately, and do not let any more dead stock accumulate. See that it stays in the yard for a turn-over time, and then sell it for anything you can get.

Shop Orders. Shop Orders must be worked out on a more efficient basis. You must see that each man works only by a shop order, and the shop orders must be given out before the job is started. This way will do away with such things as taking fifty cents worth of time to take a distributor gear off a distributor and selling it for twenty-five cents. Let's see that this kind of thing stops immediately, for it is one of the worst leaks that we have in our profits.

I would like for the Assistant Manager to see that each salesman sells out of his own department, and that he does not go into the other man's department to sell. Should it become necessary for one man to sell out of another's department, it is the duty of the Assistant Manager to do that selling, and not the salesman. An instance of this kind came up only this morning. One salesman sold a transmission that was out in the yard. I had to do quite a little enquiring to find out the straight of this deal. I do not want to have to do this, I want the Assistant Manager to look into these deals.

Buying Instructions: In buying new parts, or in fact any kind of parts, an order number must be used, stating what is bought, price and from whom bought, you must also see that the very best price possible is made, and also do not fail to meet any obligation so that

the company will profit by the extra discount. All bills must be paid on a certain day of the month. Checks should be written and bills checked by the Bookkeeper, and then O.K.'d by the Secretary and Manager, then before payment can be made, stating just exactly what it is in payment of. A receipt must always be obtained for merchandise that is paid for. If it is an individual the address and telephone number must also be obtained.

Buying Car Instructions. When the Buyer goes out to purchase a car he must take one of our Car Checking-In Lists, also sales report, and fill it out, checking in each and every part, especially tires and battery, clock, motormeter, and generator. He must also specify the make of tires, size, also make, model, year, type, make of wheel, size of wheel, and he must also get motor number if possible. He must after Checking In List is filled out have the person selling him the car sign it, so as to complete this checking in list. Then as soon as the car is brought in, it must be re-checked and turned over to the man in charge of the Wrecking and Repairing Department. The minute the bill of sale is made, a lot number must be made in the office for it, and a tag filled out showing the lot number and disposition that is to be made of the car, the tag must be fastened to the right hand side of the windshield or steering wheel. If the car is to be wrecked it must be written on this tag, explaining how it is to be disposed of, if it is to be stored, repaired, re-sold, dismantled, or to be wrecked for junk, before any parts are taken off of it. A Shop Order must be made out showing just how the car is to be dismantled, before a single part is taken off the car. Each department head must make out their shop orders showing just what parts are to be saved, and how they are to be taken off.

The buyer must guarantee that he can make a profit on every single car that he purchases. A profit must be made on every purchase. The tag attached to the steering wheel of the car must also show the size, make and type of wheel and rim. If the car is to be re-sold it will be marked for re-sale. This will enable the man in charge of the wrecking and repairing department, to know just how and where to store the car.

Departments, Instructions on how to handle stock. The Stock Guide is divided into departments. Each department is controlled by a Cash Register Key. Each part must be accounted for either by a cash slip, charge slip, requisition or shipping order. These slips must show department, new or used, tier, section, bin, part number, lot number and tag number. This must be done in order to keep account of each and every part that is bought and stocked.

Cost Inventory. The actual Cost Inventory should be also controlled by the Cash Register Key after the machine is installed. The Cost Inventory should be set up on the books immediately after the car or Supplies are purchased. Extra cost of handling, etc., must be added to this cost as soon as possible. This cost will be calculated from shop orders. The amount of cost for repairs and all other cost must be listed on the shop orders.

Selling Inventory:- The Selling Inventory must be set up by the Listing key on the Cash Register in either new or used. These parts must be sold by the price that is set up, unless a price reduction slip is used. The Price Reduction slip must be signed by the Customer, giving his name, telephone number, and address. The clerk must also sign this slip. The Cashier will be responsible for the Assistant Manger's o.k. being on the Price Reduction Slip.

Returned & Allowances. This will be handled the same as the Price Reduction Slips.

Paid Outs: The Paid Out slips must be signed by the man who is selling the goods, and o.k.ed as above.

Way to Take Inventory. The Inventory must also have key on the Cash Register to correspond with the incoming Selling Stock Inventory. This inventory may be taken in four ways, either each man take one division each, or by one make of car throughout all divisions, or one man take one division at a time. The Inventory should be taken at least once a month, and must be set up immediately after parts are checked o.k. by the assistant manager. This will enable us to tell immediately whether we are losing parts and supplies, making or losing money. In order to save time counting the Inventory, you can take small parts and put them in a box, say fifty or a hundred, seal it, until parts needed then we can open it. Then you would only have to count the loose parts, which would only take a short time. In other words, all interchangeable parts will be in one place. I would like very much for you to start out on the first of June and take a complete inventory of the entire plant. Or in the fourth way, the interchangeable parts, the number and location must be given so that it will not be taken again. This must be done so that it will be taken off of each car that interchanges with one off of which part is sold. Some small parts, such as bolts, nuts and washers could be weighted instead of counted, and the number figured out by the number of bolts and nuts to the pound.

Side Doors: There should only be one way to enter and to come out of the building and that should be by way of the front door. All side doors must be kept closed, and the foreman and Assistant Manager must be the only ones permitted to open these doors. If a heavy truck has to come in, his load must be checked both coming in, and going out. All employees who bring tools or packages into the plant must have them checked when they bring them in and also when they take them out. These bundles must be checked by the foreman or assistant Manager. I am going to hold the Assistant Manager responsible for all loses and thefts. I do not mean that I will hold him responsible if a thief broke into the place, however, I want him to see that all new stock is rigidly accounted for and that none of it is shoplifted or taken out by dishonest employees.

Wreckers must abide by all rules, and must read the Wrecking Guide thoroughly before starting to work.

Each and every employee must at all times endeavor to cut down the overhead expense. I note that at times soap is wasted, paper taken off rolls just to wipe hands on, this must be done away with. Canvas instead of paper should be used in cars to keep grease off upholstery. Have clean canvas on hand at all times for this purpose, keep canvas in one place, and always use, it. This will help cut down the overhead. All tools must be kept in their proper place at all times, and each department head will be charged up with the tools used in his department.

No smoking, chewing, drinking or using of vile language will be tolerated in or around this building.

If you accept these duties I know that you will have a lot of things to look after, however, it will not be a hard job. Just see that the things get done, you do not have to do them yourself. Let the other fellow use his hands, feet, and brains to do this work, and in consideration for these duties I will pay you a straight salary of \$50.00 (Fifty Dollars) per week. I agree to see that my bond is kept in full force at all times.

I have stated that I would give a \$10.00 a week raise, however, I will make this \$50.00 and hold you responsible for the duties I have outlined in this letter.

Very truly yours....

Bonnie and Clyde gang and up to some kind of mischief ... like it was a machine gun stand or something in the backseat of his vehicle.

“Another time Vernon was making a delivery to another yard, after-hours. When he pulled in their yard, the junkyard dog came running and lunged for him. Vernon knocked him out with one punch. He was tougher than nails but was one of the most giving people I have ever seen, contributing to his church and many charities.”

“There was a shortage of steel during WWII,” Carter said, “and my dad got a plaque from the Chamber of Commerce for his efforts to round up scrap metal for the country. He had to make a deal to keep his good parts and salable inventory.”

“I think that’s when ARA was formed, during World War II. It would be a guess, but that would be one reason it was formed to keep the government from forcing salvage owners to scrap their entire inventory. ARA was developed in 1943, the year I was born. My birthday happened to fall on the day of their convention, I think in Reno, and they sang happy birthday to me.”

Carter Frank’s older brother Vernon M. Frank, Jr. (Sonny) came into the family business in 1961, and Carter started full-time in 1969 after he attended



Vernon M. Frank, Jr.

Texas A&M University and doing a 3-year stint in the Army. “I’ve only had two other jobs,” Carter said. “One was working for Uncle Sam and the other delivering for a mattress factory. Other than that, this is the only thing I know how to do, but you wear an awful lot of hats in the junkyard business, believe me.” One of the hats Carter wore was being on the board of the Texas Auto and Truck Wreckers Association, working his way to being president.

The Changing Face of The Auto Parts Company

In the early years, The Auto Parts Company moved several times around downtown Houston, until Johnny built a building in 1935, placing a cornerstone on it that read “Johnny Frank’s Auto Parts since 1910.” They stayed there until 1965, when they moved to a yard Johnny had bought in the 40s’. Throughout the years, the business not only saw many changes of address, but many changes in the salvage industry as well.

During World War I, Johnny Frank sold thousands of dollars worth of parts and motors to the Army. These were used for training purposes, teaching mechanical construction at the Student Army Training Schools. When Johnny first started the busi-

The Hoot-n-Holler Circuit

As Carter Frank reflected on the changing salvage yard industry, he remembered Johnny Frank’s Auto Parts being there at the beginning of several innovative moments in the history of the automotive recycling industry. These moments include being a charter member of NATWA (the National Auto and Truck Wreckers Association), now the ARA; attending lectures and seminars given by Joe Moughon on marketing and running small businesses; being one of the first 20 yards to buy the Hollander system and using it in the early 1980s; and knowing consultant Barry Eisenberg, who brought him and other recyclers into the 20th century, teaching them about yard management, inventory systems (mind you, without computers), bookkeeping, record keeping, personnel relations, etc.; and getting major television coverage and a PBS special (which occasionally still airs) about being the oldest yard in the nation. And Carter remembers the Hoot-n-Holler circuit.

The Hoot-n-Holler network, also fondly called the Junkyard Circuit or Squawk Box System (squawk boxes being the speakers), began on the east coast about 50 years ago with junkyard owners being the first to use the service. Its always-on, multiuser conferencing service allowed many salvage yards to be connected to each other, affording

them the immediate convenience of checking to see if another yard had a particular part a customer needed. These business to business crude intercom systems – a speaker phone sat on the counter and you could pick up the receiver and talk – broadcast to the other members on the circuit.

“There might be up to 100 members at one time,” Carter said. “If somebody in Dallas had the motor I was looking for, they’d pick up the receiver and tell me they had it and the price. I’d buy it from them and turn around and resell it to my customer.”

“The Hoot-n-Holler circuits would have meetings, usually a couple times a year where we really got to know our competitors. Most competitors, especially in this area, were friendly ones. We’d sit down and shoot the bull, eat and drink, and have a lot of fun. My best friends were my competitors. It really helped unite the wreckers associations or the wrecking industry.”

“One of the things I remember when we’d have those Hoot-n-Holler meetings were they’d sponsor yard tours so we could look around somebody else’s operation. I’d always pick up an idea from a competitor and that was very useful. Course, ARA does the same thing today, giving us a chance to get together and share ideas.”

ness until probably World War II, there was no demand for scrap metal, and they buried the car bodies in landfills.

“In fact,” Carter said, “my dad said that there was a charity hospital fairly close to downtown Houston that was built on top of a landfill. He said there’s many a model-T body in that landfill. The hospital is gone now, and there’s a federal reserve bank in that area. It’s kind of funny thinking of a federal reserve bank built on top of an old junkyard!”

During World War II, prices for parts soared as manufacturers quit making them. In 1942, a salvaged part for a 1939 Buick sold for \$20 above what it had cost brand new. Also, people couldn’t get tires and would pay the considerable sum of \$10 or \$15 for tires that would be thrown away today.

Then, up through the early 1980s, The Auto Parts Company sold almost every useful part on a car. The business rocked.



Carter Frank.

“If you take an average parts car now,” Carter said, “they maybe sell 10 parts: a motor, transmission, a couple of doors, maybe a wheel or radiator, and then they core or scrap the rest. They go by the computer to see what’s selling. Back in the 1960s and 1970s, there was a demand for everything. There were a lot more do-it-yourself people, and cars weren’t built as good as they are now. They wore out. Also, before unleaded gas, we used to get a lot more problems with burnt valves and burnt pistons. Now, engines are ruined when people don’t change the oil enough or the engines overheat.

“We used to keep the cars until everything sold off of them, and it really didn’t take that long, normally a year to a year and a half. There was a lot more interchange than there is now, too. I remember in the 1970s, General Motors had about five different V-8 engines. Chevrolet had one, Buick, Olds, Cadillac, and



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Pontiac each had a V-8 engine. But some Buicks could have a Chevrolet or Oldsmobile engine in it, so you only had to deal with about five V-8s, two or three 6-cylinders, and a couple of 4-cylinders.”

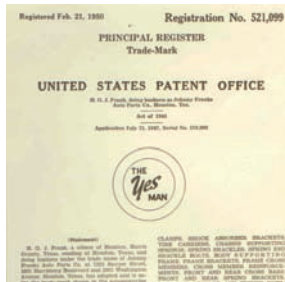
In 1979, Vernon M. Frank, Jr. passed away, and it was around that time that Carter noticed a sudden boom in the business that lasted about four years. Oil went up to about \$50 dollars a barrel, and they sold almost everything off a car: rotors, the spindles, the brake drums, air conditioner compressors, etc. They had to buy from other yards to satisfy their customers. Then, aftermarket sheet metal came out, confusing things and impacting the business.

“People didn’t know whether they were buying aftermarket sheet metal or OEM sheet metal,” Carter said. “Before the aftermarket sheet metal became available, a Chevrolet dealer sold a 1983 Chevrolet pickup fender for about \$275. After it came out, anybody could go buy a new aftermarket fender for about \$75. So you can imagine how that impacted our business.

“Other businesses have also sprung up over the years that have eaten into our profits. Salvage pools that gather the salvage into central locations for the insurance companies, and then sell it for them all over the world, have created a big competition for the salvage. Companies that specialize in wheels and glass, that’s big business; transmission shops have taken that part of the market; and, of course, the aftermarket sheet metal people kind of go hand-in-hand with the aftermarket radiators and cooling condensers, which have taken that portion of the market away.

“The market for our parts is a lot more fragmented. There are other businesses like that – radios, stereos, even tires. We used to sell our used tires, but now there are tire stores on every corner, and so many different sizes, that people go to a tire store to buy their tires. I can remember we had a man years ago who would retread a tire with a tool like a hot iron, and then we’d sell the tire. That doesn’t happen anymore.

“THE YES MAN.”
Johnny Frank
 REPRESENTED THE
ultimate in customer service,
 “IF WE DON’T HAVE
it in stock, we can
 GET IT FOR YOU.
The answer is always ‘yes.’”



Above, Johnny Frank believed so much in his slogan “The Yes Man” he had it patented. Below, an older photo of the yard with cityscape in the background.



“Things have changed dramatically over the years. It seems harder and harder to make money. Years ago it was easy. We could buy cars, and they would at least double, and a lot would triple, what we spent on them.

“Cars are made better now, they last longer. Back in the 1960s, 1970s, and early 1980s when a car got to 60-65,000 miles that’s about as far people drove them. They weren’t necessarily worn out, but people didn’t take good care of them or were ready for a new car. Now it’s nothing for a car to go 150,000 miles and still be in really good shape.”

All in all, until scrap prices took a nose dive, Johnny Frank’s Auto Parts was doing okay selling cores and scrap. Now Carter is waiting for the scrap market to bounce back. “The last time I sold scrap, I got \$280 a ton. Today I’d be lucky to get \$60 a ton. So now we are sitting on it and hoping it will go back up.”

A Little Yesterday, A Little Today

Johnny once got so tired of his countermen saying the word “No” to customers that he trademarked the term, “The Yes Man.” He represented the ultimate in customer

service, and “if we don’t have it in stock, we can get it for you. The answer is always ‘yes.’” That unshakable determination to satisfy a customer carried through three generations of Franks, who each in his own era faced the same, yet morphing, industry.

Today, Carter Frank is semi-retired, and the business is not a full-fledged parts yard anymore. He furnishes some training vehicles to a school, buys and sells a few parts for one of his customers ... a tail gate or two, a transmission, an engine. He still needs to keep his hands in the business, but there are no more countermen, no more employees who have been with the business 40 or 50 years or more, and the main yard is for sale. The heyday has lullled. But the memories of this thriving business, its successes and trials, still resound in Houston. ■

Does your yard have an interesting history? Tell us about it. E-mail editor Caryn Smith at ARAEitor@comcast.net.

D.L. Foor is a freelance editor and writer in Cape Coral, FL.