

SPECIALTY EQUIPMENT MARKET ASSOCIATION

SEMA DISTRIBUTOR/RETAILER CANDIDACY QUESTIONNAIRE 2024 ELECTION YEAR

DOUG LANE MOTOR STATE DISTRIBUTING

1. Please provide a history of your professional background and education (including professional development). Feel free to attach your résumé and/or Bio. Describe the specifics of your current job responsibilities:

President/owner of Motor State Distributing.

Involved with daily operations and strategic decisions for Motor State Distributing. Been in the industry since my childhood so have 45-plus years of experience. Also have ownership in three other businesses including manufacturing in the automotive aftermarket along with our own private brands at Motor State. These serve both the racetrack and street performance markets. Was an active racer, primarily oval track, in my younger years. After graduation went to college for business, raced, which enhanced my hands-on knowledge and helped develop extensive product knowledge, along with working full time in the business concurrently.

Motor State was also selected as a six-time SEMA WD of the year winner during my tenure.

2. Indicate your historic and/or current involvement with automotive industry initiatives specifically, as well as other professional and philanthropic associations, societies and organizations you have been actively involved in. Please be specific about other boards (if any) on which you have served or are currently serving:

Currently, no boards except our own board.

I have been consistently involved with many business owners, racetrack operators and race series operators as a resource for business questions and opinions. As recently as last evening, I assisted one of our growing customers with some tax questions that are impacting his growing business.

Even though Motor State has grown to a significant size, I still continually use my personal resources to attend events, customers and vendors on a regular basis. Over the years, I have served on the SEMA New Products Committee, Rep of the Year

Nomination Committee Candidate Questionnaire

Committee and Person of the Year committee. We have supported numerous local community initiatives over the years.

3. Please highlight specific career accomplishments including, but not limited to, patents received, product innovations, awards and recognitions, publications, marketing or business programs, presentation to business and/or industry symposiums. Share any and all significant or notable accomplishments:

Six-time SEMA Warehouse Distributor of the Year. Recently as 2023 we were a finalist for the 2023 SEMA Channel Partner of the Year.

Motor State and our team have been honored with numerous awards and recognitions over the years.

- 4. Please mark each of the skill categories where you believe you possess a level of expertise:
 - Manufacturing
 - x Distribution/Logistics
 - x Supply Chain
 - Engineering
 - Vehicular/Product Design/Innovation
 - x Product Management
 - OEM Design/Technology
 - x Brand Management
 - Advertising
 - x Marketing
 - x Strategic Planning
 - **Public Relations**
 - Crisis Management Χ
 - **Regulatory Compliance**
 - Legislative/Lobbying

- Motor Sports/Racing
- Vehicle Shows/Auctions/Exhibitions
- Financial Planning/Management
- x Accounting
- **Human Resources Management** Χ
- x Business Management/ Development
- Sales
- **Business Technology** Χ
- x Data Management
- x Internet Utilization Other (specify):

5. What are your specific areas of expertise? What unique skills or perspective do you think you could bring to the leadership of SEMA? What business or life experience do you have that prepares you to help shape the direction of the industry? What industry issues are you particularly passionate about?

I have been involved in the aftermarket industry for most of my life and can bring both a historic as well as a current perspective to the Board as I am still very actively involved with the daily operations at Motor State Distributing.

I am passionate about the small entrepreneurs, business owners, active racing and performance enthusiasts that have driven the backbone of our industry for years.

I also have been directly exposed and affected by the EPA, CARB, Prop 65, Nexus, Tax Audits, Cyber Attacks, etc., which our industry is facing today.

Being a long-time exhibitor at trade shows, especially the PRI Show since its inception, I feel that preservation of that show as a hardcore racing one is important.

6. What would you say is/are your most notable achievement(s) to this point in your career? What are you most proud of?

Overall, the growth our business over the years from a small regional business to a worldwide distributor while at the same time maintaining the respect of others.

7. What do you consider to be the top opportunities or threats facing the specialty parts aftermarket over the next five years? Try to be specific to <u>industry</u> trends. You may comment on advancement of federal regulations and macroeconomic issues (inflation, unemployment, health care, etc.) but only if they are relevant to your perspective on industry issues.

More restrictive federal regulations impact the end consumers' abilities to modify and customize their personal vehicles. The right to repair and regulation to eliminate the internal combustion engine, including alternate-based fuels to run these engines on.

The rapid acceleration of electrification and associated electronics on vehicles severely limits modifications. The more stringent warranties and tracking also limit the aftermarket segment.

Industry consolidation of legendary brands and the impacts that this has on the loss of identities and focus for these brands. There is a need and opportunity to continue to enhance, improve and educate the development of pioneering business owner operators and auxiliary skilled people to help these businesses grow and bring exciting products to sell/market in the aftermarket.

The shrinking population of racetracks available for the weekend racer to participate in. As these properties are sold off for non-racing facilities the amount replacing them is small in comparison.

The impact of an aging engine builder population for the grassroots weekend racer as there is currently an opportunity for younger engine builders to enter this space, and this needs to be encouraged.

Further complications continue to escalate in running a small to midsized business with their associated costs. This includes, but is not limited to, EPA concerns, the expansion of CARB, Prop 65, cybercrimes, insurances, sales tax collections and reporting, post-COVID labor skill sets and motivation, tax strategies, shrinking margins, complexity of small parcel shipping, etc.

The overall costs of racing and the aftermarket continue to increase, and we need to find ways to attract more people into the market that can afford the higher end of the industry. At the same time, we need to encourage entry-level racing and aftermarket vehicles to continue to bring the less affluent, hard-working, weekend hobbyists into the sector.

8. Of the issues you identify above, which ONE concerns you the most as to how it will impact the industry's future? What would you do to initiate change to either expedite a positive outcome or prevent a potential disaster?

While there are many threats/opportunities that impact the industry, it's imperative to bridge the generational gap which seemingly exists today. We have a great opportunity to leverage the knowledge and passion of the current generation of industry enthusiasts/hobbyists to mentor and "pass the baton" (we need to recognize the skills and talents of the younger generation) to the next generation of talent, which can help to mitigate against threats and take advantage of the other opportunities I outlined for the aftermarket.

9. Given the nine <u>Strategic Priorities</u> that the SEMA Board and the association are focused on, which two do you think are the most critical and what can you do to contribute to the success of these initiatives?

Regulatory Issues. One of the primary ways I can contribute is I have a very good understanding of the mechanics of modifications and what they are trying to limit. I believe I can bridge the gap between the written words of a regulation and in turn be able to recommend ways to work with legal teams to lessen or eliminate the potential impacts.

Motorsports Preserve and Grow. This is an area that I have a thorough understanding of as a racer myself along with the business acumen necessary to provide guidance. I have great relationships with many people in the racing industry as well as many that have been involved firsthand in PRI. Being at the show since its inception, I have witnessed most of their success along with a few of their disappointments.

Preservation of our racetracks is also imperative to our future in the motorsports industry.

10. If elected to the SEMA board of directors what unique qualities, experiences, connections, or characteristics are you able to activate during your three-year term?

As a business owner who has grown up in the industry, I have performed almost every job in our WD business and have a good understanding (from bottom to top) of how everyone contributes to running an operation. Also, I am a partner in ididit, an aftermarket steering column manufacturer, so I have the perspective of both a larger distribution business along with that of a manufacturer/vendor to the aftermarket. Also, I personally know and provide knowledge to many of our customers from small to large, as I have been boots on the ground at their business, whether it be a speed shop, car builder, engine builder, tuner shop, fabrication or repair, racetrack vendor, online seller, etc. I have a unique

understanding of their needs, struggles, rewards, ingenuity, independence and pride. I take great interest in helping other vendors/business owners with their questions when they reach out to me.

11. What industry trends or opportunities is SEMA as an association and the SEMA Show missing out on currently?

The PRI Show is losing touch with its core audience. Still a very good show but many that considered a can't-miss event don't feel that way anymore.

12. If you get elected to the SEMA board of directors, what topics or issues will you spend your time focusing on and how will you gain support?

Preservation of the PRI Show. I feel that being both a vendor and buyer there from day one gives me the experience that is needed to gain support in its preservation and continued prominence.

13. Where do you the association and show having an advantage over and edge over competitors in a similar space

I do not understand the nature of this question in the way it is worded.

14. Questionnaires can be limiting. In the space below, share with us anything we didn't ask that you believe will help the Nominating Committee develop a better understanding of you as a candidate:

I have grown up in this industry all my life. I have been around when we were a small business and have been involved in its growth to its current state. I grew up as a young child watching my dad work on his front engine dragster. Also, I have been a kart racer, circle track racer, road racer and performance car collector myself, so I understand the passion, camaraderie and attraction that our customers and enthusiasts have.

15. Why do you want to volunteer to be a SEMA board member?

I have been asked to run by other industry leaders and veterans for many years and feel that it is time to give back to the industry.