



## SPECIALTY EQUIPMENT MARKET ASSOCIATION

### SEMA MANUFACTURER CANDIDACY QUESTIONNAIRE 2024 ELECTION YEAR

# MELISSA SCOLES QA1 PRECISION PRODUCTS

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:

I'm someone who believes strongly in continuous improvement, both at our company and as an individual. I graduated with a degree in business administration with an emphasis on marketing from the University of Illinois–Urbana-Champaign and later attained my MBA from the University of Minnesota–Carlson School of Management. Additionally, I've attended several classes over the years to improve my skills; this includes everything from photography and graphic design to general leadership and communication. I also regularly attend leadership development conferences and other general development courses.

My professional background is mostly focused around QA1, which is what I'll describe. My father started the business in 1993, so I was able to start my working career by folding boxes in the warehouse. Fast forward to my time after college, and I did everything from customer service, accounting, material handling and marketing. I left for a few years and pursued my MBA and then worked at a software development company on their marketing team.

I returned to QA1 in 2011 as vice president of marketing while gradually taking on other roles and responsibilities, becoming president in 2013, and CEO and chair of the board in 2014. I'm going to get personal here to give some insight into the sort of stress I'm able to work under. My father was diagnosed with lung cancer in January of 2012, I had my first child in June of 2012. In 2013, I took over as president. He passed away in July of 2014, and I had my second child in October of 2014. While I wouldn't wish this on anyone, I'm thankful he knew he was getting his granddaughter. During these three years, in the midst of family changes and health crisis, we implemented a new ERP system and added a completely new product line and manufacturing process, introducing carbon-fiber filament winding. We also acquired two companies/divisions, which added fabrication work to our capabilities, and added a second facility and started an expansion project.

Since then, my focus has been on the sustained growth of QA1. I'm proud of the company QA1 has become, especially since 2011. We've had substantial growth, growing a team of approximately 30 to now more than 150 people strong. Our branding has improved

considerably; we are now confidently the market leader for most of what we sell. We are also strong in a variety of industrial markets, including lawn and garden, agriculture, playground equipment, medical and more. My role in this has been to lead strategic planning, support the team in their ideas, help them build their skillset, and provide opportunities.

Outside of QA1, I currently serve as the membership officer on the board of directors for the Twin Cities Chapter of Young Presidents Organization (YPO), a global organization of more than 34,000 leaders. I also serve on the board of directors for our local chamber of commerce and on the steering committee for Lakeville Works, a program geared at providing jobs and training opportunities for individuals not interested in pursuing a traditional four-year degree. We support local students with several initiatives through this program and others, and the team at QA1 is proud to provide our schools with support. I believe strongly in working with your local community and this value is held throughout the team at QA1.

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:

I'm currently the MPMC immediate past chair. Over the past several years, I've thoroughly enjoyed being a part of this group. We started planning for a virtual event months before the decision to go virtual was made, allowing us to provide a great platform for a virtual Media Trade Conference which we ran for two years. Additionally, we began a joint effort of a networking event and reception with FLN at the PRI Show, helping to grow the pipeline of MPMC members and volunteers. Additionally, I've recently joined the PAC board and am looking forward to contributing to this group.

As stated above, I currently serve as a board member for the Twin Cities Chapter of YPO. As the membership officer, I'm responsible for the addition of any new members to our chapter of about 115 business leaders. In four years, I will transition to chapter chair, overseeing all functions of the chapter and working closely with the organization as a whole.

Engineered for Speed is a program I co-founded, which serves every 5<sup>th</sup> grader in our local school district. Each year, QA1 provides a team of engineers and techs to go to each of the schools to help the STEM teachers teach about the engineering and design elements for race cars. We help more than 500 students annually build cars, teach them about weight distribution and aerodynamics, and culminate the program with school-wide races. Fun fact, this program started with a \$1,000 grant from SEMA!

Local to my community, I am a founding member and on the Steering Committee for Lakeville Works, a group dedicated to growing career resources and opportunities for those in the community. We work closely with the school district and local trade programs to educate and inform the community about career opportunities in the trades. Additionally, I serve on the board of directors of the Lakeville Chamber of Commerce.

In 2015, we began a memorial golf tournament in my dad's name. In 2023, we hosted our 8<sup>th</sup> tournament, raising \$30,000 to install inclusive playground equipment in local parks and playgrounds. Since identifying this goal, we've raised more than \$120,000 and have been

able to purchase and install three pieces of equipment—covering all expenses to add equipment that allows anyone and everyone to play together.

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:

Probably my most memorable career moment was being selected to moderate a panel at an event titled “Lessons Learned from Fortune 500 CEOs.” I had the honor of leading the discussion between the CEOs of Polaris, Cargill and Ecolab.

Another favorite accomplishment was in 2020 when we moved into our new, built-to-suit 100,000-sq.-ft. facility. Designing this building and coordinating and executing the move were exciting challenges for the team and me. We worked with our local government to establish appropriate tax credits and incentives, we beat our goals for downtime during the move, and provided the team with significantly better working conditions, which was imperative during the pandemic.

In our 30<sup>th</sup> year in business, we were listed on the *Inc* 5000 list as a fastest-growing company. Our growth is achieved mostly via new product development and acquisitions. In the past 11 years, we’ve acquired three companies and the suspension division of another. Most recently, we just announced (on 1/3/24) our largest acquisition to date, resulting in a second location and brand under the QA1 umbrella. The successful integration of this team will be a significant accomplishment.

Under my leadership, we’ve received four patents, we’ve introduced about 75 new products (with thousands of item numbers), and we have won dozens of awards, including several new product awards, as well as business and data excellence awards. In 2020, we were recognized as Manufacturer of the Year by *Classic Trucks*, we were awarded Business of the Year by HRIA in 2022, and we were a finalist for SEMA’s Manufacturer of the Year in 2023. Most recently, we were awarded all three product awards in the suspension category at the PRI Show.

4. Please mark each of the skill categories where you believe you possess a level of expertise:

<input checked="" type="checkbox"/> Manufacturing	<input type="checkbox"/> Motor Sports/Racing
<input type="checkbox"/> Distribution/Logistics	<input type="checkbox"/> Vehicle Shows/Auctions/Exhibitions
<input checked="" type="checkbox"/> Supply Chain	<input type="checkbox"/> Financial Planning/Management
<input type="checkbox"/> Engineering	<input type="checkbox"/> Accounting
<input type="checkbox"/> Vehicular/Product Design/Innovation	<input checked="" type="checkbox"/> Human Resources Management
<input checked="" type="checkbox"/> Product Management	<input checked="" type="checkbox"/> Business Management/ Development
<input type="checkbox"/> OEM Design/Technology	<input checked="" type="checkbox"/> Sales
<input checked="" type="checkbox"/> Brand Management	<input checked="" type="checkbox"/> Business Technology

- Advertising
- Marketing
- Strategic Planning
- Public Relations
- Crisis Management
- Regulatory Compliance
- Legislative/Lobbying

- Data Management
- 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 think what sets me apart is my ability to listen to needs and see opportunities. I'm skilled at seeing things from different perspectives and do a good job of getting others to see the whole picture. I'm a forward thinker and believe in encouraging a focus on strengths instead of weaknesses.

As a SEMA Board member, I would help to ensure that the right questions are being asked and that the industry is being looked at through multiple viewpoints. There is always opportunity for change, but a clear vision that the full team is behind is how I would envision making the biggest difference. I'm confident I could help define the vision and ensure that it is supported and seen by stakeholders.

At QA1, we run EOS (also known as traction), which is essentially a system of accountability. It helps people learn to be accountable for their own responsibilities and it also helps people see what others are accountable for. I'm not recommending that SEMA run on EOS, but I do believe in the principles it instills—clear and honest communication, accountability, and having the right people in the right seats. We're fortunate to work in an industry filled with passion, people want to do the right thing and they truly care. By leveraging this, there's so much potential for our industry to continue to excel.

I'm passionate about the health and success of the industry as a whole. I believe that the success of the industry is what helps drive growth at our individual companies. If I had to choose something more specific, my passions lie around marketing and youth involvement. With so much passion in our industry, we can do a better job of sharing this passion and getting the next generation involved in the industry as enthusiasts, employees and business owners.

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

At this point in my career, I'm most proud of the growth at QA1 and the culture that we have created. Since 2011, we've more than quadrupled the business and are a significantly different and better company in several ways. We've grown together as a team over the

past several years and have created an incredible culture that is truly based on values. We have a team that is proud to be Team QA1, and I'm honored to be a part of it.

Outside of my career, I'm most proud of my family. My husband Travis and I have two amazing kids who are respectful, funny and independent. We are an active family that loves to travel and create experiences. And our dog Wilson is pretty awesome, too; he's become the QA1 mascot and loves to come to work with us every day to steal snacks from all his friends.

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 industry 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.

Opportunities:

- New and emerging technologies: Both an opportunity and a threat. An example of an opportunity is clearly shown by the significant impact made by EVs in the industry and around the world. Technology changes in general spark innovation, which is key to the growth of any industry. The opportunity for the aftermarket here is continued innovation with technology that keeps enthusiasts engaged and enthusiastic.
- Powersports and related activities: The popularity of getting outside and using a vehicle to do so is continuously evolving. There is a lot of crossover in these markets to the general automotive aftermarket, and several opportunities exist in this crossover. Shared consumers, similar technology, more platforms for existing parts, the list goes on.
- Youth involvement and engagement: As an opportunity, this might be the best group for SEMA to connect with and help the industry gain new consumers and talent for member companies. Younger generations are easier to engage and interact with, and get feedback from, assisting with the opportunity for SEMA to evolve. Additionally, it's an opportunity to grow the consumer base and the market size in general.

Threats:

- Increasing barriers to modify/customize vehicles
  - o Legislative: All aspects of the automotive industry are being impacted by legislative proposals and changes. SEMA has an opportunity to educate member companies and consumers about these changes and what the impacts could be. Without the right approach to address these challenges, I believe this is one of the biggest threats to the industry.
  - o Technology changes: While also an opportunity, technology changes are also a threat. The speed at which technology is changing in vehicles is significantly impacting repair shops. There is meaningful expense associated with required repair changes for new vehicles. Also, the development of aftermarket products is increasingly challenging due to the complexity of new technologies and the speed at which the technology is evolving. This plays into the right to repair/modify as well.
  - o Fight for the discretionary dollar: The threat here is staying relevant. If the

industry doesn't grow and evolve, consumers will take their dollars elsewhere.

- Closing of racetracks: This is a threat specifically related to motorsports, but that can also impact the aftermarket in general. From sound ordinances to urban sprawl to mismanagement, the threat of losing racers and fans is real. How can we as an industry impact this for meaningful change?
- Youth involvement and engagement: Considered a threat as youth interests are changing. Whether they want to play video games or have no desire to get their license, the threat of youth being disengaged in automotive is real.

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?

I'm most concerned about the increasing barriers for individuals to be able to modify, customize and use their vehicles. Whether it's because of increased and changing government regulations, economic reasons, technology changes or even change in lifestyle, it seems there is an uphill battle to keep the ability to modify and have fun with a vehicle.

I believe SEMA is headed in the right direction with the change in approach for PAC initiatives and government outreach. Increased marketing and communications from SEMA can help guide the discussion and education opportunities surrounding this. Also, continued work with the OEMs to keep the door open for aftermarket modifications is imperative to the success of the industry.

9. Given the 9 [Strategic Priorities](#) that the SEMA board and the association are focused on, which 2 do you think are the most critical and what can you do to contribute to the success of these initiatives?

This is somewhat challenging to answer as I believe most of these are connected, and generally speaking, marketing and communications is what connects them. That said, of the nine strategic priorities identified, marketing and communications improvements are what I consider to be the most critical improvement at this time. I believe this to be integral to improve member engagement, promote the automotive lifestyle, preserve and grow motorsports, and improve and evolve tradeshow. These are all critical for the continued growth of the industry.

Member companies, councils and network volunteers all need to be aligned to understand the why behind all SEMA initiatives and strategic priorities. They also need to understand what SEMA does and can do for them. There is a big divide right now on the direction of the industry and the initiatives that SEMA is pursuing. I believe much of this is due to a lack of understanding of the why. Marketing and communications improvements will help to further this explanation by getting in front of the right people, telling the story, and

explaining the rationale. It's ok for people to disagree with initiatives, but they need to understand why certain decisions were made and what SEMA is hoping to gain by doing those things.

My educational background and professional passion is marketing. I can contribute to helping build the right team, guiding the strategic plan, assist with messaging and reach if necessary, and with the collection and analysis of contacts and leads. I love looking ahead at technologies and best communication platforms and can assist in the development of a defined program for SEMA to better understand its members and to better reach consumers.

Additionally, I believe that the work impacting regulatory issues should be a focus. Ultimately though, I think I would need to select improving and evolving tradeshow as the second critical focus. It's my understanding that this is where the bulk of the revenue comes from, it's also currently the best way to engage and connect member companies, industry companies, and consumers. The revenue is needed to continue the efforts needed to achieve the other strategic priorities.

I can assist here by providing feedback from other shows and events, especially from those outside of the industry. Also, I know how to ask the questions to lead successful brainstorming sessions to guide evolution. I'm a strong believer in continuous improvement and will do all I can to assist the SEMA team in adopting this mindset and culture.

Finally, I would want to make sure that SEMA has the resources to truly go after nine strategic priorities. Or, perhaps there's an opportunity to combine some of the defined priorities and to make a more defined and concerted effort to focus on a few items and really make some progress with those. From my experience as a SEMA volunteer, the councils and networks want to work towards these priorities, but there are too many, causing the select committees to end up feeling a bit scattered—or to go for what works for them rather than what's best for the industry as a whole. I think we have a real opportunity to get everyone driving together to really make some impact.

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?

If elected to the SEMA Board of Directors, I would proudly contribute however I would be needed. I've been in the industry in one way or another for about 25 years. My father started QA1 in 1993, and I've been leading the team since 2013. I'm proud of what we've done in the past decade, our brand has grown in this industry and others, we're strong in our community and proudly volunteer for and contribute to various charitable organizations. We see the big picture and love to share that vision with others. I also understand SEMA from a volunteer viewpoint; I've been involved with MPMC for the past several years, and currently serve as the immediate past chair.

I excel at building strong teams and connecting people. I have a unique ability to listen and make sure that people are heard, and that ideas are expressed and explored. I have a strong network of business leaders in and outside of the industry, people who I trust and

who trust me, and who would be additional ears and provide objective insights whenever needed.

Additionally, I'm strong at identifying innovative ideas and trends beyond our industry and enjoy translating their relevance to the automotive aftermarket. I'm a constant learner and would work hard to ensure we're always questioning ourselves and striving for continuous improvement. I like to push people to grow and to find the answers themselves, I'm excited for the opportunity to do all of this with the SEMA Board and staff.

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

I wouldn't consider this an industry-specific trend, but I think one of the biggest things SEMA and the SEMA Show are missing out right now is having a true understanding of its database...or more fully defined, capturing leads, knowing who specifically attends the show, and communicating with them on an ongoing basis. The ability to effectively communicate with one's audience is one of the most powerful tools an organization has, and I feel like SEMA can and should significantly improve its ability to do so.

There are several opportunities for SEMA to learn from and collaborate with others in the same space. There are various successful tradeshows and events across a variety of industries, including several in the automotive or powersports space. Working with others can help to earlier and better define trends in the relevant spaces, as well as assist in prompting ideas to improve what SEMA can offer as an organization and an event.

We're fortunate to be in an enthusiast-driven industry; what are we doing to capitalize on that? The SEMA Show is a bucket list item for several. How do we make it accessible yet keep it exclusive? When someone finally achieves their goal of attending the Show, what do they experience? Recently it's felt like the excitement level of the Show has been dwindling. How do we bring back that high level of excitement? And more importantly, bring it back throughout the year?

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?

If I'm elected, I'd start by finding out who is truly guiding the ship. This might be an unpopular opinion, but from an outside perspective, it appears that the Board controls too much of the direction of the association. I think the Board should be a resource for SEMA staff to go to for guidance and support. If looking at things honestly, I doubt many current or past Board members can say that they are qualified to steer the direction of the entire industry. Most bring experience from a small portion of the industry and can use resources to understand the rest of it, which is extremely important. With constant turnover of the Board, due mostly to the term periods and elections, it leads to many changes in direction and an emphasis on different priorities from the Board. I know if my "boss" changed every couple of years, I'd feel stuck and not supported.



I believe that SEMA staff—leadership especially—should be the experts on the industry as a whole, on how an association should be run, on how best to execute an event, etc. How does the Board empower them to get and keep the right people, to create and execute on a three- or five-year plan? Having a supportive board who can answer questions and leverage their knowledge and resources instead of leading and trying to influence all decisions is, in my opinion, invaluable and will help lead the industry to success through all the challenges we're facing today and into the future. The Board can help to ensure that the right people are part of SEMA staff and will be there for the long-term good of the industry.

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

I believe that SEMA (association and Show) has an advantage over several other associations and events for a variety of reasons. Primarily though, it's a passionate industry, so the ability to connect those involved because of that passion provides an advantage over other industries that are not passion or enthusiast based. The SEMA Show is a bucket-list item for so many enthusiasts; remembering this is key. We need the industry to remain strong for these people, what are we doing to ensure this happens?

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've been seriously considering my involvement with SEMA for quite some time. My time on the MPMC select committee helped open my eyes to what SEMA volunteerism means. I now serve on the PAC board and am excited for what the future holds with that group. The industry is strong and evolving, I am thrilled to already be a part of that, but I'm hopeful to have a larger role in the future growth of the industry at a pivotal point in time.

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

I've had a very successful career and have learned over the years that I'm a pretty good coach and can offer a broad look at issues on the table. With all the changes to the industry, I feel I can help to guide the team and get everyone moving in the same direction.