

SPECIALTY EQUIPMENT MARKET ASSOCIATION

BOARD OF DIRECTORS CANDIDATE QUESTIONNAIRE 2021 ELECTION YEAR

KYLE FICKLER

Part 1 – Personal/Professional History

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

My formal education includes a Bachelor of Science degree in Finance, a Bachelor of Arts in Philosophy, and a Juris Doctor in Law, all earned at the University of Montana. However, the best education I received was growing up in a family of small-business owners and understanding the commitment required to succeed with your name on the door, and learning to blend formal education with the needs of an ongoing business. As an active racer and car owner, I am a hands-on enthusiast who truly lives the industry at several levels.

The majority of my industry experience has been with two very successful companies that each presented very different challenges and opportunities, and now a third company that gives me the opportunity to blend those experiences while looking forward to an exciting future.

At Aeromotive Inc., I was engaged in progressively responsible sales and marketing positions from the company's formation to becoming the market leader in high-performance fuel-delivery systems. As a venture capital funded start-up in 1994, the company focused on private-label manufacturing for other high-performance companies, with my primary functions being on-track testing and customer development as an independent contractor. Wanting to take the Aeromotive brand to market, I was hired as director of business development in 2000. I was responsible for all phases of relationships with warehouse distributors, jobbers, media, sanctioning bodies, sales reps, racers and other manufacturers.

In 2008, I assumed the role of vice president of sales and marketing at Weld Racing LLC as a shareholder in the private-equity acquisition of the assets of Weld Racing, a brand with more than 40 years of industry heritage. Our initial challenge was overcoming a variety of operational and business issues while rebuilding the trust and confidence of distribution, vendors and other industry partners. The company enjoyed incredible growth in my six years as an employee by introducing a wide variety of new products in our core drag-racing and dirt-oval markets while reentering the truck and street performance markets with new and innovative products and expanded overseas distribution.

I rejoined Aeromotive Inc. in 2014 while retaining my equity stake in Weld Racing LLC until 2017. My return to Aeromotive provided a challenging mix of strategic and tactical opportunities as the company entered new markets and continues to evolve as the dominant player in high-performance fuel delivery systems.

I joined the team at Driven Racing Oil in June 2020. The company is owned by Ron Coleman and Scooter Brothers, both of whom served as chairmen of the SEMA Board of Directors previously and have long-established histories of service to the industry. I currently serve as director of sales and business development.

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:

The last 7 1/2 years have allowed me to give back to the industry through my service on the SEMA Board of Directors and as SEMA Treasurer, and previous to that, six years serving the Motorsports Parts Manufacturers Council (MPMC). Elected to the MPMC select committee in 2007, I served as council chair and chair-elect through 2012, and then as immediate past chair before being elected to the SEMA Board of Directors.

I have served on several SEMA Task Forces and Committees, including:

SEMA Manufacturer of the Year Task Force-Chair

SEMA Person of the Year Task Force

SEMA Board Nominating Committee-Chair

SEMA Board Nominating Committee—three times

SEMA Board Executive Committee

SEMA Investment Committee

PRI Advisory Committee

CBLC Liaison

SEMA Town Hall-Host

SEMA Town Hall-three-time panelist

SEMA PAC

MPMC Rules of the Road-three-time Panelist

MPMC Future of Performance–Panelist

I also served on the Performance Aftermarket Advisory Council (PAAC) which advises the National Hot Rod Association (NHRA) on issues that affect us as manufacturers, sponsors, distributors and other stakeholders.

I'm a licensed member of the Missouri and Montana Bar Associations. I served as an editor and business manager of the *Montana Law Review* and served as business manager of the Associated Students of the University of Montana.

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:

I have been very honored to sit on numerous SEMA MPMC discussion panels and SEMA Town Hall presentations over the last several years. Although I don't get to write as much as I used to, *Racecar Engineering* published an article I wrote on the potential uses of ultrasound technologies as a diagnostic tool in motorsports.

I have been blessed to win numerous racing events and awards, including:

NHRA National Event Winner AHRA World Champion

NHRA Divisional Event Winner

NHRA National Event Best Engineered

NHRA Race of Champions

Please highlight specific career accomplishments including, but not limited to, patents

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

	Manufacturing	XX	Motor Sports/Racing
	Distribution/Logistics		Vehicle Shows/Auctions/Exhibitions
	Supply Chain	XX	Financial Planning/Management
	Engineering	XX	Accounting
	Vehicular/Product Design/Innovation		Human Resources Management
XX	Product Management	XX	Business Management/ Development
	OEM Design/Technology	XX	Sales
XX	Brand Management		Business Technology
	Advertising		Data Management
XX	Marketing		Internet Utilization
XX	Strategic Planning		Other (specify):
	Public Relations		Consensus Building
XX	Crisis Management		
	Regulatory Compliance		
	Legislative/Lobbying		
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Part 2 – Personal/Professional Attributes

3.

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 bring SEMA members a unique perspective blended from the education of a licensed attorney, the unwavering commitment required of a business owner, and the hands-on

passion demonstrated by a virtual lifetime of successful participation in motorsports. Our industry is what my family lives for; my wife Debra is also an NHRA drag racer and played a key role in our NHRA National Event wins, AHRA World Championship, and ongoing racing success. Our daughter, Danika Carrera, raced Quarter Midgets for a few years and is now racing an NHRA Junior Dragster.

My role at Weld Racing was much like that of any small-business shareholder—directly or indirectly responsible for all facets of the business to some degree at various times. The due diligence phase of the Weld acquisition was a great education with a very large private equity firm as the seller, and the very colorful history of Weld Racing as the subject. It required me to dust off some of the accounting and finance skills that had only been used sporadically in past years, and navigate between the needs of our equity partners (Peter Lehman–Granite Creek Capital Partners) and the sellers. Following the acquisition, I assumed responsibility for all of the sales and marketing activities, but worked closely with the engineering, operations and accounting teams on a daily basis to discuss production metrics and issues.

Although I did not have an equity stake at Aeromotive, Steve Matusek and Jack Hylton always provided incredible latitude to act in the best interests of the company. My homecoming to the company served as evidence of the importance our industry places upon relationships, and something of which I am very proud.

Although I wake up each day as a business person, I never lose sight of what makes our industry great, and that is the special privilege to design, manufacture and sell products that put a smile on people's faces. Our industry is built on passion, and I can't imagine working in an industry where that isn't true. However, for our industry to thrive, we as stakeholders need to utilize our collective power as a trade association to ensure our enthusiast consumers have the ability to purchase our products and a place to enjoy them, whether on public roads or in a controlled environment.

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

Both Aeromotive and Weld provided me ample opportunity for achievement in our industry. Aeromotive allowed me to play a key role in developing a brand following the founder's vision. Few things in business are more rewarding than seeing a startup mature into an industry leader while staying true to the business model and creating a dynamic, fun and successful corporate culture.

Being a key player in the turnaround of Weld Racing epitomized the education you can't get in a formal educational environment—you need to live it to learn it. From working with our private equity investors (Peter Lehman–Granite Creek Capital Partners) to complete the acquisition during the height of the economic downturn in late 2008, followed by six straight years of double-digit sales growth, new product introductions, and improved distributor relations, it was very rewarding.

My current role at Driven is really the culmination of those experiences, and as Scooter and Ron have both said, they spent 20 years grooming me to join their team.

I sincerely appreciate your consideration as the next SEMA Board of Directors Chairelect.

Kyle

Part 3 – Industry Perspective

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 macroeconomic issues (inflation, unemployment, health care, etc.) but only if they are relevant to your perspective on industry issues.

As evidenced by ongoing economic and political uncertainty, we cannot take for granted that our industry will thrive and grow. Although strong, we need to determine where our largely domestic industry fits into the global economy, and how we participate as manufacturers, distributors and other stake holders in the future. We also need to continually work to understand the changing dynamic of distribution and how it is impacting the manufacturer/distributor/rep/consumer relationship.

Obviously, our industry is reliant upon the consumption of petroleum products, and we need to position our industry as a responsible stakeholder that is able and willing to make tough decisions and develop technologies that better reflect the world we live in. Properly done, we need to be viewed as a proactive stakeholder in relevant green initiatives and avoid being viewed as reactive when our interests are at risk. Our industry's ongoing challenges with CARB and EPA compliance would indicate that much of our industry views this as a California problem, but that is simply not true, as evidenced by recent enactment of zero-emissions legislation. Emissions compliance is just one of many external threats that requires us to engage our legislative and regulatory bodies.

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?

Our future is dependent upon enthusiasts having the freedom to modify and enjoy their vehicles. This freedom can be restricted in many ways, but whether it is regulatory, legislative or societal, we need to act proactively as an industry to provide solutions to these problems.

The EPA's 2015 interpretation of the Clean Air Act that it is illegal to modify a street vehicle into a dedicated race car was in direct conflict with what our industry and Congress understood the law to be since 1970. Congressional bipartisan support of the RPM Act and the tremendous support of automotive enthusiasts demonstrated that common sense legislation is still possible, but legislative gridlock has prevented timely passage of the RPM Act.

Federal Motor Vehicle Safety Standards and similar regulations, if enforced to the letter of the law, could have a disastrous effect on our ability to build and sell aftermarket suspension, lighting, powertrain, wheels, tires and other components. The Digital Millennium Copyright Act (DMCA) threatens our ability to repair and modify our vehicles without threat of prosecution. Land-use restrictions could cripple the off-road and motorsports markets. SEMA's success in preventing closure of the Johnson Valley OHV Recreational area for use by enthusiasts only highlights the importance of this issue, but Johnson Valley was a single battle in a much larger war. Ongoing challenges at Bonneville remind us that solutions do not come quickly, and that it takes well thought out solutions and the ability to create cooperation among stakeholders. Federal and state DOT regulations are another area of concern to both recreational and motorsports enthusiasts, and SEMA has highlighted the inconsistency among states that creates confusion among enthusiasts and a great opportunity for SEMA to provide industry wide assistance.

The SEMA-supported "Low Volume Motor Vehicle Manufacturers Act" was enacted by Congress in 2015, yet until very recently inaction by the EPA and NHTSA (after SEMA sued NHTSA in 2019) resulted in the law still not being implemented leaving our industry in the lurch. The Act now awaits approval of the Biden administration. Although the title of the Act reflects a focus on the kit car industry, the legislation will serve to clarify issues and opportunities with crate engines and ancillary products. As an active Board member in 2015, I recall the sense of accomplishment shared throughout the industry and association, but the five long years that have passed underscore the challenges presented on legislative and regulatory matters.

Legislative and regulatory issues can be intimidating in scope, but we need to find proactive solutions before these external threats deter or prevent consumer enthusiasts from enjoying what our industry has to offer. We have learned how to develop and sell products that comply with evolving standards, but we have also learned that when facilities are closed, or cruise nights are banned, that the enthusiast base shrinks and so does the potential revenue stream.

The freedom to modify *and* enjoy our vehicles is what will create the next generation of enthusiasts that we are not only dependent upon for revenue, but also from that group will come the next generation of technological and business leaders that will overcome future challenges so that our industry can move forward.

Part 4 - Association Specific Observations

9. Do you feel that the Board of Directors and SEMA are currently pursuing the initiatives that are critical to our business segment? What would you place more emphasis on? What would you discontinue? What would you add?

I currently serve as SEMA treasurer, so it sounds a bit self-serving to say yes, but I do believe we are pursuing initiatives that are critical to our industry. Initiatives such as the SEMA Garage provide tangible member benefits such as the Tech Transfer Program, Measuring Sessions, and the Emissions Testing Lab, but even more importantly they give us the tools necessary to resolve our industry's challenges with regulatory

agencies and the critical mass necessary to achieve mutually beneficial relationships with the OEMs. The scope of the SEMA Garage will need to expand to address ongoing technical advances and challenges.

SEMA Data is a great example of a member benefit that will need to be ever-evolving to remain relevant and viable. Although the basic intent is to eliminate the data challenges faced by both automotive aftermarket distributors and manufacturers, the reality is that larger market forces continue to move the goal posts.

Efforts by our Legislative and Regulatory team have been ongoing for decades, and while the topic may change, the work is never done, and past success does not guarantee future success. Obviously, the current Leg/Reg environment is challenging and it is going to take a steady hand to achieve long-term success.

I have directly seen the benefit provided by SEMA Business Development Programs in the United Arab Emirates and China, and how important it is to help develop industry infrastructure in emerging markets. As a trade association, we should not be afraid to focus on challenges too large for individual businesses to undertake, or that require an extended term for a measurable member benefit.

Our youth engagement initiatives have made tremendous progress over the past several years with the most notable change being when we engage and what we define as "youth." You do not have to look far to understand that phones have displaced cars as the "freedom machine," and even the most dedicated youth will have a smartphone integrated into their automotive lifestyle.

10. As a SEMA Board member how do you feel you would be uniquely qualified to help address the issues you identified above?

Our future depends upon leadership willing to consider the disparate interests represented by the various segments of our industry and make often-times difficult decisions. I bring SEMA members a unique perspective blended from the education of a licensed attorney, the unwavering commitment required of a business owner, and the hands-on passion demonstrated by a virtual lifetime of successful participation in motorsports.

My business experience is varied as well. Aeromotive was a start-up with no brand recognition that is now an industry leader still managed by its founder Steve Matusek and true to its original model. Over more than 50 years, Weld Racing has seen dramatic changes in ownership and management styles, while Driven Racing Oil continues to innovate under the strategic ownership and guidance of Ron Coleman and Scooter Brothers. All three companies are known to be market leaders focused on developing new products and distribution channels. Each company potentially faces unique regulatory challenges. While at Weld, FMVSS 126 was a regulatory concern as we expanded our offering into truck and the street-performance markets. At Aeromotive, the focus is on horsepower, and developing products under industry-wide scrutiny from EPA and CARB. All three of these businesses are confronted daily with regulations

beyond what I listed above, and although I mention these regulations in the context of a manufacturer, we know from experience that our distributors, installers, reps and ultimately enthusiasts are all stakeholders in finding industry solutions to these challenges.

Tying all of that together is eight consecutive years of service to SEMA membership on the SEMA Board of Directors, and now as treasurer, preceded by service as SEMA MPMC chair and on the MPMC select committee, in addition to numerous other task forces and committees.

11. What do you see as SEMA's weaknesses?

SEMA's biggest challenge is also its greatest opportunity. Originally founded to serve the interests of manufacturers exclusively, the association now serves all stakeholders in our industry, and many times these stakeholders have competing interests that need to be resolved for the good of all. As such, the best industry solution may require all stakeholders compromising for a greater good.

Although much improved, it is still a challenge for SEMA to create an identity beyond the SEMA Show. 2021 will be an interesting year for the show, given the first-ever cancellation of the show in 2020 which came on the heels of maybe the two or three greatest SEMA Shows ever. The industry did a great job of rallying during the pandemic and I anticipate that we will see a very high-quality show in 2021.

12. How about its strengths?

As demonstrated by the tremendous support galvanized for the RPM Act, SEMA's strength comes from the collective might of all its members when we are battling external threats, and its ability to pull all critical stakeholders together when confronted with challenges. Once we take off our "company hats," and agree that whether we design it, make it, sell it, rep it or install it, that the most important part of the equation is the enthusiast, and that if we stay focused on fulfilling the needs of the enthusiast, including the right to modify a vehicle and have a place to enjoy it, then we all benefit and all other elements are secondary.

SEMA's greatest asset is the SEMA Show (followed closely by the PRI Show) and the impact it has on our industry and the resources it provides to fund new and existing programs. The Show is also the primary window through which the outside world views our industry, so a never-ending focus on the quality of the show should be our top priority.

The PRI Show is a tremendous asset that serves our motorsports community like no other event. It also serves to consolidate what can to be referred to as the PRI community, which is often confronted with unique challenges apart from the larger SEMA membership. The SEMA Government Affairs office does a tremendous job on legislative and regulatory issues, and the combined efforts of SEMA and PRI staff have demonstrated time and again the value of addressing the unique needs of the PRI

community. With that being said, we know that there is still considerable untapped energy and opportunity within the PRI community.

As an association, SEMA has tremendous human and financial resources to create member benefits well beyond the reach of any single member. While many of these benefits are under-utilized, the staff works hard to refine existing programs and develop new ones. I am thankful that work done in previous years prepared our association for a "black-swan" event and allowed the association to provide member benefits as the industry operated in battle-ready mode, and better prepared for the uncertainties that we continue to face in 2021.

- 13. If you were chosen to chair the Long-range Planning Committee, which topics or issues would you want your committee to be deliberating on?
 - Proactively positioning our industry that is reliant upon the consumption of petroleum products as a responsible stakeholder in a world economy and in the eyes of state and federal regulatory bodies enacting zero-emissions legislation.
 - Fostering development of the next generation of enthusiasts that will become not only our customers, but also our technical, engineering and business leaders.
 - Building a more symbiotic relationship with OEs in the pursuit of sharing relevant technologies for mutual business benefit while attracting youth to the magic of the automobile.
 - Protecting manufacturer and distributor interests against counterfeit products and other infringements upon our intellectual rights.
 - Evaluating the impact of autonomous vehicles, electric vehicles, advanced driver assistance systems (ADAS) and ensuring the opportunity for the automotive aftermarket to develop and install products.
 - Maintaining the right to maintain and modify vehicles without prosecution under the Digital Millennium Copyright Act (DMCA).

Part 5 - About You

14. Questionnaires can be very 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:

My earliest memory was that I would grow up to be the next Richard Petty. Obviously, that did not happen, but it did lead to a lifetime of actively enjoying the automobile and the industry that supports modifying it. My grandfather and dad were mechanics and small-business owners. At age 12, I started working at Sage's Engine Rebuild, and I bought my first car, a '69 Dodge Charger, at age 14. During that time, Mark Clark, who managed the Service Center speed shop in El Cajon, moved to my home town, and he, along with *National Dragster* and *Hot Rod* magazine became my window to the outside world.

My dad, in his words, "was not a fan of horsepower and speed," but my Charger was soon a reflection of the Mopar Direct Connection bible influenced by people I read about in magazines. Seeing Big Daddy Don Garlits at the AHRA World Finals in Spokane, WA set

the hook even deeper. In the late '80s I sold and traded everything I could, including the Charger, to build my first rear engine dragster, and ran 8.99 on my first 1/4-mile pass.

Summers in the oil fields of Prudhoe Bay, Alaska, provided enough income to pay for school, and racing in the fall and spring. As part of my admission interview for law school, the Dean asked why I was attending, and I replied, "To be a better race-car driver." He let me in anyway!

In the fall of 1992 Deb and I moved from Montana to St. Louis. We formed KD Racecraft, printed some business cards, and headed to the PRI Trade Show in Cincinnati. I remember standing on that sky bridge looking out on the show floor thinking that was the entire industry—and I am going to be part of that for the rest of my life. Like most young racers, my show attendance was built around finding sponsorship, but I made business connections that still serve me today.

Fast forward to May of 1993. That's when I really found my way into the industry—or it found me. Steve Matusek was working on the business plan for Aeromotive, and I needed a fuel pump so that Deb and I could race on our honeymoon. Ever the romantic, I built a Top Fuel dragster as our wedding cake topper, and after getting married in Montana we honeymooned at the NHRA National Event in Topeka.

Knowing that, it is probably no surprise that our daughter Danika Carrera raced Quarter Midgets and is now in a Junior Dragster, and that Deb races NHRA Stock Eliminator.

Today, you are just as likely to hear a story about our Jeep on Hell's Revenge in Moab or a Badge of Honor trail, or any other motorsport activity we can participate in. Like most gearheads, we have plenty of projects that need attention.

Our industry is what my family lives for, and I will be a capable and energetic leader serving our industry for the benefit of current and future generations.