

### **SPECIALTY EQUIPMENT MARKET ASSOCIATION**

## Board of Directors Candidacy Questionnaire 2025 Election Year

# Tim McCarthy HUSHMAT & ZYCOAT

NAME:	TITLE:
Timothy C. McCarthy	Founder/CEO
COMPANY:	ADDRESS:
HushMat & ZyCoat	15032 W 117 <sup>th</sup> Street, Olathe, Kansas 66062
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DATE:	EMAIL ADDRESS:
	Tmac@hushmat.com
January 6, 2025	

Please select nomination cate	gory:
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	Chair-elect **Must have previously served on SEMA Board of Directors to be eligible.
Χ	Manufacturer
	Manufacturers Rep

#### Part 1 - Personal/Professional History

 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:

I was born in Hartford Connecticut and raised in East Hartford, CT. After graduation from Boston College in 1984, I joined Price Waterhouse and attained the CPA certification in 1986. In 1988 I was recruited by the multinational specialty chemical company, Dexter Corporation and performed business development functions for the corporation. While at Dexter we acquired three companies and established the Dexter Automotive Materials Division. We consolidated the three acquired companies in Kansas City, MO and I relocated to run this division. The business grew at a rapid rate and was ultimately sold to Lear Corporation in 1998. Throughout my tenure running the division, a stated goal was to "brand" our adhesive technology. This was simply not part of the supply chain consideration. After years supplying the North American automotive industry, I put a private equity group together in Kansas City and approached Lear to purchase the business. In May 2000 we acquired the business in a highly leveraged transaction. Sixth months later 9/11 occurred and the automotive industry shut down for 90 days. Our bank forced our hand, and we sold the business in early 2001.

As part of this transaction, I retained the rights to all product technology for any customer worldwide other than North American Automotive Assembly plants. This was the birth of HushMat.

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 was recruited from Price Waterhouse to join the Business Development/Mergers & Acquisitions department at Dexter Corporation. I utilized my accounting expertise to bring analyze businesses for potential acquisition by Dexter. As detailed above I spent over 10 years with Dexter Corporation leading the Automotive Materials Division. In 2003 I founded HushMat and in 2018 I founded ZyCoat, LLC. I have been a Mentor in Kansas City's Helzberg Entrepreneurial Mentoring Program and have worked with two emerging entrepreneurial businesses providing mentorship to the business owners. The first company was an architectural firm specializing in developing resort properties in Third World countries. The other company was a consulting and services firm specializing in the food safety and quality industry. My financial and accounting expertise has been a valuable skill set for these enterprises and business owners. In 2018 I was asked by Jeff Major to join the SEMA Hot Rod Industry Alliance select committee.

In 2021 I was nominated as Chair Elect and in July 2023 became Chair. Our focus is to focus our council on delivering more value to the Hot Rod Builder and expanding membership of this builder community to HRIA and SEMA. Also, in July 2023 I was

appointed by SEMA Chair Kyle Fickler to the SEMA Board of Directors and currently serve as Treasurer and member of the SEMA Executive Committee. My initial focus as Treasurer was to work with SEMA Senior financial staff to create meaningful interim financial reporting. The financial reporting formats in use when I assumed the position were not efficient and did not provide effective management reporting for the SEMA Board of Directors or SEMA Executive staff. We presented the new SEMA Business Unit financial reporting format in December 2023. This change will serve the business unit executives and the Board of Directors actionable financial information. There is much work to be done bringing systems and data management to the SEMA organization. This will likely take all or 2025 and 2026 to implement. This is a critical time for SEMA and the systems upgrades must be completely in a planned and fiscally prudent approach.

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:

The founding, launch and leadership of two entrepreneurial businesses from inception and now 22 years later provides tremendous satisfaction. Being a member of the Kansas City Automotive Museum Board of Directors and Executive Committee member is evidence of value that I can give back to my community. I have given hundreds of sales and installation training sessions, educating members of our industry in the proper sale & application of the sound deadening & thermal insulation technology. My role as a mentor in the Kansas City Helzberg Entrepreneurial Mentoring Program allows me to give back to the entrepreneurial community.

Χ	Manufacturing		Motor Sports/Racing
	Distribution/Logistics		Vehicle Shows/Auctions/Exhibitions
	Supply Chain	X	Financial Planning/Management
	Engineering	X	Accounting
	Vehicular/Product Design/Innovation		Human Resources Management
	Product Management	X	Business Management/ Developm
	OEM Design/Technology		_ Sales
	Brand Management		Business Technology
	Advertising		Data Management
	Marketing		Internet Utilization
Χ	Strategic Planning		Other (specify):
	Public Relations	·	_
	Crisis Management		
	Regulatory Compliance		
	Legislative/Lobbying		

#### Part 2 - Personal/Professional Attributes

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?

The skills sharpened over the past forty years allowed me create and self-fund two companies both serving the automotive industry in sound control and thermal control. My focus is the preservation of the SEMA brand and more specifically the show as a three day trade event for the foreseeable future. I suggest integrating the consumer/enthusiast by conjoining SEMA Fest activities on the outdoor property and open the show floor Friday for automotive enthusiasts. I am in favor of bringing targeted consumer automotive enthusiasts to SEMA. I am not in favor of placing the SEMA Show and current member engagement at risk. There are numerous consumer events across the country where our members actively participate. I suggest that SEMA target 4-6 of these high attendance events and establish consumer facing activities to bring high exposure to the SEMA brand and Individual membership. There are ample opportunities to expose and engage SEMA across the country to thousands of prospective members. I am passionate about regulatory & legislative compliance, emerging technologies in both vehicle technology and the sales channel and continued viability and growth of the SEMA trade association.

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

I am most proud of the fact that together with my wife Connie raised three children, educated them through post degree college and now they are married and thriving in their own careers while providing us six beautiful grandchildren. Concurrently I founded and developed two businesses serving this great automotive industry. For the past twenty two plus years we have maintained our focus on our core competence and expertise. Expertise in automotive sound and thermal control. At 62 years young my interest is continuing to seek opportunities to expand my company through product diversification in our core areas of expertise through merger or acquisition or sell and join a larger automotive enterprise.

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.

The top opportunity for SEMA is the expansion of membership on both the trade and consumer/enthusiast memberships. We need to expand our community and harness the voices of companies and individuals that are passionate about our great industry. The threats individually are immense. In aggregate they require constant vigilance and a unified voice.

The negative legislative pressure will continue to burden our industry. We need more people involved in this fight at the local and state levels of government. The issues start at the local and state level. We need members in every locale to be evangelists for our industry. When it gets to Washington DC the fight only gets more expensive.

The lack of skilled labor is and will continue to be a critical problem in our member companies' ability to deliver their products and services. Every shop we visit raises this as a concern for the future viability of their business. This is a two plus generational issue. The lack of trade education in our public school systems has emptied the pool of potential resources for our industry.

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?

The issue regarding the lack of available skilled labor is a two-generation issue. The deletion of shop classes from public school curriculums in the 1990s and 2000's has led to a shortage in available labor for our automotive shops. This is stifling growth and requires individual shops to set up "Learn as you go" training for new employees. This is not an efficient method and contributes to excess cost and lower overall productivity. SEMA

could develop a curriculum to certify certain levels of skill for youth and new employees of our member companies. This issue is felt by all segments of the automotive and transportation industry and could be a multi-association approach. Partnering with other associations to build this educational system together with the Federal and State governments would be a huge step forward. We also need to fight at the state and local level to get shop classes back in schools to stem this issue for the future.

#### Part 4 – Association Specific Observations

9. Given the 9 <u>Strategic Priorities</u> 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?

Nine strategic priorities are too much for any organization to be successful in implementation. We as a Board need to identify the three (maximum) and put full energy of the association behind them. Community building, Legislative support and Automotive lifestyle enhancement in all phases of our organization 365 days a year are the pillars of our organization. We need to harness the energy of the thousands of small businesses that serve our markets, bringing them into the SEMA organization.

10. If elected to the SEMA board of directors what unique qualities, experiences, connections, or characteristics are you able to activate during your 3-year term?

As a current non-voting board member and Treasurer of SEMA I will continue to be a loud voice for small business. My financial background affords me the ability to analyze issues from both a strategic and financial perspective. This will only continue to build and will be supported by a vote.

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

The lack of a true sales function continues to limit the growth of the organization. This is a fundamental weakness in the organization. We are missing complete segments of the industry including the tire industry, low rider industry,

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?

The availability of skilled or even partially skilled labor will be a focal point of my tenure on the SEMA Board of Directors. I will be a champion for the small business owner and continue to represent them in every decision. The Hot Rod Industry will be a community that I will rely on for two-way communication and support.

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

We have the crown jewel, the SEMA Show that brings thousands of like-minded individuals together each year. We now need to engage with these people the other 360 days a year. SEMA is a dominate brand and we need to demonstrate this brand at shows throughout the year.

#### Part 5 - About You

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 am passionate about service to our great industry. My financial expertise combined with my entrepreneurial spirit will continue to be an asset to the organization.

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

Simply, I want to continue to pay forward the blessings that have been bestowed upon me by this incredible industry. I have dear friends, customers and associates that rely on a sustainable and vibrant industry and will do all in my power to build on that for the future.

16. Understanding how our board candidates work significantly improves the selection process. Please provide us the names and contact information for three people we can speak to in order to gain perspective about you.

Name: Lirel Holt Company: HEMP

Relationship to you: Mentor

eMail: lirel.holt@poweredbyu.com

Phone: (913) 226-8982

Name: Doug Evans

Company: High Performance Advisors Relationship to you: Business Acquaintance eMail: Devans@highperformanceadvisors.com

Phone: (863) 557-1913

Name: Dennis Wellner Company: Retired

Relationship to you: Fellow Board Member – Kansas City Automotive Museum

eMail:dennis.wellner@populous.com

Phone: (816) 679-6495