



Bob Nuss

Of The Nuss Truck Group

Truck Dealer of the Year Finalist

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His roots in the parts and service departments and willingness to take risks have helped Bob Nuss, president, The Nuss Truck Group and 2010 ATD Truck Dealer Of The Year finalist, remain successful through the industry's ups and downs. The Nuss Truck Group currently consists of seven locations in Minnesota and Wisconsin representing Mack, Volvo, Isuzu and UD trucks and Volvo construction equipment.

Successful Dealer spoke with Nuss on a variety of subjects. Here are excerpts from our exclusive interview.

SD: What is it like being a truck dealer during these current economic conditions?

Nuss: We are dealing in economic times that are so dramatically different than all the years we have been in business. I think we are working harder than we ever worked. You've got your pedal to the metal, full throttle all day long. I feel like a NASCAR driver. Everyday your foot is to the floor; you have to operate that way. Not that you have your foot on your employees because you also are trying to empower your people to take care of the customer first.

Not everybody can do it. Very few people have the stomach to do the things we as dealers do—the risks we take, the amount of inventory we carry, the debt and the amount of things that flow through our businesses.

But it has been a great ride over 30 years to really grow the business and I think that is what it is all about. And you have to remember that every time you acquire a store or start another store from scratch does not mean you are getting to pocket a bunch of money. You really are giving people opportunities and I think that is what gives you the smile and what keeps you in it.

When you lose the incentive to improve your delivery or lose your basic enthusiasm you probably ought to think about finding something else to do.

SD: What do you see short term for the industry?

Nuss: The economy is slowly coming back and customers are starting to recognize the need to replace equipment. The average age of U.S. fleets has gained another two years. Trucks will have to be replaced; they do wear out. You can't run them two million miles and rely on them every day.

I think too that customers are going to embrace the

new technology. The engines that we are selling are exactly the same engines we had in 2007 with the addition of SCR. I think as customers look around the world they will see SCR being used successfully in Europe.

SD: What is your business philosophy?

Nuss: Our philosophy is to grow our business and to keep a sense of humor while we are doing it. We have a slogan that goes back to the early '80s: Commitment, Quality and Service. We tell our people you have got to have the commitment. You have to maintain your quality and you have to give good service. With everything we do we think about quality, service and growth. It is not about how much more money you can make or how much you can charge. If you are committed to good service the customers and the money—as well as the profit—will follow.

I think we have made some bold moves that have taken on additional risk and we continue to do that. That has been part of our strategy. We are risk takers.

SD: What was your best business decision?

Nuss: Our best decision is to continue to grow, to give good service and take the opportunities as they come along. I think we were among the first dealers to have multiple service points. In order to service a market, you have to have multiple service points. We actually grew in reverse to a lot of dealers. We started out in smaller cities and then made the decision in 2001 when the opportunity came up to acquire RDO Truck Equipment, a publicly traded company, we made the decision to buy it and we grew our business 60 percent in one day.

In 2008 we made a \$20 million investment between an acquisition, getting into the construction equipment business and putting a new dealership in St. Cloud [Minn.]. That was about the time the economy was going into a dramatic free-fall related to the credit meltdown.

About The Nuss Group

Founded: 1973

Locations: Burnsville, Duluth, Mankota, Rochester, Roseville and St. Cloud, Minn., and Eau Claire, Wis.

Brands: Mack, Volvo, Isuzu, UD

Number of Employees: 235



The Nuss Truck Group operates out of seven locations in Minnesota and Wisconsin. Pictured here is the Rochester, Minn. facility.

SD: What do you see as the strengths of your dealership?

Nuss: Our strengths are parts and service and the service support we give our customers. Plus the fact that we have been in business for 30-plus years, which gives us the experience and breadth and depth. We are located in multiple cities. If you are trying to serve a market in a several hundred mile radius out of one location it becomes very difficult. We took the strategy to grow our business one store at a time and we have a lot of patience. I think the patience has paid off. We broadened our base in the market. We have got an identity and we are recognized as leaders.

All of our stores now operate as Nuss Truck & Equipment. Because of the multiple brands we sell, we had to identify our own dealership brand.



A location in St. Cloud, Minn. was added to the dealer group in 1997. Today Nuss sells Mack, Volvo, Isuzu and UD trucks as well as Volvo construction equipment.

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Roseville, Minn. is the latest addition to the Nuss Truck Group. The dealership location was added in 2001.

SD: What is unique about your dealership?

Nuss: I grew up in the parts business. After I had a degree I spent four years running the parts end of the business. I am probably one of only a few dealer principals who have come out of the parts department.

I think that is unique and that helped us as we grew these small branches. The first thing we looked at was how can we service customers. We knew if we took care of them with parts and service that sales would come after that. I think a lot of dealers may take the approach of let's just go sell trucks and parts and service will come afterwards. I believe if you do not build the infrastructure upfront for customers you will have a lack of trust of what your strategy is.

SD: What are some of your challenges?



The Nuss Truck Group established a corporate office and centralized some management functions like human resources, accounts payable, account receivable and planning.

Nuss: Continuing to give a level of excellence. As you get bigger it becomes harder to give the same level of service you gave when you had one location and 20 people. When you are 10 or 12 times bigger than you used to be how do you reach every customer and give them the same level of service you did before?

As you get bigger, one of the things you are faced with is the empowerment of your people and making sure you pass your philosophy of customer service to them.

SD: What is your vision for the future?

Nuss: Our focus is to grow and expand the locations we already have and diversify the base of business we have. It is hard to stay the same size. It is risky to continue to grow, but I don't think you really have a choice.

We have looked at expanding our lines, but there is a point where you can't take on every truck line that comes along. You have to figure out where your core businesses are and do a really good job at those businesses.

SD: At this point in your career what do you see as your role?

Nuss: My job right now as a 65-year-old dealer is to ensure that the business transitions. As you look around dealerships, a lot of them are family owned, it is really important that we transition to the next generation and beyond. Our employees know what our strategy is and that we are looking to transition the business and maintain what we are doing.

My sons Greg and Brad are not only involved in the business but serve on dealer councils as well. ■