

# ABAC NEWS

**JAN-FEB  
2015**

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*The Official Newsletter of the Auto Body Association of Connecticut*



**Tony Ferraiolo**  
**A&R Body Specialty - ABAC President**

*It Starts with Education . . .*

As I sit here today and write this report, I'm wondering who among us is feeling calm and relaxed at work right now. Not many I presume. With winter storms hitting us every week, there should be no lack of work in this industry. How we handle the work, however, is going to determine how successful we ultimately become. If you're one of the few that extra work simply represents a burden rather than a blessing, then good luck to you. But for most of us, we're finding ourselves overwhelmed.

But I think this is the time to shine. We need to service our customers, knowing that each satisfied customer will bring back more customers. Who knows what the rest of this year will bring us. So we need to capitalize now by doing great work and providing great customer service. Create a plan in your shops to produce work efficiently and profitably. It's no surprise to anyone in this business that our shops are systematically underpaid. There's no margin for error. One tool to stay in business is creating systems for efficiency and working smarter. And, it's not enough to sit around and complain that you're not being compensated fairly or completely.

That's why I would encourage you to learn and understand what rates you should charge for your shop based on a thorough analysis with your accountant. If you are going to provide a service to your customer, you have

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to first know how much it is costing you to provide that service. And you need to account for a reasonable profit on that service. There is a cost to running a business, which is unique to each shop. That cost will include overhead expenses, employee salary and benefits, equipment purchase and maintenance, insurance, and so forth. Together with your accountant, you can arrive at a labor rate that fits your business.

We are going to be discussing the issue of working with accountants and other efficiency steps you can take to help improve your business at the March 10 ABAC Membership meeting at The Country House in East Haven. We will have a CPA on hand to discuss important issues and address questions. The ABAC will also feature speakers to address a variety of other topics that affect our industry. This informative and interactive town hall style meeting is a must attend for shop owners and managers. Educating the front office is as important – and sometimes more important – than educating your technicians on the latest tools and techniques. I think we all want to see this industry get away from insurance pressure and influences on repair standards and practices. We need to take back this industry. I think we do that through education and conducting ourselves like true professionals. And we can't forget who our customer really is and who we ultimately serve.

I hope you will attend the March Meeting. Bring questions! And hopefully when you leave, you will return to your shop more efficient, effective and profitable. Look for the ABAC Meeting flyer for more details. Until then, capitalize on this winter and your summer will be that much sweeter.

*Tony Ferraiolo* – ABAC President

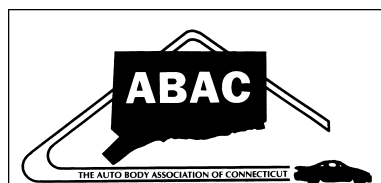
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# Estimating the Aluminum Repair

*By: Larry Montanez*

We have all heard all the talk about the new aluminum because of the 2015 Ford F-150. But to tell you the truth, aluminum is not new. What is new is that it will be the first time a mass-produced vehicle from an American company will be constructed from aluminum. It is funny how history repeats itself. Back in 1979, the collision repair industry was in an uproar over the monocoque design coming to an American mass-produced vehicle, the 1980 Chevrolet Citation. Although the monocoque design was going to be new to the 90 percent of American collision repair facilities, it was not new to the US. As far back as 1917, Nash Motors and 1922 Lancia Lambda vehicles utilized the monocoque design. Through the 1930s, other companies like Cord started to use this design. In the 1950s, Mercedes-Benz introduced the W120 body, called the 180, their first monocoque that was mass produced in Germany. In the 1960s Ford produced the Lincoln Continental (at the time the largest and heaviest monocoque), and during the Japanese invasion (late 1960s and 1970s) the monocoque design employed to the masses outside the US. So by 1980 it was not new, but it was new in the US. This is the main reason I-CAR was formed — to teach the masses about this design and how to repair it. Now we return to the present and the same thing is happening again.

The first aluminum sports car was unveiled at the Berlin Motor Show in 1899. As far as a mass-produced, non-sports car, aluminum-intensive vehicle, the 1994 Audi A8 with the Audi Space Frame (ASF) is considered the first. Followed by the Acura NSX, Jaguar XJ and XK, Audi R8 and TT. Last year Land Rover jumped into aluminum-intensive design. GM has claimed that the 2018 Chevrolet Silverado and GMC Sierra will be aluminum intensive bodies with HSS steel full frames. I was lucky to be involved with the Audi Aluminum program from its infancy and have been through all the trials and tribulations surrounding aluminum repair.

Aluminum can be very difficult, if not down right impossible, to work with, and it is not because it is hard to repair. It is difficult because of human nature toward change. Aluminum is very different from steel, and we must change the way we think when repairing it. And as we all know, a large percentage of humans do not like change. Aluminum vs. steel repair can be compared to the lacquer vs. urethane and urethane vs. waterborne refinishing processes. Many facilities remember difficulties with the change to urethane, and those who don't know all too well the issues of changing to waterborne. Aluminum is not hard or difficult, just very different.

## **Damage analysis**

First and foremost, the kink vs. bend rule does not apply to aluminum, just as it does not apply to advanced high strength steels (AHSS), such as Martensitic steels and Boron alloyed steels. If an aluminum structural component is kinked or bent, it will be replaced in most cases. For outer panels, most of the deformities will not be repairable when compared to steel.

There are three types of aluminum component designs you will see:

**Sheet aluminum**, which is formed just like sheet steel, where sheets of the aluminum material are stamped in to shapes such as apron panels, pillars, rockers and outer panels. They can be used for cosmetic and structural body components. Some of these components may be repaired, such as outer panels and certain select structural components. Damage indicators are, but not limited to, deformities, visual fractures (cracks) and tearing. They can be riveted, rivet-bonded, bonded and rope hemmed flanged, flow-drilled, clinched or MIG welded.

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**Aluminum extrusions** are similar in design to the hydro-formed steel components we see on late-model steel vehicles. Extrusions are only used for structural components — to form inner reinforcements on pillars, inner roof rails, uni-rails (frame rails), frame rails (Corvette ZR1/Z06), suspension cradles and structural cross members. Generally they are not repairable. Again, damage indicators are, but not limited to, deformities, visual fractures (cracks) and tearing. Aluminum extrusions can be riveted, rivet-bonded, bonded, flow-drilled or MIG welded.

**Aluminum casts** have multi-thickness variations and generally rough surfaces. Cast components can only be used to make structural components — structural pillars, structural cross members, reinforcements, cradle support ends and strut towers and are never repairable and must be changed. Damage indicators will generally be very obvious and would include visual fractures (cracks) and tearing, but surprisingly, cast is ductile and will bend a great deal prior to fracturing. The amount of ductility a cast component has is dependent on the alloying agents and type of casting process utilized. Cast aluminum will almost always be MIG welded, but you will see other components attached with flow-drill screws.

Damaged aluminum intensive vehicles will require pre-measuring, just like steel vehicles. The importance of pre-measuring is to determine if there is collateral misalignment, which in the case of aluminum is generally unreparable. Ford does allow some realignment for collateral damage. Conversely, most of the other OEMs say no realignment to damaged aluminum structure. So how do we inspect a collision damaged aluminum intensive vehicle? It is not really different from inspecting a steel vehicle, but there are some special operations. The first and most important step is to check with the dealer or OEM to find out if the vehicle is restricted or not. If the vehicle is restricted, it means the OEM has restricted the sale of structural components to only certified collision repair facilities — you would then have to send the vehicle to one of these facilities. If the vehicle is not restricted, then follow these steps:

1. Wash the damaged vehicle to remove all grease, grime and dirt. This is not only the first step prior to the commencing of any repair procedures; it will also ensure that no contaminants enter your spray booth.
2. Examine the entire vehicle by walking around it. Always start in the opposite corner or side away from the point of impact. This will make you start in areas where damage would not be anticipated and work into those areas where damage is anticipated.
3. Look at all panel gaps for symmetry. If any misalignment is found, take notes and inspect further to discover the root cause of the misalignment. With aluminum, this misalignment can sometimes be difficult to discover without measuring and some disassembly.
4. Operate all closure panels for proper operation. If any component is found to be inoperative or operates unacceptably, take notes and inspect further to discover the root cause. Remember with aluminum components, such as door assemblies, the door shell may have been deformed and the pillar may have sustained damage too.
5. Enter the interior of the vehicle. Check steering wheel position and operation (including tilt and telescopic). Statically test all seat-belts (“thump test”), buckle and unbuckle them, check the operation of seats and inspect seat tracks. Take note of any issues.
6. Take quick measurements of the wheel positions. For the rear wheels, measure from the rear lower edge of the rocker panel to the center of the wheel on the left and right side. For the front wheels, make sure the steering wheel is centered and the front wheels are straight, and then measure from the front lower edge of the rocker panel to the center of the wheel on the left and right side. If any mis-alignment is noticed, take notes. This is especially important with four-link suspension vehicles.

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7. If no misalignment is discovered, skip to Step 11. If misalignment is discovered, go to the next step.
8. Place the vehicle on a two--post lift, remove any undershields and visually inspect the undercarriage. Obtain the vehicle measurements from the OEM and/or an information provider's repair data, and use a tape measure and/or tram gauge to verify the measurements of the vehicle. If any misalignment or deviation from the specifications is discovered, take notes and then prepare the vehicle for three-dimensional measurements on a two--post lift or realignment apparatus. If no misalignment is discovered (taking into account the severity of the sustained damage, the description of the collision event and the function of the damaged components), then the vehicle might be a candidate for a non-structural repair, commonly referred to as a fast-track repair (Skip to Step 11). If misalignment is discovered, go to the next step.
9. Disassemble the vehicle as necessary. Place the vehicle on a two--post lift or structural realignment apparatus (SRA) and measure the vehicle with an electronic three-dimensional measuring system.
10. Measure the vehicle completely to ascertain the root cause of the misalignment discovered during the quick-check process. Once the root cause of the misalignment is discovered, determine the proper repair processes, according to the OEM, to correct the misalignment. Generally with aluminum intensive vehicles, this will either be full component replacement or sectioning may be allowed.
11. Fully disassemble the vehicle as necessary, in preparation for parts ordering and repairs.
12. Protect and store all reusable components.
13. After the triage of the vehicle (diagnosing), have the damage assessor, parts manager, shop foreman and structural repair technician meet to discuss the repair plan and review the required OEM repair procedures, materials and components. After all parties understand the repair plan, notes should be written on the vehicle (with water-based markers) commonly known as "blueprinting."
14. Now store the vehicle, as no repairs should be attempted until all replacement components and materials arrive. Ensure all openings are sealed and covered.

By following the above analysis steps, you ensure that you have:

1. Prevented overlooked, hidden damage and damaged components
2. Ensured all OEM protocols are adhered to and discussed
3. Determined if a vehicle is a total loss or not, up front
4. Lowered your overall cycle/touch times
5. Increased your technicians' efficiency/production output
6. Increased your net profit by eliminating the waste

Although the above triage and blueprinting procedures will assist your facility in diagnosing sustained damage, you will need some additional, and very important, information. The damage assessor(s), foreman and technicians will need a full understanding of the following for an aluminum intensive vehicle:

1. Vehicle design engineering
2. How a vehicle is constructed — sheet, extrusion and/or cast
3. How it is designed to react in a collision event
4. How collision energy travels through the vehicle
5. Which components are designed to deform or transfer energy
6. Mechanical and electrical component operation and diagnosis
7. Vehicle joining methods and materials (rivets, rivet-bonding, clinched, MIG welded)
8. Steering and suspension operation and diagnosing
9. OEM repair protocols and position statements and how to interpret the information

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If we all thought this way, there would be fewer mistakes during diagnosis. Adopting these SOPs will make our assessments easier for steel vehicles, but is paramount for aluminum intensive vehicles. The most important thing in the diagnosis assessment is knowing what is actually damaged. The only way to know the amount of sustained damage is through a thorough triage and blueprinting process. We must rise to the level of professionalism required to repair today's advanced- engineered vehicle designs and must possess advanced training though education and hands--on work experience. Repair facilities must purchase the proper equipment and computerized programs necessary to ensure the vehicle can be diagnosed and repaired correctly.

### **Judgment times**

All of the certified aluminum programs require specific structural repair apparatuses. Celette is the most required, followed by Car-O-Liner and then Globaljig and CarBench, which round out the top four manufacturers. Chief is only on the Ford program and cannot be used on any other certified aluminum collision repair program. Currently there are no other structural repair equipment makers on the programs, although I know Spanesi is in testing now for a few OEM programs. Set up on this equipment can be four to eight hours for an aluminum intensive vehicle, depending on the extent of sustained damage. You may also see no realignment time at all (pulling), as most of the OEMs prohibit realignment. However, Ford allows some realignment for collateral damage. For outer panel damage, if repairable, times can be three to four times the amount of time for similar damage to a steel panel. Only through training and education will you be able to determine the amount of time required to repair aluminum. As with steel vehicles and the ROI for the training, education and purchases to repair steel vehicles, you will also need to adjust your labor rates for aluminum vehicles.

I hope this article, the first of a six part series, has helped you understand some of the differences with assessing damage to aluminum intensive vehicles. This is an overview, and we will delve deeper into each area in our following articles throughout the 2015 year.

As always, if any questions arise, please feel free to contact me.

Larry Montanez

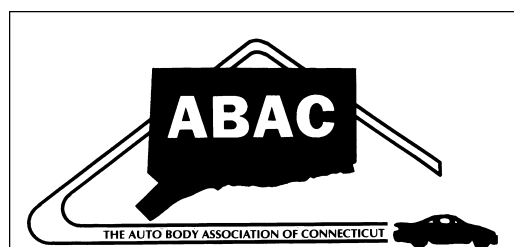
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## Abandoned Motor Vehicles

### John Parese, Esq.



Here's one for you. Customer hits a tree or something. Car gets towed to your shop. Turns out to be a total loss. Car's ACV is about \$1,500, and its salvage value is about \$50. The insurance company takes a couple of weeks to do its thing, and finally comes around to square up the bill and get the car. But, the company is not willing to pay your bill in full; instead offering something closer to 20% of your bill. Whoa. That is NOT cool. But, no problem you think: I got the car. I'm all set. So you politely decline the offer and suggest that maybe the adjuster consider going off and making a bit of love to himself, or something along those lines; which then results in the following.

The company pays its insured for the loss, and the car is then abandoned on your premises. Double not cool. Can they do that? Just dump their car on your premises. Isn't that illegal or something?! There are probably a few common law claims that would arguably speak to this type of conduct, but the most on point authority appears to be a state statute:

*Any person who abandons any motor vehicle . . . upon property other than such person's own without the consent of the owner thereof for a period longer than twenty-four hours shall have committed an infraction and shall be fined not less than eighty-five dollars. The last owner of record of a motor vehicle found abandoned, as shown by the files of the Department of Motor Vehicles, shall be deemed prima facie to have been the owner of such motor vehicle at the time it was abandoned and the person who abandoned the same or caused or procured its abandonment. General Statutes § 14-150.*

When there's no point in filing for an abandoned title with the DMV (because the car has little or no value), the shop owner's options are limited. While you always have the right to bring a claim against your customer (provided all appropriate steps were taken), most shop owners would prefer to go after the real culprit, the insurer, for the unpaid services. Looking to General Statutes § 14-150, however, can infuse some doubt into the viability of a claim against the insurer. In other words, if the law is considering that the "last owner of record . . . shall be deemed prima facie to have been the owner . . . and the person who abandoned the same" that would seem to suggest the abandoner is your customer, not the insurer who probably never took title. Thus, arguably the statute contemplates that any abandonment claims would need to be brought against your customer.

But wait a minute, what the f- does "prima facie" mean? Good question. Prima facie essentially means: on the face of it, or at first sight. So to me, that means that evidence can be used to rebut the presumption. Thus, under these unique circumstances, it may just be more logical to conclude that the insurer is the actual perpetrator of the abandonment and could and should be liable for damages caused by its affirmative actions. This interpretation seems to fit within the statutory purpose and would hopefully be viewed as such in the context of any common law claims as well. But unfortunately, there are enough shades of gray in this thing to make even Tommy Bivona blush.

Here is what I would suggest. Every time this happens, shop owners need to file complaints with the Department of Insurance. If for nothing else, then to document the practice. And if insurers continue to abandon vehicles like this, there should be serious consideration given to filing lawsuits.

Stay warm, my friends!

***John M. Parese, Esq. is a Partner with the law firm of Buckley & Wynne and serves as general counsel to the ABAC. Buckley & Wynne maintains offices in New Haven, Hartford and Stamford, and services clients throughout all of Connecticut. The opinions set forth in Attorney Parese's articles are for education and entertainment purposes only, and should not be construed as legal advice or legally binding. If you have any questions or concerns about the content of this or any of Attorney Parese's articles, you are encouraged to contact Attorney Parese directly.***

# CNN Report Highlights Poor Quality Parts and Repairs, Body Shop Lawsuits against Auto Insurers

*Collision repair industry reacts to Anderson Cooper 360 segment in prime time warning of unsafe repairs due to poor quality parts and repair work. Antitrust lawsuits against insurers detailed.*

Viewers of CNN's Anderson Cooper 360 segment broadcast last week were exposed to the controversies surrounding insurance company referral programs, parts choice and collision repair quality that, according to collision repairers interviewed for the segment, along with two current state Attorneys General, a U.S. Senator, could lead to dangerous repairs.

Introducing the segment, Anderson Cooper told viewers that more than 500 auto body shops allege insurance companies skimp on repairs to pad their profits. The report by CNN's Senior Investigative Correspondent Drew Griffin detailed allegations by several collision repairers who are plaintiffs, as well as the lead attorney, in the antitrust suits brought against more than 30 insurance companies that have been consolidated for pretrial proceedings in the U.S. District Court for the Middle District of Florida.

Yesterday, *CollisionWeek* reported on the amended complaint filed in *A&E Auto Body, Inc., et al. v. 21st Century Centennial Insurance Company, et al*, one of more than 20 antitrust suits pending in Florida.

The report included interviews with both Buddy Caldwell, attorney general of Louisiana, and Jim Hood, attorney general of Mississippi, as well as former Connecticut Attorney General and current U.S. Sen. Richard Blumenthal.

In August, Caldwell's office filed suit against State Farm alleging the insurer has engaged in a pattern of unfair and fraudulent business practices aimed at controlling the automotive collision repair industry and forcing unsafe repairs on vehicles without the knowledge or consent of Louisiana consumers. That suit, against the objections of Caldwell's office, was transferred to Federal Court and consolidated with the other antitrust suits. In the report Blumenthal stated "The practice of steering involves jeopardy to the consumer because of the concern about parts." Blumenthal, as well as Caldwell raised concerns about salvaged or "junk" parts as well as the quality of aftermarket parts and possible counterfeit parts.

"Salvaged parts, inferior or even counterfeit parts certainly raise safety concerns." said Blumenthal. "And often those kinds of parts are involved in this practice of steering."

In 2009, when Blumenthal was the Attorney General of Connecticut, he asked the Department of Justice to investigate the practice.

Hood alleged that shops that complain to the insurers are treated harshly, won't be put on referral lists, then will be made to submit multiple estimates as punishment. "They [insurers] use their economic power to grind down working people," said Hood.

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The report then showed several examples of poor parts quality, including recycled, remanufactured and after-market parts.

In response to a request for comment about the report from *CollisionWeek*, Jack Gillis, executive director of the Certified Automotive Parts Association (CAPA) acknowledged the concerns about aftermarket parts and how his organization seeks to eliminate those problems.

"The bad news: we all know that substandard parts exist in the market. The good news: CAPA's independent, fully transparent, non-profit, standard setting and certification program enables shops, insurers and part distributors to identify high quality, safe, and good fitting alternative parts," said Gillis. "Because neither shops nor insurers can identify quality alternative parts by looking at them or depending on seller's claims, CAPA provides the market with the ability to make an informed and quality choice. Shops and consumers want repairable vehicles without compromising quality, CAPA provides that option."

Bob Frayer, Global Managing Director Automotive for NSF International, whose organization also certifies aftermarket parts said, "I am not surprised that CNN found both bad parts and bad repairs alike in the market. This is the very reason why NSF created the NSF Automotive Aftermarket Parts Certification program and is so actively engaged in the collision repair market. Consumers now have a choice as the number of NSF certified parts has grown and the need to use a non-certified aftermarket part has continued to decline."

Automotive recyclers also raised concerns with how the report portrayed recycled parts.

The Automotive Recyclers Association (ARA) is very disappointed with what they believe is a lack of balanced reporting in the CNN segment. According to ARA, the reuse of original equipment (OE) automotive parts harvested from total loss vehicles is a \$32 billion dollar industry in the United States.

ARA states that the labeling of quality, recycled automotive parts as "junkyard" parts is a misleading characterization that does a disservice to consumers. Each day, over 500,000 recycled OE parts that were designed and built to meet the manufacturer's requirements for fit, finish, durability and safety are sold in this nation.

ARA's CEO Michael E. Wilson stated, "It is regrettable and surprising that the producers responsible for this segment did not sufficiently do their research about our industry and the critical role the recycled OEM automotive parts play in the market. It is very disappointing that CNN did not contact ARA, the international organization representing 4500 professional automotive recyclers to provide the much needed perspective that this segment seriously lacked."

Even vehicle manufacturers acknowledge the reuse of parts as an important part of the sustainability of the automotive industry. In 2012, the ARA produced a brochure in conjunction with the Alliance of Automobile Manufacturers and the Institute of Scrap Recycling Industries that explained the benefits of both the reuse of parts and recycling of materials from vehicles at the end of their useful life.

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## Insurance Response

The CNN report included an interview with Neil Alldredge from the National Association of Mutual Insurance Companies who countered the arguments of the Attorneys General, Senator and repairers stating that it wasn't in the economic interest of the industry to foster low quality repairs. He also stated that consumers have the right to choose the repair facility they use.

State Farm supplied *CollisionWeek* with the response it provided to CNN that said in part:

*The allegations in the lawsuit filed by the attorney-general in Louisiana are not in line with State Farm's mission to serve the needs of its customers, and our long, proud history of achievements in advancing vehicle safety. Here is a link to State Farm's safety history: [GoodNeighbors.com](http://GoodNeighbors.com)*

*Our customers choose where their vehicles are going to be repaired. We provide information about our Select Service program while at the same time making it clear they can select which shop will do the work.*

*A vibrant, profitable auto collision repair industry is in the interest of State Farm. At the same time, we are advocates on behalf of our customers for reasonable repair costs.*

*We believe repairer profitability and quality auto repairs that are reasonably priced can both be achieved. State Farm is a defendant along with dozens of other insurers in the litigation relating to issues that have been raised by some auto body repair facilities.*

*We want you to know that State Farm has excellent working relationships with thousands of body shops across the country, and that they are serving millions of our customers who consistently indicate their satisfaction with our handling of their claims.*

In response to last night's broadcast State Farm released a statement saying, "We are disappointed that CNN did not choose to report what you have already reported, that all of the counts in the multi-district litigation in Florida that are specific to the state of Florida have been dismissed twice, although the court has permitted the Florida plaintiffs a third chance to replead. Moreover, a Magistrate Judge has recently recommended to the District Judge that the Mississippi complaint also be dismissed. We did make CNN aware of those rulings."

The Insurance Information Institute (III), a non-profit communications organization supported by the insurance industry and headquartered in New York City raised concerns with the accuracy of the report and reiterated many of the points made by Alldredge.

"Obviously, we don't believe the show accurately represented the insurance industry," said Michael Barry, vice president of media relations for the Institute in a telephone interview with *CollisionWeek*. "Insurers have a very high interest in putting repaired vehicles in a safe condition. It's the right thing to do and after all they continue to insure those vehicles and the people inside them."

Barry continued, "I would add that it is important to note that at all times consumers can choose what center to repair their vehicle. Regulations covering insurance company referrals, and what can or cannot be said, vary from state to state."

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Barry also drew attention to the need for consumers to understand that their insurance policies, as mentioned in the report, will usually state specifically that recycled and aftermarket parts may be used in the repair of their vehicle so it is important for consumers to read and understand the policies they purchase.

## **Repairer Response**

Beyond the concerns about parts, the report detailed the experience of Eugenia Randle, a single mom with a two year old son, who accused Progressive Insurance of steering her to one of the insurance company's DRP centers owned by Service King. The report detailed problems with the repair work revealed in a post-repair inspection of the car and included a test drive and impressions of the reporter.

In response to a question from *CollisionWeek*, Service King Collision Repair Centers, identified in the segment as the shop that performed the repairs stated, "Superior workmanship, first-rate customer care and safety are the cornerstones of the Service King business and every vehicle repair that enters our facilities - from start to finish. Service King locations are I-CAR Gold Class Certified and all repairs are backed with our written lifetime warranty. We continue to earn the trust of our customers and insurance partners each day and take pride in our position as an industry leader in safety, service and quality workmanship.

The response continued, "Service King stands behind our statement to CNN: *Service King Collision Repair Centers takes the safety and satisfaction of our customers very seriously. Service King Collision Repair Center in Jackson, MS performed insurance paid repairs on Ms. Randle's vehicle as a result of an automobile accident. Any damage outside of the insurance claim would require customer authorization and payment.*

*Service King backs all repair work with a written, lifetime warranty. Any defects in Service King's workmanship are corrected free-of-charge at any Service King location across the country. In Ms. Randle's case, we were not made aware of any concerns with the Service King repairs and were not given the opportunity to make corrections, if needed, after the vehicle was delivered.*

Regarding the show's portrayal of the collision repair industry overall and its relationship with the insurance industry Aaron Schulenburg, executive director of the Society of Collision Repair Specialists, responded to *CollisionWeek* with a statement that supported the message the show delivered and that the market is broken and does not serve consumers. The statement read in part, "It is important to recognize that there are both "good" and "bad" market representatives in every trade and profession. It would also be inaccurate to make the assertion that simply because a collision repair business works with an insurance company that they must be performing sub-par work. What the newscast helped to highlight, was that the system is broken, allowing those with the financial responsibility to indemnify for loss to interject themselves into influencing price and thereby the process and/or quality of services provided."

The Alliance of Automotive Service Providers stated, "We are pleased that an organization like CNN has taken on this investigation. While the overall theme of the piece was largely correct, AASP believes that there were certainly inaccuracies and omissions within it. Nevertheless, it's good to see that more parties from outside of our industry, from the press to attorneys and government officials, are bringing many of these longtime issues to light. Our hope is that the increased attention on the dubious behavior of market-dominant insurers will create pressure for them to get back to the business of insurance and leave repair decisions, parts selection and

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Legislative Director

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other aspects of collision repair in the hands of the repair professionals who are trained and qualified to do so. Safety and quality should remain at the forefront of every repair.”

Dan Risley, president and executive director of the Automotive Service Association stated, “While the quality problems detailed in the report are troubling, the CNN report unfortunately gave the impression that only one segment of the collision repair industry, direct repair shops, produce poor quality when we know a blanket statement like that is untrue. It’s the responsibility of all professional collision repair organizations to produce high quality, safe repairs for consumers regardless of the participation in a referral program.”

“Ultimately, individual part choice is the responsibility of the repairer and if they are not satisfied with the part they receive they must work with their supplier, and the insurer, to make sure they have the parts they need to deliver a quality, safe repair. Each and every day tens of thousands of collision repair professionals do just that and deliver thousands of high quality repairs to satisfied consumers,” Risley concluded.

*Source: [www.collisionweek.com](http://www.collisionweek.com)*

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