

ABAC NEWS

**MAY - JUNE
2011**

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The Official Newsletter of the Auto Body Association of Connecticut

ABAC Annual Meeting Draws Huge Support From Members

Hybrid Education Collision Seminar & “Live Feed” on Facebook are Main Features



An unprecedented crowd of over 160 Collision Repair owners, vendors and guests were in attendance on Tuesday May 17th, for the ABAC's Annual Meeting.

ABAC Board Of Director Bill Romaniello opened the meeting by welcoming everyone to the Chowder Pot Restaurant in Hartford and for taking the time to come out and invest their time for their businesses. A reading of the Anti-Trust Disclaimer by Romaniello was followed by his introduction of ABAC President Bob Skrip.

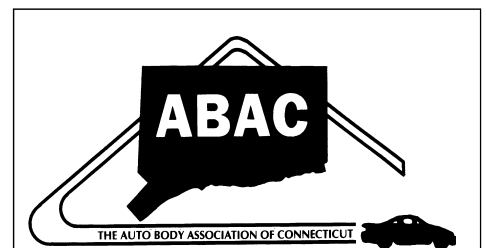
Skrip's first announcement was that on this night the ABAC was going “national” with a live feed

on Facebook and Twitter! This “live feed” was provided by Chris Sheehy of ACG, Automotive Consulting Group. Said Skrip, “We've contacted ABRN, we've contacted SCRS and others” to let them know about the live feed from this event. (During the evening, Bob Skrip received a text message from SCRS Executive Director

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Aaron Schulenburg stating, "I can't believe you guys (the ABAC) are leading the way again," concerning the live feed!)

Bob then covered the agenda for the evening:

- ◆ **ABAC Election of Officers**
- ◆ **An opportunity to talk with Representatives in attendance from local Connecticut Technical Schools concerning graduating students that will make great entry-level technicians!**
- ◆ **Presentations from General Motors Representatives on their parts programs as well as educational info on hybrid technology.**



(L-R) President Bob Skrip, 1st Vice-President Tony Ferraiolo, Treasurer Mike Wilkowski, Secretary Mark Wilkowski

Skrip then introduced ABAC Membership Committee Chairman Mike Wilkowski who announced the Election of Officers. Votes were cast and the 2011 Elections were recorded. The results:

- ◆ **President: Bob Skrip – Skrip's Auto Body - Prospect**
- ◆ **1st Vice-President: Tony Ferraiolo – A&R Auto Speciality – Wallingford**
- ◆ **Secretary: Mark Wilkowski – Stanley's Auto Body – Waterbury**
- ◆ **Treasurer: Mike Wilkowski – Stanley's Auto Body – Waterbury**

Moving on to our General Motors Presentation, Bob Skrip said, "With the help of Richard Chevrolet, who got in touch with GM. GM was more than happy to join us for this evening to pass on some very valuable information and education". With that said, Skrip introduced Jeff Shaw, GM Specialist for Wholesale Collision, Powertrain and Performance Parts, Northeast. Jeff touched upon the GM Price Match "Bump the Competition" program for

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collision repairers. Said Shaw, “90% of the crash parts that are sold in the U.S. for GM are on this program”. Jeff also talked about the “Fast Cash” program for those qualified parts that are on the “Bump the Competition” program and are eligible for a \$15 Rebate! All of this information was provided in a “hand-out” folder, compliments of Richard Chevrolet.

Jeff then called upon our feature guest presenter, Jim Mickle from General Motors, who gave us a complete in-depth” educational presentation on Hybrid Technology.



Did you know:

- ◆ Professional collision repairers have a direct hot-line to GM repair information? Call 866-453-4123
- ◆ Some voltage wires on GM hybrid vehicles have a Fireman's Helmet label on the cable? Why? Easy identification for Emergency First Responders!
- ◆ Major retailers are planning on installing hybrid charging systems in their parking lots (to charge your Chevy Volt :) - smart phone apps will tell you when your car is charged and you're ready for checkout?

Again, most of this information was in the Richard Chevrolet handouts. Plenty of eye-opening information and education provided by GM!

YOUR ABAC: Education and informing you to help improve your business. Just by attending ONE of our education meetings will more than off-set the price of being a member! **Don't remain uninformed...join the ABAC NOW and start making changes in your future!**

ABAC President Bob Skrip then mentioned the Auto Body Association of CT Board-of-Directors had met with

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CT's Insurance Commissioner today. The Commissioner had told the Board his door is always open and encouraged an open line of communication!

At this point President Bob Skrip thanked our presenters and our valued sponsors for the evening:

- ◆ **Main Sponsor: Richard Chevrolet.**
- ◆ **Co-Sponsor: Enterprise Rent-A-Car.**
- ◆ **Our Financial Investors (Advertisers) of the ABAC News – Listed in the Advertisers Directory in this issue.**
- ◆ **Corporate Sponsors: (listed on the back page of this issue!)**

All of this was followed by a 50/50 raffle along with many donations from local dealers and vendors. The Auto Body Association of Connecticut would like to thank all in attendance and good wishes for a safe and enjoyable summer!

Submitted by Don Cushing



A Message from the desk of Bob Skrip Skrip's Auto Body - ABAC President

I want to take this opportunity to thank the Board of Directors for putting their trust in me once again to serve another year as the ABAC President. This industry is close to my heart, and I will fulfill the duties of president as best as I can.

I would like to introduce our newest board members. Ayreka Birdsall from Car Service Collision of New London, and Rich Irzyk from New Haven Truck and Body of East Haven. These two individuals have a passion for the industry, and have made the commitment to assist in the progress of The ABAC. I personally thank them both. There is room for two additional Board Members, so take the step. Call me and ask how you can become a board member, and assist us in the decision making processes that make this association move forward.

I want to share with any non-member the importance of becoming a member. Although you are always welcome to attend our quarterly meetings and receive the bi-monthly edition of The ABAC News, there is so much you are missing. The most important piece missing from your business puzzle is the daily networking the members enjoy with the board and fellow members. We learn so much from each other that is priceless, and you can enjoy it and profit from it for less than the cost of a cup of coffee a day. You will also be listed on the ever popular ABAC web site, with a direct link to your business site. The abac web site gets tens of thousands of visits per year; this is business you are missing out on because of your non-member status. We are in the process of creating a "Members Only" section to our web site that will allow members to share issues, complaints, and relative news privately amongst each other. So make the decision to become a member, I personally guarantee the value. After all, you don't know what you don't know.. Think about that for a moment, and take the first step to be one in "the know".. Send in your application to become a member, or call me personally and I will assist any way I can to expedite your status to "ABAC Member".

In early June, The ABAC made history again by bringing the Allstate supplement delay issue to light. The issue is the way Allstate handles "Their" supplements in "our" shops. Notice I said "THEIR" supplements. This news has spread far and wide. We have been taking a load of e-mails and correspondence from colleagues across the country. Hopefully, Allstate will do the right thing for their policy holders and shop owners alike and change this practice and make

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the claims settlement process more expedited and allow us to move forward to the next wreck. We feel that a four to fifteen day wait for an appraiser to view additional damage, is not acceptable. We need to create an environment in our shops that is both professional, and with the least amount of lag time. Let's get the job in, repair it, and get it out in a timely manner. That's how we are profitable. So if this delay tactic is bogging your shop down, I encourage you to fill in the complaint form supplied by The ABAC, and we will forward them to the State Department of Insurance for their review. That's one of the many jobs of The DOI, to field complaints and act on them accordingly.

Hopefully you were one of the hundred and sixty plus attendees at the recent OE Educational Series meeting at The Chowder Pot Restaurant in Hartford, featuring GM's presentation on Hybrid Technology. This seminar was brought to you by Richard Chevrolet of Cheshire. Thanks to the Richard Chevrolet Parts team. You guys are the best. Make sure to be watching for the next in the series, when Gary Danko and The Balise Auto Group sponsors a "Lean" seminar with none other than The Toyota Motor Corp as speaker/presenter. Toyota wrote the book on lean, and we can't think of a better topic for our members. This will prove to be an extremely educational meeting that I encourage you to attend.

Make sure you read this edition front to back, it's full of useful info, and when you're done; take a moment to plan a vacation this summer with the family. After all, that's all that really matters.

Have a safe summer... enjoy

Bob

What else can we do to help ourselves into the 21st century?

BY RAY FISHER

As I have seen my customer base get younger, I have also changed my customer lounge area. We now have a flat screen television, wireless Internet, bottled water and what I call the coffee and espresso department. I do not use Twitter, but we use our website and Facebook for marketing, along with texting our customers. What else can we do to help ourselves into the 21st century?

It sounds like you've already identified many things the younger generation demands from companies they want to do business with. A few other things to keep in mind: In the past our business cards used flamboyant colors or became small billboards about our business. Today, they need to be functional with the most concise contact information on them. Many young professionals use Quick Response (QR) codes, which are matrix barcodes added to business cards and other media, to retrieve contact information and synchronize their contact lists.

Although many shop owners are prepared themselves, they often forget about their front line people, like customer service representatives. It would be good to have a medium available to everyone to accomplish the information transfer. Digital signature acceptance, paperless offices and digital filing are also important to this younger clientele, but so too is data security. I recommend that you check with the data privacy laws in your state.

As we begin this transformation to additional technological advances, make sure your company follows through. One cautionary note: If you do not own your management system, database or other software, check with your provider about what happens to this information when your contract is over. Familiarize yourself with security policies, and find out whether the information simply gets deleted when your contract expires. You might be surprised with the answer.

Ray Fisher is the president of ASA-Michigan. This article represents his opinion and does not reflect the views of ASA-Michigan.



CT Auto Body Association Educates Connecticut motorists at CT Business Expo

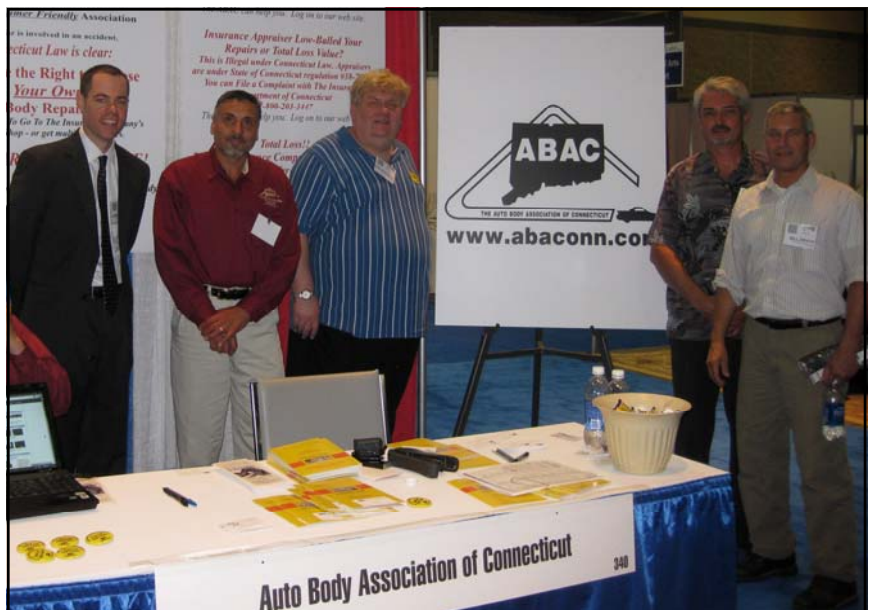


Several of the Auto Body Association's (ABAC) Board-Of-Directors participated in the CT Business Expo this June at The Hartford Convention Center to remind the 5000+ attendees of their rights to choose their own repair facility as well as introduce them to some of the consumer focused aspects that the association is concerned with; such as diminished value and the use of aftermarket parts. Numerous signs were on display promoting the ABAC web-site, and encouraging attendees to "log on" to find a member shop near them as well as further consumer info.

The ABAC website and Facebook pages (10,000+ Facebook views strong last month!) were on display; and received much attention!

While there was no actual count of the number of people visiting the booth, we do know that our stacks of literature walked away that day, and our attending members were busy all day promoting The ABAC!! All visitors left The ABAC booth with a better understanding of what to do in the event of an auto accident.

Thanks to Board-Of-Directors Bill Denya, Rob Birarelli, Treasurer Mike Wilkowski, Vice President Tony Ferraiolo, President Bob Skrip and special thanks to Attorney John Parese from the law office of Buckley & Wynne and Chris Sheehy from Autobody Consulting Group for giving so much of their time to the association that day. (Special thanks to ABAC member Governor's Auto Body – East Hartford for allowing us to commandeer a desperately needed stapler for the day!)



Because of the outpouring of questions and concerns from attendees that day, we are planning to attend the next Business Expo with a larger booth space and a few surprises as well.

Article submitted by:

Chris Sheehy

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Aftermarket Chrome Compromising Wheel Leads to \$2.75M Judgment in California

On October 11, 2006, at 6:00 a.m., Martin Nagel was driving his new 2006 Nissan 350Z northbound on the 405 freeway in Los Angeles just as LAPD motorcycle officer Steven Johnson was approaching him in the opposite lanes. At approximately 65 mph, the left front wheel of Nagel's car fractured, separated from his vehicle, flew over the center divider and struck Johnson's motorcycle.

Johnson was knocked from his bike and slid approximately 150 feet. He suffered a number of injuries to his knees, hips, arms and back as well as dislocation of two fingers, a broken finger, a right shoulder injury and an intervertebral disc injury.

Nagel had purchased his vehicle from Antelope Valley Nissan. The court established that Antelope Valley Nissan had applied after-market factory chrome to OEM wheels even though they should have known that this application could change the metallurgical properties of the wheels, including their hardness and tensile strength.

Fourteen years prior to the accident (1992), Nissan North America had issued a technical service bulletin stating that dealers should not sell OEM wheels with aftermarket chrome, but Antelope Valley Nissan had done so.

The civil case was heard in Los Angeles Superior Court in front of Judge Melvin D. Sandvig and suit was brought by law offices of Ian Herzog for plaintiff Johnson. Damages awarded were settled at \$2.75 M.

The Nissan Dealership claimed that any defects were actually the fault of other defendants who performed the chroming, stripping and plating of the wheels, and numerous parties were involved in complaints and cross complaints. Additional settlements may occur with these parties.

Aftermarket association boosts efforts on education program aimed at state lawmakers

JENNIFER NIEMELA

May 20, 2011 — In a bid to educate state legislators about the importance of the aftermarket industry, the Alliance of State Automotive Aftermarket Associations (ASAAA) has boosted efforts on a national industry education and awareness program.

The ASAAA Legislator Education and Awareness Program, which was formed in January, was a topic at the recent Automotive Aftermarket Industry Association (AAIA) Leadership Days in San Antonio, Texas. The program is intended to create a blueprint whereby state associations and industry companies can implement creative industry education tools, messages and innovative resources in their own state capitols. The program is guided by an advisory team and coordinated by a project manager.

"In state capitols nationwide industry advocates are faced with the challenge of educating legislative bodies about the value and importance that aftermarket replacement parts and service contribute to the nation's economy and the motoring public," said Gary Manke, president ASAAA. "ASAAA's campaign will arm our industry advocates and company executives with information to promote and protect the industry's interests in the legislative and regulatory processes with a consistent and unified voice."

The program has received financial support from industry companies such as AutoZone, LKQ Corp., CARQUEST, NAPA, Advance Auto Parts, Robert Bosch Corp., and Remy Power Products.

The ASAAA is comprised of 14 regional and state associations representing more than 10,000 automotive aftermarket parts, service and repair industry businesses, and brings together state association executives to network and discuss industry issues.

For more information on the ASAAA, visit asaaa.com.

ABAC Member Shop Battles for What They Deserve!

Earlier this year, a customer walked into the office of Eddie's Auto Body, in East Haddam CT because he had just hit a deer with his 2004 Toyota Corolla. The customer apologized to Eddie Lupinek (owner) for not being able to have his last collision repair done by him.

He had been involved in another accident in which he was hit by an insured policy holder from Geico Insurance. He explained to Eddie that Geico had successfully manipulated him into allowing their ARX repair shop to perform the repairs.

He was uncomfortable with the process, and was not sure whether the initial repairs had been performed correctly. The customer asked his trusted body shop owner if he would inspect the previous repairs performed by the Geico ARX shop so he would have piece of mind.

Upon inspection, Lupinek discovered the following: The Geico ARX repair shop had billed for labor operations that were not done and had also billed for parts that were not replaced on the vehicle. Lupinek assured his customer that he would take over from here and do whatever it took to correct the initial improper repairs to his vehicle.

Eddie contacted the Geico appraiser who was overseeing the ARX repair shop and explained the story to her that her shop had improperly repaired a customer's vehicle, and that he would be correcting the improper repairs and sending Geico the bill.

The Geico appraiser responded to Lupinek by stating that this should not be the way that this problem is handled, and that the customer should be brought back to the ARX repair shop to give them the opportunity to address his complaints.

Lupinek replied, "You've already bordered on illegal steering of my customer the first time to your direct ARX repair shop. I will not allow you a second opportunity to do this again. I will be repairing this vehicle correctly, and you have an obligation to pay my billing invoice."

The Geico appraiser said that she could not authorize payment of Eddie's Auto Body's billing invoice and was not in a position to do anything further. Lupinek's customer sent a letter to the Geico appraiser stating that, under the terms of the attached Geico guarantee, he was seeking a reimbursement of \$1501.91 to be paid directly to Eddie's Auto Body for repairs needed to correct improper repairs performed on his vehicle by Geico's repair shop.

He also stated that if payment was not issued promptly, he would file a complaint with the Connecticut Department of Insurance.

On behalf of his customer, Ed filed a formal complaint to the Connecticut Department of Insurance. Michael Lynch, Associate Examiner for the insurance department, contacted and received correspondence back from the Assistant Vice President of Geico Insurance from their Buffalo, NY office.

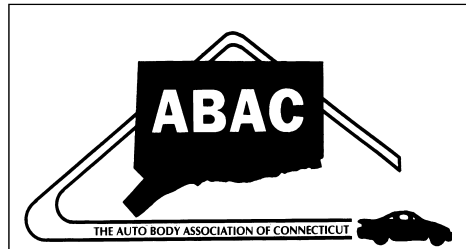
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Shortly thereafter, Lupinek and his wife Carol were contacted by a Geico Auto Damage Claims Field Supervisor. The field supervisor, after hearing the entire recap of what had gone on, stated that it was his intention to reach a fair settlement. He then asked Lupinek if they would consider negotiating their labor rate down from their posted rate. Mrs. Lupineck had a simple reply. "No. Our billing invoice is fair and is not negotiable." The supervisor understood and said he would process his report and that a check would be forthcoming. Eddie's Auto Body received the check for exactly \$1501.91 within days.

In closing, Ed and Carol expressed that they were very satisfied with the actions of Connecticut Insurance Department Examiner Michael Lynch who pursued their complaint vigorously with Geico. His efforts helped expedite the result of a fair claims settlement.

Submitted by Dave Fogarty



Connecticut Collision Repair Specialists Raises Money for Collision Students

(The ABAC recognizes the CCRS for their outstanding commitment to the future of our industry!)

The Connecticut Collision Repair Specialists Association (CCRS) recently hosted their first golf outing to raise money for Connecticut vocational students majoring in auto body repair.

Thanks to the 90 golfers that participated in the outing, CCRS will award scholarships to vocational students that are top performers in their class. The scholarships are to be used specifically to attain I-CAR credits.

CCRS is committed to continuous education and training within the collision repair industry. Most of the member shops within CCRS have earned the I-CAR Gold Class Professionals status or have technicians that have earned Platinum Status.

Angelo Campanella, CCRS Immediate Past Chairman, states, "It is crucial for today's student to have access to the latest training and equipment that our industry provides. They must understand that this training is ultimately for the safety of the consumer.

Campanella is a leading I-CAR instructor for the Northeast Region, as well as co-founder of CCRS.

ALLSTATE APPRAISERS FORCED TO VIOLATE REGULATIONS

Delay of Claims / Unfair Claim Handling

Attention Collision Repairers:

We have been made aware from certain Connecticut Allstate damage appraisers that inside managers from Allstate's insurance division are instructing its damage appraisers to disallow labor on any supplement involving "Labor Only Procedures". Those same insurance managers are also mandating visual inspections on all vehicles before any appraiser can authorize repairs to start. In addition, Allstate is no longer permitting appraisers to accept body shop photos. Allstate has instructed these appraisers to disregard all documented procedures (even those necessary to properly fix the vehicle) performed by a shop that did not wait for a supplement inspection. Mandates such as this violate Connecticut law and cause unnecessary delays.

Appraiser Regulations § 38a790-8 states in relevant part that every appraiser must: (2) approach the appraisal of damaged property without prejudice against, or favoritism toward, any party involved in order to make fair and impartial appraisals; [and] (3) disregard any efforts on the part of others to influence his judgment in the interest of the parties involved.

It is a direct violation of Connecticut law for any appraiser to follow the directives or mandates of an insurer, such as Allstate. Sanctions for violating the law can include suspension, fines, being sued personally, and loss of appraiser license.

Please help us protect this profession by monitoring and recording instances in which you observe a Connecticut licensed appraiser working on behalf of Allstate refusing to follow the law. Notify the Auto Body Association of Connecticut by completing the attached Incident Report and faxing it to 860-283-4154.

Remember, body shops repair vehicles for customers – *not* insurance companies. The body shop's obligation is to provide a safe repair in a timely fashion. If Allstate is refusing to pay rightful charges, you have the right to charge your customer the difference, or hold the vehicle until paid in full.

If your business and your customer are being victimized by unnecessary delays or monies owed caused by Allstate's practices, have your customer contact the appraiser and let them explain why these practices are occurring. **Please note that all appraisers are rated by their customer service.** We see much dissatisfaction with Allstate customers with these Connecticut practices. It is suggested the customer contact Allstate CEO Thomas Wilson at 1-847-402-5000, for best results. You are also encouraged to discuss these practices with your customer and recommend that they file a written complaint with the Department of Insurance.

You should also be aware that Connecticut law allows repair facilities to charge for storage and/or bay tie-up caused by "any delay beyond our control". All charges must be conspicuously posted on the wall of your business per DMV law.

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ALLSTATE APPRAISERS COMPLAINT FORM
Claim Delay / Unfair Claim Handling

Repair Facility: _____

Date: _____

Vehicle (Yr./Make/Model): _____

Appraiser: _____

Claim #: _____

Summary of Complaint: _____

Please Fax Completed Form to (860) 283-4154

ABAC OFFICERS 2011**PRESIDENT****BOB SKRIP**

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A&R Auto Body - Torrington

RANDY SERKEY

A&R Auto Body - Torrington

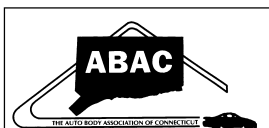
MIKE WALSH

T&J Auto Body - East Hartford

MICHAEL WILKOWSKI

Stanley's Auto Body - Waterbury

The goal of the ABAC News is to provide a forum for the free expression of ideas. The opinions and ideas appearing in this publication are not necessarily representations of the ABAC and should not be construed as legal advice.

**INSURER ADVERTISING UP**

One reason motorists shopped and switched auto insurers more aggressively in 2010 (CRASH 4/25/11) may be that auto insurance advertising soared 22.6 percent to a record-high \$5 billion last year, according to analysis by Dowling and Partners Securities. That reversed a 4.2 percent decline in advertising in 2009. Prior to 2009, the industry had increased advertising spending for seven straight years. In the past decade, insurance industry advertising - the vast majority of which focuses on auto insurance - has grown 211 percent from \$1.6 billion in 2001. The biggest jump in advertising last year was by Farmers Insurance, which spent \$505 million, up 125 percent from the previous year.

Imagine what would happen if the carriers captured customers through good honest handling of claims and fair treatment rather than spending BILLIONS of dollars trying to convince them that they will with clever gimmicks.

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