

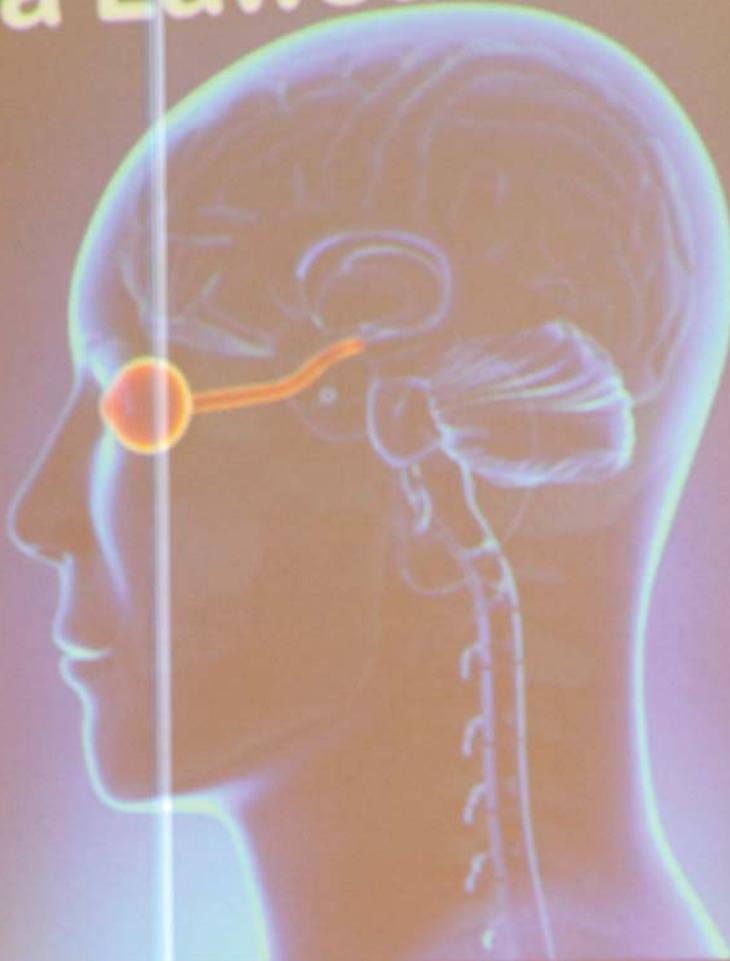
ABAC NEWS

January
February
2018

The Official Newsletter of the Auto Body Association of Connecticut

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**Attorney Todd Tracy
presents
“Anatomy of a Lawsuit”
to attendees at
ABAC Event!**

Your Car, Your Choice - Find us at www.abacconn.com

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ABAC President Tony Ferraiolo

"Make More Time for Yourself"



*It's time we start
 worrying about ourselves
 and our families.*

In our daily grind we are always helping our customers, employee's family members and the list goes on and on. When a customer arrives at your door, they are under stress and the experience that you

make depends on if you can handle their stress and yours. Let's face it they have been involved in an accident. They have been inconvenienced, maybe injured, in shock, have to make decisions on a repair plan, part options, additional costs (that no one wants to pay for) but they exist and you are the one to give them the bad news. There insurance company makes you out to be the bad guy and all you're trying to do is repair their car properly, safely and help them. **All of this creates a lot of STRESS.**

You might not even know you're under a lot of stress, because it's what you do, it's what you have always done. Some of us substitute additions for stress relief. Now I'm not suggesting drugs, alcohol, gambling or sex, but we need something that we enjoy to relax and elevate stress in our lives. A hobby, exercise, vacation regular, volunteer to coach your kids sports teams, cooking etc. It could be anything that takes your mind away from your daily grind. When you determine what works, make it your life style and continue to do it for life.

As for you out there that say "I don't have time for that". I learned a long time ago from my Karate instructor, "Excuses are the tools of the unmotivated." I live by that in business and in life. When I find myself not able to make time to exercise, I think about what my instructor had taught me. People ask me, Tony you must have stress in your life, how do you deal with it and stay in relatively good shape. I tell them I live by a simple code. Three things, Faith, Family and Commitment.

I believe in this so much that at age 58 I got my first tattoo with those symbols on my arm. I exercise on a regular basis to keep fit, but my addiction now is mountain biking.

I do it all year as much as I can. This is what works for me, gets rid of all of my stress. I also take a ski trip to different areas around the world each year, with my oldest son. Find something that works for you and do it forever.

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The time is now, there is no tomorrow. Reduce your stress level before its too late. Commit to it with Faith and your Family as your number one priority and you will find the motivation and time to succeed. Many of my friends, colleagues and family are passing way before their time, don't let this happen to you. Make 2018 the year you reduce your stress level. Another way is to attend the ABAC meetings and learn to work smarter not harder. Trust me, it will help.

My personal condolences go out to the Dilauro family on the passing of one of our past ABAC presidents, Vin DiLauro. He was a gentleman always and someone who always put other people first. You will be missed. Rest in Peace Vinny Dilauro.

Lots happening this year with the ABAC, look for flyers on meeting content and dates. Hope to see you all there. Make the time for yourself.



President
Auto Body Association of Connecticut



Social Media: Help Us Keep the Ball Rollin'

Bidding 2017 farewell with a strong finish to our social media campaign, we're beginning 2018 with a full court press to keep things moving in the right direction. Our Facebook follower count is currently the highest it's ever been, and we've reached nearly 45,000 people so far this year through our posts and promotions. A few topics we've covered so far include the importance of scanning vehicles to ensure that all safety systems are operating properly, implementing your rights as the vehicle owner, and understanding the difference between OEM and imitation. We also threw a few car care and safe driving tips in the mix here and there to keep the content fresh. At the top of our to-do list is increasing our follow count, and you can help!

For metaphorical purposes, imagine a snowball. A snowball starts with just a few flakes but before long, it could grow to be the size of something that could squash a compact car. As the surface area expands, the snow ball grows quickly. This is because every time you roll the snowball, you come in contact with even more snow than you did on the previous roll. Social media works the same way.



For example, let's use Facebook and some simple math. Say you have 100 Facebook friends. You post a rather funny video to your page that gets shared by 10 of your friends. Now consider that each of those 10 friends also has a community of their own Facebook friends. In an effort to keep things simple, let's say each of those 10 friends has 100 friends of their own. So with one round of shares, your funny video has a potential reach of over 1,000 people. Still with me? Good. That's the snowball effect.

Keeping in mind the snowball rolling along, we can use the same principles to build up our social media presence. Every time you like and share our content, you're helping us increase our reach. The bigger the reach, the more people we are able to educate and share our message with. The more educated the consumer is, the better off we all are.

Help us to help you; Invite your friends, family and customers to follow our page and be sure to share our posts!

-Ashley Burzenski - ABAC Board of Director - Autoworks of Westville

ABAC Hosts Attorney Todd Tracy

“Anatomy of a Lawsuit” Presentation Pulls No Punches!



President Tony Ferraiolo met Attorney Todd Tracy at an interactive OEM Summit Meeting while attending SEMA. ***“He pulls no punches, he’s uncensored and tells it like it is!” When you’re right you can fight till the end. Times are changing due to the complexity of today’s vehicles.”*** asked Ferraiolo. ***You will have to change the way you do things in your business,”*** he continued.

That was the opening salvo at the January 11th special event hosted by the ABAC welcoming Attorney Todd Tracy, who recently won a \$42-million-dollar verdict against a Dallas, Texas repair facility.

Mr. Tracey, who spoke at SEMA, is very dynamic and passionate about vehicle safety and he believes that our industry is ready to fight and prevail over the insurance bullies that dictate safety repairs to our shops. He is leading an effort in Texas to enact legislation that prohibits insurers from dictating repair methods.

Ferraiolo introduced Mr. Tracy to the guests and started his presentation with, ***“How many of you have had the insurance companies bully your shop into doing repairs that you knew were NOT OEM certified? How many of you were bullied into using aftermarket parts instead of OEM parts? How many of you have not gotten paid to repair a vehicle to the OEM specifications but always took what the insurance companies were willing to pay?”*** Well, that certainly got some attention with the more than 80 attendees!



Tracy continued, ***“I’m not here to talk about your wages tonight because I don’t want anyone to think there’s anti-trust going on here, but, what I will tell you is that there is nothing wrong with groups of people getting together and forming associations and talking about safety. Improving safety! I think it starts with all of you men and women that work in this industry. You’re on the front line of safety. Each and every day people come to you bringing their second most valuable possession they’ll ever own, which is their car, only behind their home. And they bring that possession to you to restore it back, so it will safely get them to and from work, get their wife and children to and from work and school and take care of their family in the event that another unforeseeable accident occurs. That is an incredible responsibility that people place upon you, and you deserve to get paid for these responsibilities.”***

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And we are going to fight for you to do that.” “It’s time for somebody to get into the arena for all of you and this little guy from Texas is willing to do it,” exclaims Tracy!

Tracy then covered a few key points he would discuss:

- Shops need to band together – not just 5 in Connecticut but 1,000
- Remember who the primary voice is in this fight – The Customer
- The customer needs to be informed AND involved
- Social Media is your friend in this fight
- Litigation
- Keep the sharks out of your shop
- “Imitation” parts – NOT aftermarket
- Why he won his landmark verdict.
- How shops can avoid getting sued.
- How our industry must stand up and fight the insurance companies who refuse to follow OEM repair specifications.
- The results of 3 crash tests that he has commissioned out at KARCO Engineering that will evaluate the safety of a glued-on roof, aftermarket parts and an OEM vehicle when the same type of vehicle is evaluated under an IIHS moderate offset impact.

These tests will hopefully prove that OEM parts and repair specifications must be utilized to ensure the safety of our customers.

Mr. Tracy also gave us hands-on engineering techniques that will enable us to conduct more detailed repair estimates as we begin to start thinking about crashworthiness experts.

Mr. Tracy then presented the details of the now famous 2010 Honda Fit lawsuit. He broke down each and every segment of the vehicle including all of the crash testing involved. He brought us through his presentation, step by step, slide by slide, fielding questions throughout.

“We will give every test that we conduct to the Auto Body Shop Associations around the country. We’ve run 3 tests so far. We’re going to run 3 more in February/March so that we continually build up a database of information. This way, you guys and gals will finally get some ammunition. I’m going to devote 18 months to this AND \$5 Million dollars of doing the crash testing because it does cost a lot of money to do this. But that’s because I see a payday down the line for myself. I see a payday for you (the collision repair shops). But, most importantly, I see the opportunity to put the insurance companies in their place,” said Tracy

The Auto Body Association of Connecticut would like to thank Attorney Todd Tracy for making time available to meet with our members and guests and for presenting us with this valuable information.

Pre- and Post-Scanning, Recalibration: What Shops Can Expect

As new vehicles are introduced to the market, often equipped with complex technology, the collision industry is challenged with keeping up-to-date with repair procedures.

As a result, Jake Rodenroth, director of industry relations for asTech, said that staying current as much as possible is crucial to the success of a collision repairer's business. "Collision repairers are facing brand new models, sometimes on the first tank of gas," he said. "I think every shop needs to have some path to resolution. We're the first line of defense." Rodenroth and Doug Kelly, CEO of Repairify, spoke about the importance of pre- and post-scanning and recalibration during a Guild 21 podcast sponsored by Verifacts Automotive in January. Repairify is the company that created the asTech device.

Many body shops across the country wonder what new technologies their employees should be aware of and how to work them into their daily workflow. "There is a lot of buzz out there right now about emerging technologies---not just on the electronic side, but on the metal and substrate side," he said. "From a process perspective, it starts with identification. As repairers, we can't get on the same page with identification until we have product knowledge and stay up-to-date with modern vehicles."

Rodenroth said that identification can include ADAS and frequency-reducing technology, which can be hidden behind windshields, glass, mirrors and grills; structural identification maps of the different substrates on a vehicle; hybrid and EV powertrains; and special tool requirements.

Throughout the Guild 21 call, attendees were asked to give feedback. When asked how many of their customers know what equipment options are on their vehicles, 87 percent answered "no." "I think you will see a shift in those responses in the coming years as more millennials enter the workplace and start buying cars," said Rodenroth. "They are not intimidated by technology. In fact, they embrace it."

As a result, they are known to buy vehicles that contain an abundance of technology and spend time understanding how every feature operates. Those who participated in the call were also asked how their staff stays up-to-speed on current model vehicles. The majority (75 percent) said they did so through secondary sources such as the Internet, OEM sites and dealers. Only 15 percent answered they did so by looking up build data, and the remainder said they use another method.

During the presentation, Kelly stressed the importance of obtaining authorization from customers to perform work diagnostics, road tests and potentially conduct off-site calibrations. "It's important that consumers understand what information is being pulled and how it might be shared," said Kelly. "When doing diagnostics, whether it's with a third-party or your own diagnostic tool, you're not pulling crash data. You're pulling all of the stored trouble codes."

This includes the possibility of revealing things that are wrong with the vehicle unrelated to the accident. Many consumers are concerned about the information shared with their insurance company. Consumers don't intentionally misrepresent loss, but they are not always aware of when certain systems go offline or how," said Kelly. "It's good housekeeping to let consumers know what you are doing, explain the process to them and get their permission."

A sample authorization form is available on the SCRS website, www.scrs.com, and asTech website at: <https://astech.com/resources>. A document is also available for repairers to hand out to customers to educate them about some of the systems available on today's vehicles.

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This not only reminds them how complex vehicles are, but Kelly said it also reinforces why diagnostic services, such as pre- and post-scanning and recalibration are important. "If you don't know what's on the car, you can misdiagnose certain issues," he said. "Sometimes false positives indicate an issue when in fact that vehicle didn't come equipped with that item in the first place." Knowing the build data, understanding the tools and services being used, and ensuring they are up-to-date will all help in the repair of the vehicle.

Pre-scanning

Rodenroth said that some parties don't think pre-scanning a vehicle is necessary, and suggested that those shops consider the following:

- The role that trim levels can play
- How a pre-scan can help determine damage to the electronic components
- Potential unrelated electronic issues like maintenance and warranty concerns
- Airbag deployments are unique and can depend on many factors such as the number of occupants, their seat position, weight and if they were wearing seatbelts
- Specialized concerns with hybrid and EV vehicles
- Repair procedures that require scanning based on an operation being performed
- Scheduling off-site ADAS calibration requirements proactively

Repair planning

Rodenroth recommended addressing the vehicle owner's expectations up front so he or she understands how the vehicle is equipped and what's required to make it whole again. "Consider repair vs. replace decisions very carefully, as many modern vehicles are constructed of non-repairable substrates and there is often limited reparability around ADAS components," he said. When it comes to parts utilization and the decision to purchase OEM or aftermarket, he advised listeners to watch bumpers and windshields very carefully. "A lot of aftermarket windshields will have a plastic bracket that comes on that glass that is not serviced and can't be transferred," said Rodenroth. "If you are going to use aftermarket glass, you'll want to confirm all things are in place."

During the call, attendees were asked if a shop should interpret, implement and audit OEM repair procedures into ALL repair activity on a damage report. Nearly 90 percent answered yes. "The key words are 'all repair activity,'" said Rodenroth. "Some shops will look up structural procedures and airbag procedures, but won't look up how to take a fender, hood or bumper cover off."

Recently, General Motors surveyed 827 collision repair shops and found that 80 percent didn't pull repair information on every vehicle. Those who attended the Guild 21 call were asked why. Almost 45 percent said they rely on technician experience, 20 percent said the damage was minor, 15 percent said the information was hard to find/interpret, 10 percent answered that they didn't have the time, and 10 percent answered other.

In the field, Rodenroth said he has observed that shops don't have time to pull the repair information for a variety of reasons---including having too much work or insurers putting pressure on them to get vehicles uploaded in a certain amount of time. "We always have time when something is wrong, whether it's when the customer comes back and pays for a rental, or you have to deal with them when they are upset. Let's take the time up front and make a good repair plan and communicate efficiently," Rodenroth said.

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In addition, he said information is often hard to find and interpret. "I think that is mission number one for OEMs---to try and make that a little easier to find and even offer day passes to the repair info that a shop can purchase," he said.

Post-scanning and calibration

When it comes to post-scans and calibration, Kelly said, "You haven't seen anything yet." "What we're going to enter into with this calibration piece will dwarf any sort of discussion you've had to date on a pre- and post-scan."

Kelly used the example of a Toyota Camry, reportedly the best-selling passenger vehicle. The 2018 model comes standard with an auto breaking feature. With the vehicle's front-facing camera, any time a windshield is replaced or work is being done on the front of the Camry, a calibration is required. "It's doubtful to me that many in the industry really fully understand the full scope of this," said Kelly. "Our defense as an industry is partly that the OEs themselves haven't really come to terms with how it is to be done." Kelly recommended reading through the calibration repair procedures from each of the manufacturers to understand their differences and procedures. He noted that they are all "wildly different" and the recommended procedures sound like something from the Stone Age with plumb lines, string and measuring tapes. "Add to that the space requirements, and you set yourself up for a pretty complicated process," said Kelly. "I know there are a lot of people in the industry, and certainly the dealer network who are trying their hardest to do their best to recalibrate these cars after an accident. Many, if not most, are not doing it correctly and they don't even know it."

He said it isn't an issue of people being mischievous or doing anything fraudulent. "They just don't know," he said.

In addition, some of the repair procedures for today's systems that are coming on vehicles are still being written while the cars are on the road. "There are certain safety systems out there that have a certain progression to them that the OEs themselves haven't quite figured out how to test in real-world circumstances," said Kelly. "As you go forward and you think about pre- and post-scans and where it fits in the continuum of us having to evolve as an industry, that's just the table stakes---that's just to understand what's going on with the vehicle."

Kelly cautioned shops about what could happen if instructions aren't followed. "My concern is that you're going to be misrepresenting and potentially delivering back to the customer a car that's not safe for the road," he said. "At the end of the day, we all have the same goal in mind: to return back to the consumer a vehicle that is fit for use and is going to perform as planned. And heaven forbid, if it gets in a second accident, those systems will operate as designed. "The problem with the collision segment is that we get the newest cars in the worst possible condition. With the advent of all of the new electronics on cars and safety systems on cars, it's hitting us harder than it is the general population."

Kelly encouraged collision repairers to talk to peers and local associations to help get the word out. "We owe it to our trading partners [insurers and vendors] and consumers to educate them on what car they have, what they bought, what the technology is, how it works and how it has to be repaired in the process of fixing those cars," said Kelly. "If we don't spend time educating folks, we are going to continue having these difficult conversations about who will or won't pay and who will and won't recognize certain repair procedures. Once we can have an open dialogue and talk to people about what's involved in fixing a car, I think a lot of friction and issues [will] tend to go away."

Source: Written by Stacey Phillips - www.autobodynews.com

Adjuster: Want to get paid? Document everything your auto body shop does

A staff appraiser for a small national insurer this week pushed collision repairers to document every element of a collision repair, describing it as “a little more work, to get paid a lot more.” The adjuster, whom we’ve agreed to keep anonymous to protect his job, provided a fascinating look at the business from an insurer’s perspective in an interview with us. He strongly encouraged shops to follow the lead of Montana shop owner Matthew McDonnell and his message of “transparency.”

McDonnell, who owns the small MSO the McDonnell Group, in 2017 promoted the idea that documentation gets a shop paid in interviews with us, at a Collision Industry Conference and at SEMA. The Montana repairer has said he learned how to properly document a repair from Collision Advice CEO Mike Anderson and by asking two insurers to teach what they needed. It’s paid off with what McDonnell said was a 90 percent accounts receivable success rate despite often having “200-line estimates.”

McDonnell teaches “show what you do, and get paid for what you do,” the adjuster said. Label parts, photograph every step of a repair, and provide the OEM information to support what you’re doing. “You’re going to get paid if you do all of those things, without an argument,” the appraiser said. “... I’ll pay you. Just show me.”

Shops who provide a “half-done estimate with no photos, I’m not paying you,” he said.

The insurer agreed that “severity’s definitely higher” for his carrier when this happens, but as so few shops — he estimated 5 to 10 percent — show their work, “Are we really paying that much more?” “I do not get dinged in no way shape or form,” the adjuster said of his higher severity. The company ceased to grade adjusters on severity. Instead, it cares about factors like “leakage” and how many claims a staffer is handling. “If it’s required to be there ... we will absolutely follow what the OEM standards say,” he said of his company.

“You could teach a 12-year-old to do our job,” he said: If it’s documented, it gets paid. If every shop in the country learned from McDonnell, “insurance companies aren’t gonna like it.”

Documentation protects insurer against ‘leakage’ audit

“Leakage” in this case involves the adjuster paying line items on an estimate without something to support the decision, according to the adjuster. This reveals why documentation is crucial. You might be frustrated at having to prove your work or expert opinion over and over. But the adjuster will be audited on how much documentation he provides to back up what he paid you, and he needs that material to protect himself even if he knows you’re right. “That’s exactly it,” he said.

The appraiser’s company always pays with the documentation, but even if it didn’t, a shop could give the proof of the repair and the OEM instructions supporting it to the customer and let them challenge the carrier for denying something that obviously needed to be done, he suggested. “If it’s required, it needs to be paid,” the adjuster said.

Shops ‘lazy’ about documentation

The real reason many shops aren’t getting paid is “they’re lazy,” he said. “They don’t want to show in-process photos,” he said. Are you fixing marks left by a frame machine? Show pre- and post-repair photos. Welding a quarter panel? Do the same. “Show all the damage,” he said.

Is a trunk interior a different color than the exterior? “Show a picture.” Want to get paid for a painter’s time cleaning their gun? Document it.

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Nine out of 10 shops don't bother showing pre- and post-measurements of frame straightening, so why pay for it? Many shops, "they don't show very many photos at all," the appraiser said. He recalled a BMW X5 with \$27,000 worth of damage — and the shop only took nine photos. "You know what, I'm not paying you," he said. "That's the issue that a lot of shops have to insurance companies," he said.

Asked why a professional opinion wouldn't be enough, as seems to be the case with doctors, the appraiser recounted one example of a health insurer who had demanded a photo of a surgical procedure. "It's pretty much the same thing as us in this field," the appraiser said. "... They're asking for photos as well."

Asked if he paid a shop for the time they spent collecting such exhaustive documentation, he wrote in an email, "I have never paid for administrative time, I feel that is part of getting paid. If it's not documented you don't get paid." This adjuster requires documentation to educate himself, survive an audit, and encourage the car to be fixed properly by sending shops to the OEM repair procedures. However, there's also a cost-containment element as well, he acknowledged. "If you don't do it, I don't pay for it," he said.

Scanning

This adjuster pays for his own training into auto body repair. It's not provided by his company, nor do his colleagues seem to be pursuing it on their own, he said. This training has taught him the importance of certain procedures like scanning, but the knowledge also can be used to suit his needs as a carrier. For example, the adjuster says he knows he will always pay for scanning; he knows it's necessary. However, if a shop doesn't ask for scanning, he doesn't include it on an estimate. If the shop is savvy enough to do so, he will approve that line item but zero it out (\$0). Once documentation is provided proving the scan — for example, an output showing the codes and the VIN of the car — he automatically pays the shop's bill. "I will absolutely pay for it," he said. "... I don't question scanning at all." This has been convenient for shops who know him — they can go ahead and scan the car, as he won't fight them on it as long as they ultimately support it with documentation. The company formally authorized appraisers to pay for scanning in October 2017, but "I've been paying it since Day One" without issue, he said.

He said he's even used his familiarity with OEM repair procedures to nudge a couple of shops eager to learn in the right direction and improve both the repair quality and his own knowledge. If they add a procedure, he'll ask if it's what the OEM states. "I now know if they've pulled them or not," he said. The customer ideally gets a better repair, the claim file has its documentation, and he gets a chance to read repair procedures.

When insurer knows correct repair, shop doesn't

Trying to grow one's expertise through training can produce situations where the adjuster knows a necessary repair procedure being done. He said his shops who show an interest in learning will get a nudge in the right direction. But he's not going to include the item for just any shop unless the shop asks for and documents it.

"I know it needs to be done, and they're not doing it," he said, calling that a difficult thing. But at the end of the day, "the shop repairs the car," he said — he won't add items that should be done to an estimate just so the repairer will do them. "I don't say, 'Why isn't it on there?'" he said.

"I know it should be on there," he said, but he said he also knows who pays his salary.

He said he encounters a dilemma "every single day" regarding shop choice; he can't tell the customer to take it somewhere else if he doesn't think the shop is correct. He won't always nudge the customer to ask for the correct repair either; however, if the policyholder asks the right questions, "I will not lie to them."

Source: John Huetter - www.repairerdrivennews.com

Passages



Vincent J. DiLauro, age 75, passed away peacefully on January 28, 2018 at St. Raphael's Hospital. His devoted wife of 49 years & loving daughters were at his side. Born in New Haven, CT, March 15, 1942, son of Ralph & Melba DiLauro. He is survived by his dearly loved wife, Mary Ellen, cherished daughters, Jennifer Carroll, Bridget DiLauro & Rachael Richard, revered sons-in-law, Walter Carroll & Todd Richard & 4 adored grandchildren, Brennan, Spencer, Luke & Claire. He is survived by siblings, Ralph, Anthony & Dolores DiLauro, trusty sister-in-law, Suzanne Reilly, "adopted" grandson, Argenis & lifelong, loyal and faithful friends.

Vin was the eternal optimist & tenacious fighter, who enjoyed & appreciated every moment of life. He spent 50+ years as president of Columbus Auto Body Works, a 90-year-old family business. Vin lived a full life & got so much joy from playing with his grandchildren; running Columbus Auto Body; enjoying family gatherings; watching Twilight League & Yankee games; being an active member of West Haven Rotary Club; going on annual college football trips with good friends; volunteering for many community organizations, including Auto Body Association, Walter Camp Football Foundation, National Amateur Baseball Foundation, Hill South Management & others; sharing dinner & conversation with his kind, beloved wife. A great, lifelong passion of Vin was West Haven Twilight League, the oldest amateur baseball league in the country. He was a player, sponsor for 20+ years & President for the past 15+ years. Summer days & nights he could be found cheering by the dugout. Vin held many leadership positions & was honored with many awards: NABF President; WH Rotary Club President & Director of Vocational Service; Twilight League Gold Bat Award; Good Sport Award for Unselfish Dedication to Community Sports by CT Sports Writers Alliance; NABF Man of the Year; Southern CT Diamond Club Hall of Fame; Rotary International's Paul Harris Fellow Award; March of Dimes Elm City Legends Class; Hill South's Community Award; recognition from Jimmy Fund. Vin was more than an amazing father & grandfather, hardworking family business owner, good friend, community leader & diligent sports league director. He was the rare person who was eager to meet people and learn about their lives. He was the guy who gave 2nd, 3rd, 4th chances to people because he believed in the best of people. He was an eternal optimist, who lived, loved & experienced joy through sheer will. He was a force in this world & will be profoundly missed.



Jim Mickle

The ABAC would like to offer their condolences to the family of Jim Mickle, GM Parts Trainer. Jim gave us a dynamic presentation this past December at our ABAC Meeting.

He will be sadly missed.



Mike Picerno Jr.

Long time Parts Delivery man for Bald Hill Dodge, Mike passed away this past December. He was known to many shops in Connecticut. Mike's wit and dedication to his

customers was second to none.

The Team at Bald Hill has lost a member of their family.

Shop of the Month & Meet Your Board

Eddie's Auto Body

This edition of the ABAC News features Eddie's Auto Body in East Haddam.

Before we begin, let's take a minute to meet the owners of Eddie's Auto Body, Eddie & Carol Lupinek!

Eddie - "When I was young, I waited for the kindergarten bus at my father's shop. I've been in this industry a long time, and continue to learn something new every day. I've gained a lot of experience over the years which I use to, in turn, help others. I've been to many cities around the country participating in auto body repair classes. Not long ago, I served as President of the Auto Body Association of Connecticut. It was hard work and consumed a lot of time, but was rewarding because of the great people I met and new things I learned. I currently serve on the board of directors of that same association. It seems crazy, but now I am the one writing articles for trade magazines and speaking at auto body functions. I love what I do, and that is, helping others."

Carol - "I have lived in East Haddam most of my life. I fell in love with Eddie in February 2006, and in June 2008, we were married. When we met, I owned a successful cleaning and landscaping business called Carol's Helping Hands. Because both our businesses were time consuming, we had concerns of not being able to spend enough time with each other. So, it was decided that I would sell my business and join Eddie with his. It's a decision we've never regretted. I became the business partner he never had, and brought renewed energy and love to his already successful business. We've invested in state of the art technologies, added solar panels, and put an addition on the shop, doubling our size. I also serve on the board of directors, with Eddie, for the Auto Body Association of Connecticut. I love the people I've met in this industry, not only those I serve with, but also the customers I've had the privilege of knowing. I have always admired and looked up to Eddie for all the good he does for his customers and the industry. Every day we fight the insurance companies to do the right thing (otherwise known as a proper repair) for our customers. I am proud to say that we only use OEM Parts and have not used aftermarket body parts in over 12 years! We are known for our honesty, integrity, and quality of work. I am very proud to be an integral part of Eddie's Auto Body!"



Eddie's Auto Body was owned by his father, also named Eddie, who started the business after leaving the army in 1956. Originally located inside a Chevy dealership, the shop began to see an increase in business. Outgrowing the dealership, they moved to its current location (2 Matthews Drive East Haddam) in an industrial park in 1986.

The new building provided numerous expansion opportunities with a new paint booth, an explosion proof room dedicated to mixing and matching colors, and a second frame-straightening machine. It seemed like Eddie was gearing up for the long haul, then in February 1992, Eddie officially retired leaving the reins of the family business in the hands of his son. Now the second generation had to step up and continue the great reputation that his dad had created. Young Eddie already had a great start as he had grown up at the shop. At a young age he had the knowledge of how to fix cars. Young Eddie then spent many years and weekends at schools and seminars learning how to properly run a body shop.

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What has been learned through generations of knowledge is the importance of continual learning and the importance of giving the customer what “they want.” The product of Eddie’s Auto Body is a happy customer.

Part of the business plan at Eddie’s Auto Body is doing it all, and that’s why he includes A/C repairs, car detailing, Paintless Dent Repair and towing as part of his services. He also has no DRPs, which allows him the ability to control every aspect of the repair process.

Eddie’s Auto Body has incorporated many new features to help their daily repairs and make for a more streamlined process. Some of those features include:

- The first medium wave infrared downdraft negative pressure booth featuring Sun-Spot Thermal Reactors
- Heated-Electrostatically charged Nitrogen in the paint department
- Refrigerant Analyzers and A/C Service Equipment
- Lifting bumper rack (Eddie’s own invention!) stores plastic bumpers high in the rafters
- “Environmentally Conscious” Wash Bay, utilizing steam (instead of soap) to clean
- Sophisticated air-handling system supplying the shop and booth with fresh air
- The Ishihara Method of panel repair (Miracle System)
- Advanced Diagnostic Center for Scans and Research
- Laser Wheel Alignment
- Silicone Bronze, Aluminum & Steel Welding Equipment
- Aluminum Repair Area
- Solar Panels supply all electrical power



“This is the most valuable tool in the shop!” says Eddie when speaking of the ABAC News.



Eddie and Carol, as mentioned above, currently serve on the ABAC Board of Directors and their input as innovators and business professionals, is priceless.

“I love the industry and I love what I do,” Eddie says. “It’s rewarding to provide a highly skilled service to those in need.”

***Pictured Left to Right:
Eddie Lupinek
Billy Talbot (Shop Mgr)
Carol Lupinek***

‘Who Pays?’, VRS data offers look at rates for growing substrate aluminum

With three years of aluminum F-150s on the road and new editions of some of the most popular vehicles in the country appearing with one or more aluminum part, consumers and insurers might start to see more aluminum-specific labor rates on their estimates.

Data from two high-profile industry rate surveys — the CRASH Network/Collision Advice “Who Pays for What?” study and National AutoBody Research’s Variable Rate System — offer an idea of what they might find there. Such rates can be necessary to amortize the cost of aluminum training and gear like a dedicated workspace, tools and vacuum system — even for a single aluminum part on an otherwise steel body. The rates might also be necessary to compensate a technician or shop for the opportunity cost of the extra time spent on an aluminum component.

All three major estimating services now carry the ability for users to generate their own labor rate categories and input the accompanying rate. CCC users had this capability since at least 2015, Mitchell added it in March 2017, and the Database Enhancement Gateway announced in May 2017 that Audatex had done so in a recent software update (the exact date is unclear). CIECA in 2015 announced aluminum labor rate codes would accompany an update to the industrywide Business Message Suite standard.

‘Who Pays?’

The recently released October 2017 “Who Pays for What?” survey describes aluminum rates for OEM certified shops “for structural and non-structural aluminum repairs when working on a vehicle make that the facility is certified to repair.” (Emphasis theirs.) That study asked shops about their aluminum rates for 17 OEMs, ranging from Ford to Ferrari. (Take the latest anonymous quarterly survey on refinish procedures today, the last day before it closes.)

For many shops, insurers and customers, the most relevant data would likely be that reported by the Ford-certified shops, given the F-150’s popularity and the larger sample size of responding shops. In 2017, 142 Ford-certified repairers completed the survey, compared to 173 in 2016.

What’s interesting here is that the Ford-certified shops don’t seem to have increased their aluminum rates year-over year. The median structural Ford rate (the 50th percentile), was identical for responding shops in 2016 and 2017: \$90. The median nonstructural aluminum rate actually fell \$3 to \$77.

The fifth- and 25th-percentile facilities in 2017 also charged the same amount for Ford structural aluminum as those percentiles in 2016. A percentile refers to the proportion of respondents who charge less than that amount.

In this case, the fifth percentile in 2016 and 2017 was \$50 — which means that only 5 percent of Ford-certified shops charged less than \$50 to fix an aluminum Ford vehicle, while 95 percent of shops charged more than that amount both years. The 25th percentile — which means three-fourths of responding shops charged more — stood at \$75 for Ford structural aluminum work both years. The 75th percentile rose slightly to \$111 from \$110, while the 95th percentile fell \$6.60 to \$135.

As for nonstructural Ford aluminum, the fifth percentile rate fell \$1.10 to \$46, the 25th percentile barely rose \$0.25 to \$56/hour, and the 95th percentile held steady at \$125. Only the 75th percentile saw real movement, increasing \$4.25 to an even \$100.

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The consistent results seem to suggest the kind of range of Ford aluminum prices insurers, customers, and competitor repairers might expect in a given market — and that that range might be relatively stable.

Variable Rate System

NABR's Variable Rate System does things a little differently. It's a running tally — repairers are constantly joining or updating their labor rates in the study — of posted labor rates at a regional and national levels. Therefore, year-over-year comparisons aren't really possible. However, there is still value and context in examining its national aluminum results and those for Ford.

Nationally, the system has polled about 4,700 shops, though not all of those are going to be providing aluminum data. Those who did declared an average of \$91/hour for nonstructural work and \$98 for structural aluminum repair. The median price for aluminum bodywork was \$90, while the structural aluminum median reached \$100.

Ford-certified repairers reported even higher rates to NABR, which is interesting. Of course, it's likely that some of the Ford-certified shops carry more intense aluminum certifications and have adjusted their overall door aluminum rates upward in response to those expenses. The 310 Ford-certified repairers who responded to date reported an average body aluminum rate of \$94 and an average posted structural aluminum rate of \$103.

Only 26 Ford-certified shops reported Ford-specific aluminum rates to NABR, which might be too small of a sample set to conduct any real analysis. But for what it's worth, the average Ford body aluminum rate was \$101, and the average structural Ford aluminum rate was \$109.

Source: www.repairerdrivenews.com

Three-stage paint, spare tires, Opt-OE Toyota radiators: 5 more tips from the DEG

The Database Enhancement Gateway, which allows repairers and insurers to make inquiries and suggestions of the Big 3 estimating providers, was augmented in 2015 to offer weekly tips for repairers on the Audatex, Mitchell and CCC programs online and through the Society of Collision Repair Specialists' email list.

If you haven't used the service before to submit questions about estimating collision repair work or just browse responses to other carrier and shop questions, check it out. It's a good — and free — way to find IP best practices and help write the most accurate estimates or appraisals possible.

Here's some areas spotlighted as tip-worthy by DEG. To receive the tips as soon as DEG releases them, like/follow DEG's Facebook and Twitter feeds. (It also posts videos to a YouTube channel once in a while.) Or just browse the more than 10,000 inquiries and responses in the database and see what else you learn.

Three-stage paint for Audatex, CCC, Mitchell

The DEG advised estimators in a trilogy of August tips how to get Audatex, CCC and Mitchell to identify and compute a three-stage refinishing job. An Audatex operator must pick "Three Stage Paint" as an option by selecting "Vehicle Category >>> Additional vehicle options >>> Paint >>>" and choosing "Three Stage Paint User Define" from the drop-down menu, according to the DEG.

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“You may also enter the color code,” the DEG wrote. “The system may recognize and automatically switch over to three stage.”

The screenshot shows a web-based form for vehicle information. It is divided into three main sections:

- VIN Selection:** Contains fields for 'Assignment VIN', 'Inspection VIN', and 'Reason For No VIN'. There is a 'Copy>>' button and a 'Decode' button with a dropdown menu showing 'Pre 81'.
- Vehicle Information:** Features radio buttons for 'Vehicle Selection' (selected) and 'Vehicle Not Listed'. It includes dropdown menus for 'Origin' (Asian), 'Make' (Toyota), 'Year' (2017), 'Model' (Tundra), and 'Style' (SR5 5.7 V8 4 D Crew Cab 4 WD Gasoline Short Bed). Other fields include 'Engine' (8cyl Gasoline 5.7), 'Transmission' (6-Speed Automatic), 'Mileage' (empty), 'Typical Mileage' (empty), and 'Mileage Type' (Actual).
- Other Vehicle Information:** Includes fields for 'Lic. Plate', 'Lic State', 'Lic Expire' (/), 'Condition', 'Veh Insp#', and 'Prod Date' (/).

Audatex directs users to calculate three-stage paint with a “Setup time of 1.0 hour upon selection of the first major panel, plus 35% of Audatex estimate refinish labor.”

The DEG also pointed out the information provider’s blend calculation: “50% of Audatex estimate refinish labor after overlap consideration, including two-stage or three-stage allowances, if applicable for the panel to be blended.”

According to the DEG, CCC users should “go to Vehicle Category >>> Options >>> Paint >>> Check off ‘Three Stage Paint.’”

CCC states that the shop should add 70 percent to the refinish time for the first major panel and 40 percent to any more panels included. Any blended panel or other area receiving blended three-stage paint should be counted at 70 percent of the base refinish time, according to CCC.

The screenshot shows a software interface with a 'Vehicle' tab selected. Underneath, there is an 'Options' sub-tab. A table titled 'Select Options' is displayed with the following columns: 'Option', 'Type', and 'Non-OEM'. The 'PAINT' category is selected in the left-hand menu.

Option	Type	Non-OEM
<input type="checkbox"/> Clear Coat Paint	Standard	
<input type="checkbox"/> Metallic Paint		
<input type="checkbox"/> Two Tone Paint		
<input checked="" type="checkbox"/> Three Stage Paint		
<input type="checkbox"/> Stone Guard		

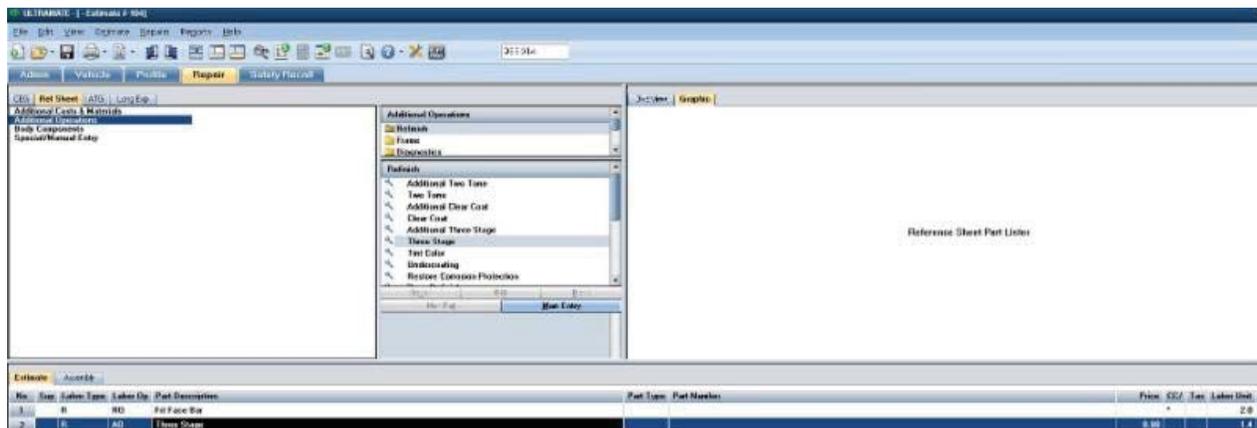
As for Mitchell, the DEG advised a user to “write the estimate as normal with refinish/ blend operations labor added.”

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The DEG offered two ways to handle three-stage in that estimating system. Either “Click on the “REF SHEET” Tab>> Additional Operations>> Refinish>> Select ‘Three stage’” or just input “quick code 933014 in the upper right corner,” the DEG wrote. Mitchell will add three-stage and produce a line referencing three-stage instead of clear coat.

Mitchell’s formula involves adding “.7 per refinish hour (70%), after time has been added for jamb, jamb and interior, edge panel, and/or underside (when necessary)” on the first major panel or a soft bumper fascia. (Emphasis Mitchell’s.)



For any other panels or refinish areas, the repairer should “Deduct overlap (if applicable); add .4 per refinish hour (40%), after time has been added for jamb, jamb and interior, edge panel, and/or underside (when necessary).” (Emphasis Mitchell’s.) If you’re blending adjacent three-stage panels, Mitchell directs you to “Allow .7 per refinish hour (70%) for each panel(s)/refinish area(s) blended.” (Emphasis Mitchell’s.) In the system, “the estimate will allocate 40% from the total blend time and apply it to the three stage line item,” Mitchell wrote. “The total sum of the blend line and the amount allocated in the three stage line will total 70% of the exterior refinish time for the panel being blended.

“Example: A panel refinish time is 2.0 hrs. When blended, the refinish time for that panel will be displayed as 1.4 (.7 per refinish hour). Once calculated, the refinish blend line will be displayed as .8 and .6 (40%) will be allocated to the three stage line.” (Emphasis Mitchell’s.) Mitchell also pointed out that “With three stage paints, it may be necessary to blend into larger areas of adjacent panels or complete sides of vehicles, otherwise known as zone painting.”

In case you’re interested, CCC this summer also added a note about four-stage paint to its P-pages.

“In addition to the base and mid coat applications of a 3-Stage process, the 4-Stage refinish process, depending on paint manufacturer, may possibly require the application of an additional ground coat,” CCC wrote. Some paint manufacturers may use a tinted clear coat in addition to the final non-tinted clear coat. These additional steps are not included and should be considered when developing an estimate using an on-the-spot evaluation. MOTOR does not offer a formula for 4-Stage refinish.”

Audatex doesn’t considering four-stage refinishing something that would happen in the aftermarket: “Some vehicle manufacturers occasionally use a four-stage refinish process.

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At the manufacturer level, four-stage refinish is the same process as three-stage with an additional clear coat between the base and mica coat. This does not need to be duplicated in the repair process. When these vehicles are being repaired, the three-stage process applies.”

It sounds like Audatex-using shops or insurers would have to figure out what’s appropriate and add it manually should a four-stage scenario like that described by CCC arise.

Mitchell’s P-Pages don’t mention four-stage refinishing.

Toyota Opt-OE radiators in CCC

Toyota does not offer any official Opt-OE collision parts, but it does offer remanufactured mechanical parts and now what the DEG in October described as “a new wholesale line of radiators that are NEW OE Parts with a full Toyota warranty, at a more competitive price.”

The DEG advised in October that the “Toyota Market Value Parts” wouldn’t naturally appear in CCC and explained how to add the appropriate vendor here.

After selecting “New” from the menu, select “Vendor” to reach the Vendor Source screen, according to the DEG. Pick the option for the “Optional OEM database,” provide search direction and choose the appropriate profiles. Finally, determine if you want this to apply to all locations or just one, and click “Finish.”



Spare tires in CCC

It’s possible that a shop might need to install a spare tire on a customer’s vehicle at some point and later remove it to return the final tire. The DEG advised in September that CCC will allocate 18 minutes for all of that.

“When required, an additional 0.3 hrs. may be necessary to remove a spare tire from its storage location and install it on the hub, later remove the spare tire from hub and return it to the original storage location,” CCC wrote. “Generally used when a road wheel is removed for repair and the spare tire is temporarily installed in its place.”

Source: www.repairerdrivennews.com

Repair cars properly, get paid properly



It seems like it was only yesterday that I opened up my body shop. I opened in 1969.

Our lives were simple. Our posted labor rate was \$4.50 per hour, and despite that, there was no shortage of technicians that were both willing and able to repair the simple machines of that day. No fancy metals. No computer controlled, rear view, heated, blind spot, avoidance, restraint systems. There were no “repair procedures” beyond grabbing a big hammer and a torch and beating the car into submission. Getting paid for the repairs by the customers and insurance appraisers was easy because, after all, we were only asking for peanuts. We didn’t know what we didn’t know.

The world moved forward and we’ve come a long way from those humble beginnings. While the changes have been a steady evolution over the past half century, things sure have accelerated in recent years. We have the added complexities of modern technology, customers are more informed (AKA difficult?) than ever, and insurers are stepping up their never-ending tightening of the purse strings. It would be easy to get overwhelmed by all of this and it would be easy to give up. But our recipe for survival has never involved simply doing what is easy and it certainly never considered giving up as an option.

In the beginning, we considered repairing the car properly to be the only thing of importance. Over the past 50 years, we’ve learned that it’s only 1 piece of the puzzle. The customer is the most important aspect of the repair and is the only thing that can guarantee your shop is successful. We have always been proudly independent, (No DRPs) because it’s important to never lose site of the fact that we’re working for the customer’s best interests, not their insurance company. We learned that a long time ago, but only recently did we realize how important it was that we put this in writing. A repair contract between the shop and the customer is the first step in keeping the insurance companies from taking control of your customer or the repair. A contract, if properly written, gives you as the shop owner many protections as well.

These days, it would almost be easier for a lawyer to open up a body shop and succeed than it is for seasoned professionals to try to adapt to the legal world that we’ve wandered into. But we never give up and we have managed to adjust. With all the information in the world at our fingertips, there is simply no excuse for not repairing cars properly and get paid properly for it. Any shop that has pleased their customers over the years should be rewarded with a good supply of work that can offset the enormous cost of the state of the art equipment that we need today. Repairing the vehicle with the proper parts and procedures as well as aligning yourself with the customer, makes your shop nearly invincible.

We’re all in this to make a living, but collecting for our repairs should theoretically be our last concern with the job. If you have it as your first priority, it will likely cloud your judgement of how to handle the customer and the repair. However, if you’ve done everything right up to that point, there is absolutely no reason why you shouldn’t be compensated properly. Repair the car properly, document the repairs with photos and on paper, please the customer, then ask the insurance company to pay you for the work that you’ve done. Chances are that one way or another, they will. If you don’t believe me, just ask and I can prove it. We encourage this because we need more allies.

The future of our shop and our entire industry depends on changing our self image and gaining respect we all deserve. The public needs to trust that all of us are true professionals who will properly repair the second biggest investment that they own. Our technicians need higher self-image of the work that they do every day. Our techs are truly artists! The next generation of repairers needs to view this industry as a good career choice where they can make a decent living and make a positive impact. All of this won’t be easy, but it should keep us busy for the next 50 years.

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