

The Official Newsletter of the Auto Body Association of Connecticut

“Samples of Success” Seminar Offers Creative Solutions to ABAC Members



“In Unity There is Strength; In Knowledge There is Power”

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your company in the
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ABAC President's Message

Bob Amendola

It's Time For Change!



In our "post" COVID world, things should be getting back to normal. We all know this hasn't proven true given the shortages, delays and rising costs we continue to face. The front end of your business, such as your office manager, estimator(s) etc. has never been more important. Continual training for estimators is key. We recently updated our parts code list and it's 3 pages long.

As the owner, you must have your eye on every expense, fixed or otherwise.

We cannot absorb these challenges as a cost of doing business. How are you being compensated for these rising costs? What have you implemented into your standard operating procedures and trained your staff to do to address these issues?

As an example from within our own shop, we began by taking an inventory of every expense. We need to know what things cost. To rely on a general understanding of these things is not accurate enough anymore. We pay for everything as it comes through the door and therefore every invoice or bill is thoroughly checked. Fuel surcharges, freight charges, expedited shipping to avoid backorders are just a few examples of what we look for so we make sure that it is included on the estimate/supplement/final bill. These things are not a cost of doing business. We get reimbursed for them.

As we mentioned in our most recent membership meetings, consider implementing a quarterly review of everything such as salaries, labor rates etc. Consult with your accountant to determine your labor rate. Small adjustments throughout the year are easier than big corrections.

If you do not address these challenges, your future is at stake. Be Positive and embrace change. Without change, nothing can get better.

Sincerely,

Bob Amendola

Autoworks of Westville

President - Auto Body Association of Connecticut

Autoworksofwestville@gmail.com

“Samples of Success” Seminar Draws Another Packed House!

The Auto Body Association of Connecticut has successful turnout as a follow up to their “Revolution of Solutions” Seminar held in November.



“At our last meeting, we had record setting attendance and we received so many calls and such great feedback that we need to continue to move forward with presenting solutions for everyone to bring to their businesses. We have the momentum. We cannot afford to sit back and rest. Our shops in Connecticut are too low and the work overload is just too high. It’s up to us to make changes and make this happen. Many are opposed to change. What you must realize is that nothing can get better for any of us until something changes. If you like complacency, the collision industry is not for you. After this meeting, there should be no excuses on why you can’t get something done in your business,” says ABAC President Bob Amendola.

Bob then read the antitrust disclaimer.

I again want to sincerely thank all of our ABAC Corporate Sponsors and our ABAC News Supporting Advertisers. They have all made a financial commitment to support YOUR Auto Body Association of Connecticut. In return we’d like to ask all our members to remember to Support Those Who Support You,” said Bob. ***Buckley Wynne and Parese is our Platinum Sponsor of the ABAC News Advertisers Directory as well as Bald Hill Dodge Chrysler Jeep/Kia who is our Gold Sponsor of our Directory,”*** continued Bob.

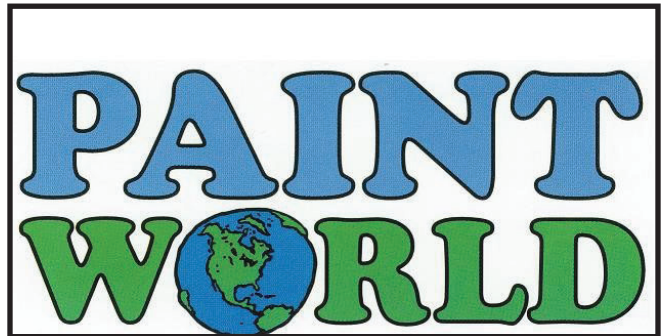
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Bob then announced our newest advertisers to the ABAC News Supporting Advertisers Directory. They are:

- **Artioli Chrysler-Dodge-Ram - Endfield**
- **Express Recalibrations - Darien**

The Meeting Sponsors for the night were:



Bob continued, *"I'd also like to acknowledge that we have guests attending from our neighboring State Associations; The Alliance of Automotive Service Providers of Massachusetts (AASP-MA) and Westchester-Putnam-Rockland ABA from New York. Thank you all for attending and for your support."*

"Last meeting, we ran out of time. So, sit back and get ready for more information to make your business more profitable," said Bob.

"Never have we seen so many companies' appraisers fearful for their jobs. That is just flat out wrong for them, for our industry. We're supposed to be having unbiased appraisals done in our shops and I don't believe that's happening. So, we have some points we're going to be making tonight that, hopefully, for most of you, will feel are really valid," he continued.

Influx of new members

Dave Fogarty, the night's Emcee took to the front of the crowd. *"The shops in Connecticut are beginning to see the value of the unity within the ABAC; the trust that they have with one another being colleagues. You should be able to call any ABAC member shop and ask them a question and be able to help one another. Insurance companies took a line from the Romans, "divide and conquer" and that's what they've been doing to our industry in the past."*



**(L-R) ABAC President Bob Amendola;
AASP/MA Executive Director Lucky Papageorg
and Emcee Dave Fogarty**

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With that, Fogarty announced that between he and Amendola, the ABAC has been able to add many shops over the past several months. Here is a list of new ABAC Members recently:

- **Federated Insurance**
- **Autobody Unlimited**
- **Victory Auto Body**
- **Stratford Collision of Bridgeport**
- **Knight St. Auto**
- **Renu Auto Body**
- **Twin Ridge Auto Body**
- **Hertz**
- **Quality Collision**
- **Broadway Auto Body**

After our dinner break President Amendola introduced our guest speaker of the night, and Primary Sponsor of the meeting, Express recalibrations.

Why is recalibration necessary after glass replacement?

“Every time a new windshield is installed, the camera must be recalibrated to ensure proper function and to restore the camera to OEM specifications.”

Every vehicle manufacturer has position statements in place requiring recalibration post glass replacement.

It is estimated that almost half of all passenger vehicles on the road will have some level of Advanced Driver Assistance Systems (ADAS) as a safety feature. These systems require highly detailed recalibration when your windshield is replaced. Usually insurance companies cover this, but it requires a trip to the dealership. Our team of highly trained technicians perform ADAS Recalibration Services at your location to get your system calibrated.

What is ADAS?

Advanced driver-assistance systems (ADAS) help while driving and parking. They increase vehicle safety. Using electronic technology such as microcontroller units (MCU), electronic control units (ECU), and power semiconductor devices to ensure safety.



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Most road accidents occur due to human error. ADAS systems automate, adapt and enhance vehicle systems for safety and better driving, by minimizing human error. Designed to avoid collisions and accidents by alerting the driver of potential problems, avoiding collisions by using safeguards and taking control of your vehicle. We can also provide diagnostics for:

- Forward Collision Alert
- Adaptive Cruise Control
- Lane Keep Assist
- Pedestrian Detection
- Traffic Sign recognition
- Lane Departure Warning system
- Collision Mitigating Braking
- Driver Status Monitoring

President Bob then began the presentation of “Samples of Success” offering his thoughts on efficient business practices. ***Figure out what you need to charge for your services. Once you determine that, write your estimates accordingly. It’s that simple! It’s then up to the insurance companies to work toward YOUR number. Do your homework ahead of time. Don’t allow appraisers into your shop without an appointment anymore. We’re not a flea market. We’re all involved in a professional industry with professional guidelines. Remember, you can and should perform a labor rate survey on your own; you just can’t share it with other shops.***

Bob then introduced ABAC Legal Counsel, John M. Parese. ***“My task tonight is to provide an overview on things that can be done from a litigation perspective when you run out of other options. Litigation is usually the last option because litigation can be expensive, time consuming, and can involve issues that get in the way of debt collection. We talk about files in the context of first party and third party. First party is when your customer is using their own insurance policy, and third party is when your customer is the victim, they were hit by someone else. We have litigated first party cases with mixed results. First party carries the added hurdle of limitations that may be set forth in the insurance contract.”***



**ABAC Legal Counsel John Parese (L) and
ABAC President Bob Amendola**

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"These could include, for example, anti-assignment clauses or policy exclusions, or contractual verbiage that is hard to overcome. Progressive, for example, often has language in its policies that states: 'we only have to pay a labor rate as reasonably determined by us'. Determined by 'us' meaning Progressive gets to pay what it wants. This sounds absurd, right? What's to stop Progressive from saying \$20/hour is what Progressive deems reasonable. Nothing! With that said, courts will look at this, and we've lost cases for this reason. Long story short, we have struggled a bit on first party claims for some of these reasons. It's not to say we can't do it. We have, and have won, but they can have frustrating contractual hurdles."

"Third party is generally more straightforward because there is an at-fault party who caused the loss, and that person is responsible under general tort law to make the victim whole. In this context that means to pay for the cost of repairs to resort the vehicle to pre-loss condition."

"The way we've done this historically is to have the customer grant the repair shop an assignment that says, in effect, 'I will allow you (the repair shop) to step in my shoes' so that you can pursue a claim. The assignment from the customer puts the repair shop in the position to bring a suit against the person who caused that crash. I don't want to get too technical about it, but it can be done, a number of shops have done it, and, for the most part, we generally win," continued Parese.

Dave Fogarty then joined John at the podium. *"There's a third option,"* claims Fogarty. *"I asked John Parese recently: can a body shop owner sue a Connecticut licensed appraiser for a Code of Ethics Violation individually? Not the company, but the actual appraiser. And the answer was YES,"* Dave then had printed flyers passed out to everyone showing the Connecticut Code of Ethics Regulation. Said Fogarty, *"Use this flyer in your shop. Place it on your wall at eye level so that every single appraiser can see it and read it when they enter your shop. We will be including this flyer in your copy of the next ABAC Newsletter so that every shop in Connecticut will have a copy."*

John Parese then went on to give examples of the use of the Code of Ethics Regulation reminding everyone to make sure that you **DOCUMENT** everything you do leading up to the suit. *"As a lawyer, I have a responsibility to do my job correctly, as a repair shop, you have a responsibility to do your job correctly. Everyone in their respective professions has a responsibility to do their jobs correctly. You don't have to do it perfectly, but you must at least meet a minimum standard of care. And the same goes for an appraiser. An appraiser's standard of care is set forth in Connecticut regulation. There is a Code of Ethics that instructs appraisers on what they must do. If an appraiser is not willing to follow that code of ethics, and as a result causes harm, then I believe that exposes the appraiser to a lawsuit. Sometimes, appraisers try to get out of responsibility by contenting that they are only doing what the insurance company instructed them to do. I'd like to thank Bill Denya for giving me one of my favorite analogies. Denya says, 'That would be like a Domino's Pizza delivery driver speeding through a stop sign to get a pizza delivered on time and causing an accident. It doesn't matter what the boss says. You still have to stop at the stop sign!' An appraiser can't be unethical just because the insurance company is telling him to make unethical decisions,"* said Parese.



ABAC President Bob Amendola (L) and Emcee Dave Fogarty

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Parese then fielded questions from attendees.



**Tony Ferraiolo from
A&R Auto Specialty**

Next speaker was Tony Ferraiolo discussing Creating your own invoice.

President Amendola then introduced our next speaker and the newest member of the Board of Directors, Jillian Dawley who spoke on Standard Operating Procedures

Speaking next was Board of Director Kevin Clavette from Ace Auto Body speaking on Pre-Storage. ***"I spoke at the last meeting about pre-storage and getting paid for it. There's not really an art to it, its persistence, but I'd like to show you all a few slides to see how we at Ace Auto Body have been successful,"*** said Clavette.

Board of Director Joe Cavallaro from Airport Road Auto Body then wrapped up this seminar by going over the Standard Operating Procedures used at their shop and implementation of software called **Podium Software**. Podium is a "software-as-a-service" platform designed to improve business online reputation. It helps users manage business interactions in one tool. Users can communicate reviews, texts, chats, and

post payment directly within the app.

All this info is just a sampling of the great information and knowledge that the ABAC offers its members at their membership meetings.

Your ABAC and its Board of Directors have been working hard to bring members education, ideas, guest speakers and solutions on how to use this knowledge to maintain and keep your business successful and profitable. Only you, as a shop owner, can continue to make that happen. Reach out to your colleagues and get them to our next meeting. There is strength in numbers and the ABAC wants to continue to help member shops on their successful journey.

Submitted by Don Cushing



**Jillian Dawley from Dawley
Collision & Customer**



**Kevin Clavette from
Ace Auto Body**



**Joey Cavallaro from
Airport Road Auto Body**

The Art of Charging the Customer



First of all, I would like to thank everyone who reached out and had such kind words after our last Association meeting. Your interest and support for what I had to say has meant the world to me. It became apparent to me in some of my long-winded email responses I still have a lot to say on this “art of charging the customer”. I think knowing the why is equally as important to knowing the how. Please know our company’s goal has never been to deepen our own pockets, but to protect our business’ present and future so we can continue to put our best foot forward for our customers. I’ve had the pleasure of talking with other shops from around the country and this is a common sentiment. If we continue to let Insurance companies dictate so many aspects of our industry; the entire industry is bound to collapse. We won’t be able to offer competitive wages or benefits to new hires, nor continue in simple operation at the rates insurance companies have deemed “industry standard.”

Charging the customer is something we have been driven to by insurance companies trying to dictate how we run our business, yet refusing to pay for the work needed. It has only been since we have come off most of our DRP programs, that we’ve had the freedom to stand up for ourselves and our business. We now have the ability to hold insurance companies accountable: the power to let them know they can no longer bury their heads in the sand, and that there will be consequences to their inaction. We will not be so easily brushed off.

This all began with part usage. More and more after-market part suppliers are popping up on insurance estimates. As someone who was managing part orders, returns, and a litany of other aspects of the business, I can confidently say there isn’t enough time in a day to chase returns to 5 different after-market or LKQ suppliers. We have the unfortunate task of informing customers that their insurance company sourced parts from suppliers we deemed sub-par and would not utilize them on their vehicles. We tell them if their insurance company won’t budge on the matter, they (the consumer) would incur out-of-pocket expenses for the difference in the price. The majority of customers understand that our refusal to compromise on our workmanship ultimately serves their best interests. Consumers do not want sub-par parts or shady repairs and are annoyed with their insurance companies for being cheap. Since we were no longer willing to absorb or cost shift for the difference in part prices adjusters knew they needed to write for parts we would use or find a way to make the difference on their end. If they didn’t, they would be met with annoyed and sometimes outraged customers.

The next logical jump after part usage was Materials. The measly rates that are paid simply do not cover what you’ve spent on the product for that vehicle. If you aren’t using some program to calculate this cost every job you accept is only putting you further and further into debt. Paint alone is expensive. We explain to customers that most insurance companies accept the program we use to calculate material cost, but if their insurance company denies it, they (the consumer) would be responsible for the difference. This was the first time we started to see a noticeable change in our bank account. That monthly paint supply bill did seem so daunting - it makes you start to think.

Fall 2021 we’ve gotten rid of most of our DRP programs, we’re getting materials covered, and are not being bombarded by this demand for cheaper parts. We decided to join in on the state wide push for labor rate change. We spent months arguing with claim reps and desk reviewers. Haggling with appraisers. It was a fight that was leaving us depleted and stressed.

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To fight for and be denied what you know you're owed is demeaning and disheartening. Enough was enough, the people we were talking to and arguing with had no power to make any real change. So, we changed our tactic. We decided to do what we'd done for parts and materials. The customer was going to be charged if the insurance company did not pay.

Were we nervous? Yes. Were we worried about customer reactions? Of course. We knew unless we made a change there wouldn't be a business to worry about let alone customers. We changed our customer pay document to include verbiage about labor rate and as of January 2022 we began prompting customers about their potential for out-of-pocket expense due to labor rates. The most important part of this policy is keeping the customer informed. If the customer comes for pick-up and you hand them a bill when they expected nothing, they're going to be upset. If you educate the customer from the first booking conversation that this is a distinct possibility, they may be upset, but they know where to direct their anger. At their insurance company.

Since implementing this policy we have discovered that the majority of customers don't know where to even find the labor rate on their estimate. Additionally, we have found that when brought to their attention, customers believe that the labor rate paid by insurance is too low - they know the price and importance of skilled labor. We let the customers know upfront how their insurance company will most likely handle their claim, and while we will absolutely fight for them, at the end of the day our business can no longer accept the loss. We explain the only shops required to work for that particular rate are DRPs or "in network" shops. We give them the opportunity to talk with their insurance company before the car ever enters the garage. We urge our customers to get any pre-repair negotiations with their insurance company in writing. Initiating negotiations up front, before the car ever comes in, is one of the ways we've been able to get the labor rate actually changed in the rates and NOT as a line note concession.

Be as clear as you can with the customer. Get the signature for proof you've had the conversation. Despite how many times you explain the situation, you'll still have customers who hear what they want to hear - often thinking the insurance company cares about their needs. When it comes time to go over the supplement, let the customer know their insurance company hasn't delivered on their promises. There may be a need to remind the customer of the paperwork they signed prior to the work being started. This will inevitably help guide their frustration in the direction of the insurance company and not your business.

Second to keeping the customer informed is having an estimate written at your posted labor rate. A bill with no cost shifting. This lets you know exactly what you need as far as billing. Please don't assume that cost shifting alone is meeting your numbers. It is also beneficial to have documentation to show the customer where the number they're being charged is coming from. We all stand by our work. Because of this, you should be weary of adjustments and cost shifting that work numbers to meet bottom lines. For example, a customer returns with rust on their QP, and according to the paperwork a repair on that panel was completed at your shop two years prior. However, the work was never actually carried out - this was something the adjuster added in order to meet your numbers. Chances are that unless you have a paper trail of exactly what was done, it will be difficult to discern whether or not this is an actual warrantee issue.

Lastly, what happens if an insurance company overpays? When you're fighting tooth and nail to be paid you don't consider the possibility of an estimate being overwritten. Our position on charging our customers the difference is that we need to be paid what we're owed be it rates, labor, materials or parts. It is not a desire to deepen our own pockets. Furthermore, it is our policy to reimburse customers or waive deductibles when our bill has been exceeded. And while it is helpful to our reputation, it feels even better to give back and build trust in our business.

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Experience has shown time and time again that claims will do nothing to change unless they are met with consequences. We no longer fight with desk reps or adjusters. We simply inform them of our policy and that we will not bend. However, this no-nonsense approach has taken time to develop and implement. We did not start at the rate we are currently at. We started low, with quarterly rate increases until we got to what we deemed a sustainable rate for the time being. This will take time to work into your business model. Ultimately, it is up to you to determine how much and what the customer is charged. You have the discretionary power to say, not this claim. I speak also on behalf of my family when I say that we would be more than happy to chat with any shops about this process. We would gladly answer any questions you may have, as well as hear about your own experiences in this matter.

Submitted by - Jillian Dawley
Dawley Collision & Custom
jillian.dawley@gmail.com



Northeast Trade Show Review

ABAC Vice-President - Ashley Burzenski

On Friday March 17th, AASP held the annual resolution forum and leadership meeting at the Northeast Trade Show in New Jersey. Tony Ferraiolo, Michael Wilkowski, George Atwood, Ashley Burzenski, Jillian Dawley and Tony Cavallaro Jr. attended the meeting to represent the ABAC.

Attendance was at a national level with leadership from various associations across the country participating in the forum. Representatives from each association had an opportunity to share ways that they are providing added value to their association for their members. What continues to make this annual forum such a success is the sharing of knowledge and networking among colleagues at a national level. As much as we contributed to the conversation, we left with new ideas to bring back to our members.

While the meeting ran for about 3 hours and there were various topics discussed, *one point in particular was unanimous*. To the credit of Mr. Tony Lombardozzi, we as the repairer must maintain the *parallel lines* between the relationship we have with our customer and the contract between the insurance company and vehicle owner. Therefore, we will continue to work to provide resources for our membership to adjust their standard operating procedures to adapt to this principle. The issue is between the vehicle owner and the insurance company. When we remove ourselves from the situation, we are putting things into the proper perspective. Once we do that, we will find that many of the other issues we continue to face will suddenly disappear.

The ABAC has made a longstanding commitment to participate in the leadership forum annually and the board of directors continue to take what we learn from meetings like this to benefit our members.

-Ashley Burzenski

NORTHEAST
Presented By AASP/NJ

Suing Appraisers for Professional Negligence



John M. Parese is a partner at the New Haven-based firm of Buckley Wynne & Parese

A topic of much discussion lately is the applicable duties and responsibilities of a licensed appraiser. Do appraisers have obligations to do their work with reasonable care and in accordance with the law like the rest of us? I would argue that they do. No one is above the law.

Some ABAC repair facilities started posting signs in their facilities alerting appraisers to their legal obligations pursuant to Connecticut Regulations § 38a-790-8 (Code of Ethics for Motor Vehicle Physical Damage Appraisers). The law provides in part:

Every appraiser shall: (1) Conduct himself in such a manner as to inspire public confidence by fair and honorable dealings; (2) approach the appraisal of damaged property without prejudice against, or favoritism toward, any party involved in order to make fair and impartial appraisals; (3) disregard any efforts on the part of others to influence his judgment in the interest of the parties involved; (4) prepare an independent appraisal of damage.

(Emphasis added) Conn. Agencies Regs. § 38a-790-8.

A few years ago, I brought a lawsuit on behalf of a repair facility against an independently licensed staff appraiser for Hanover. After a trial, the Small Claims Court held the appraiser personally responsible for failing to comply with the above cited Code of Ethics and for negligently performing his duties. The repairer's claims were premised on the appraiser's refusal to negotiate labor rate charges, refusal to pay for OEM parts, and insisting on an arbitrary cap on paint and materials. The total damages amounted to \$1,055.10.

After a hearing and testimony, the Court ruled in favor of the repair shop and against the appraiser and ordered the appraiser to pay the shop all of its damages (\$1,055.10) plus \$75 for reimbursement of the court filing fee. While there have not been many of these cases litigated, this case sent an important message: appraisers are not above the law, and they can be held accountable for failing to follow the law.

A popular misconception is that appraisers (particularly in-house appraisers) cannot be held personally responsible if they are simply following the directive of the insurance company. This is not true, with one notable exception. In 2015, our Supreme Court reversed a class action verdict against the Hartford. The Court held that it was not an Unfair Trade Practice for an insurer to use its employee appraisers to negotiate labor rates on its behalf. The Court did not invalidate the remainder of the regulatory scheme; nor did it impose any restrictions on any other provision of the regulations. Thus, aside from in-house appraisers giving deference to their insurance company employer on labor rates, Regulations § 38a-790-8 is still good law, and still requires appraisers to approach an appraisal on all other matters without favoritism toward the insurance company; to disregard any efforts on the part of the insurance company to influence the appraiser's judgment; and to prepare an independent appraisal of damage. If the Court wanted to invalidate 38a-790-8 it easily could have done so. It did not. 38a-790-8 is still good law.

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Appraisers, insurers and repairers, just as any other licensed professional, have basic obligations to be in compliance with applicable laws and regulations. If and when an appraiser fails to follow the law and thus causes money damages, the appraiser can and should be held personally responsible for those losses. It's not a valid legal defense to argue that the insurance company makes me do it. As Bill Denya likes to point out, that would be like blaming Domino's Pizza when its driver speeds through a stop sign in order to get the pizza delivered on time. It doesn't matter what your boss says, you still have to stop at the stop sign.

John M. Parese, Esq. is a Partner with the law firm of Buckley Wynne & Parese and serves as General Counsel to the ABAC. Buckley Wynne & Parese 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.

ATTENTION CT LICENSED APPRAISERS

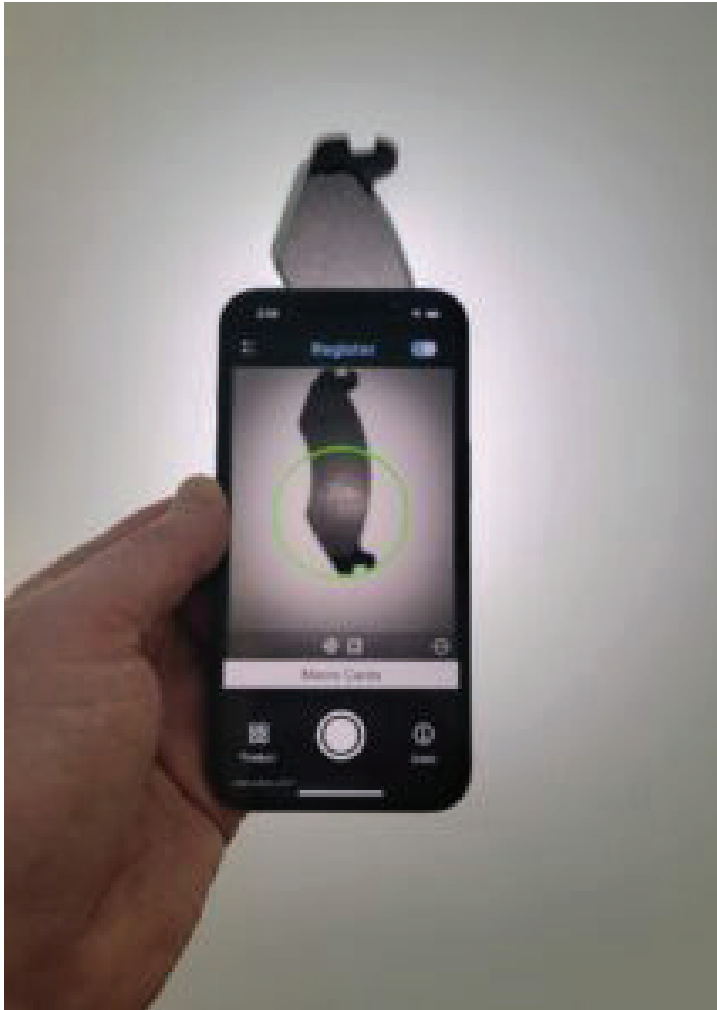
**PLEASE ADHERE TO THE CODE OF
ETHICS REGULATION BELOW WHEN
APPRAISING VEHICLES AT THIS FACILITY
OR RISK LEGAL ACTION**

The Conduct of Motor Vehicle Physical Damage Appraisers

§38a-790-8 Code of ethics

Every appraiser shall: (1) Conduct himself in such a manner as to inspire public confidence by fair and honorable dealings; (2) approach the appraisal of damaged property without prejudice against, or favoritism toward, any party involved in order to make fair and impartial appraisals; (3) disregard any efforts on the part of others to influence his judgment in the interest of the parties involved; (4) prepare an independent appraisal of damage.

New app promises OEM part authentication for use of safe parts



A new app could help collision repairers and consumers identify “gray market” parts that could pose safety and liability risks to vehicle owners as an extra safety step before using them.

Gray market refers to parts that are OEM-authentic but failed quality assurance tests and shouldn’t have made it to market or meet safety standards of one geographic region but not in others, such as those meant for India that ended up in the U.S. or vice versa.

Alitheon CEO Roei Ganzarski explained to Repairer Driven News that his company’s FeaturePrint app can authenticate OEM parts that are meant for specific markets and come with manufacturer warranties, as real parts sold by OEMs are supposed to.

Gray market parts, Ganzarski said, “were sold by someone else, usually in a cheap market. [Or] a bad actor picked those up somehow from the trash, from the recycling, from wherever they’re supposed to be destroyed and is now selling them as if they are real and passed quality assurance. They’re not counterfeit. They’re just parts that have failed. ...The challenge with gray markets is these are real parts so most anti-counterfeit types of solutions don’t work because these aren’t counterfeits.”

Typically, in the collision industry gray market parts are counterfeits such as an issue Nissan had in 2018 with fake parts making their way into the U.S. from Oman. In August, Mercedes-Benz warned of a global rise in fake parts based on 2021 data when 1.86 million counterfeit products were seized in more than 650 customs and law enforcement raids that year alone.

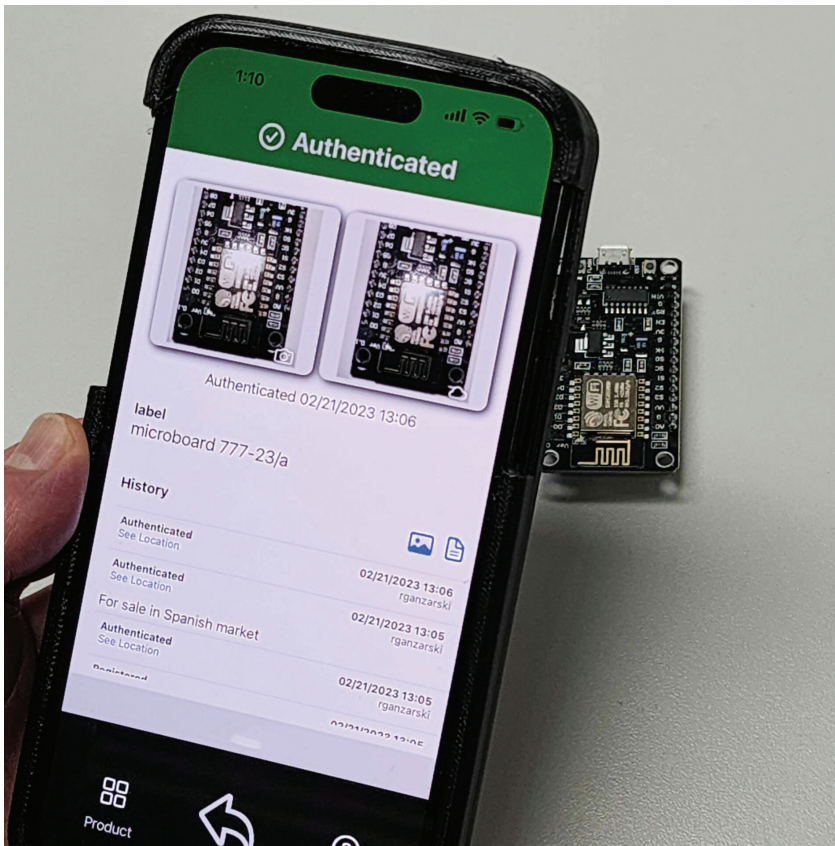
In October, Ford filed a federal trademark infringement suit against four companies that it claimed distributed, advertised, and sold thousands of counterfeit truck grilles and other parts over the previous two years, and possibly longer, as part of a “significant global counterfeiting operation.”

Ensuring part authenticity could avoid shop liability if gray market parts are used in repairs unbeknownst to the shop and lead to a future collision or issue.

FeaturePrint finds identifiers through an algorithm that are like digital fingerprints and are unique to each part avoiding the risk of barcodes, stickers, QR code stickers, RFID tags, or embedded serial numbers falling off, wearing off, or getting scratched off. It also makes it evident if a sticker or tag was removed from an OEM-sold part and put on a fake product, Ganzarski said.

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“The manufacturer just takes a picture of the items that they manufacture off the production line... then when it gets to the service center, the inventory area of the distribution center, or even the end-user, as I’m about to install a brake pad or about to install a battery pack into a car, I could take a picture with my phone and then it tells me, yes, this battery pack, this computer board, this brake pad was in fact made by this company on this machine on this date.”

Ganzarski couldn’t share with RDN which OEMs are using FeaturePrint but said there are a few doing so. The product only recently went to market after Alitheon received its most recent investment in October, led by BMW.

“When it comes to safety and quality that leads to safety — when you look at automotive, aviation, pharma, medical — we should be in a zero-trust environment,” Ganzarski said. “It’s too easy to say, ‘Oh, I trust what

you’re sending me. Then, God forbid, there’s an accident and people get killed and it’s like, ‘Oh, how did I not think of checking? It should be the opposite. Check just to make sure because people’s lives are at stake... when you’re buying a brake pad or a seat belt or an air bag or a battery pack or a computer board that runs your cruise control — you need to make sure those are real.

“I think it’s the responsibility of every aspect of the value chain of automotive be it the manufacturer, the supplier, the repair shop, the collision shop; any one of them, when they release a car back to its driver, they should be sure that the parts that they put on or inspected are in fact real.”

There is little to no cost to use the app and for OEMs only costs pennies to dollars depending on the value of the part (a higher priced part means higher FeaturePrint cost). Ganzarski likened it to insurance for OEMs to make sure their authentic parts arrive in the appropriate markets and that QA-failed parts don’t.

If a repairer tries checking for a part through the app that isn’t registered by an OEM FeaturePrint will say it has no information on the part.

Source: www.RepairerDrivenNews.com

Article by Lurah Lowery



Opinion: When a Total Loss is Not Really a Total Loss



Submitted by Thornton (Scotty) Scott

You have been in a car accident and your air bag went off. Fortunately, you escaped without serious injury. But the insurance company says your car is a total loss, offering you a quick payment to settle the claim.

Does the settlement offer represent the real value of the car or is it a way for the insurance company to save money? Is it really a total loss? It is time for the state Insurance Department and the state attorney general to investigate the ongoing deception regularly perpetrated on unsuspecting consumers by a few large insurance companies.

The general rule: Insurance companies consider a vehicle a total loss if the cost to restore it to its preaccident condition is more than the car is worth. And that is where the problem begins.

The appraisal of the damage may not be as fair or impartial as required by law. It is increasingly common, for example, for some insurance companies to appraise the cost of repairs without ever physically seeing the car — just some photos. One company even sends those photos to an allegedly licensed adjuster somewhere overseas. How an individual in, say, India, became Connecticut licensed in the first place is itself worthy of investigation. And how is it that the same Connecticut appraiser's license seems to sign off on everything reviewed in India?

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Nevertheless, photos alone cannot give sufficient information to obtain the true cost of repairs. Let's get on-site appraisers back to work. No more reliance on photos alone.

After a significant accident, the cost of repairing an air bag alone can range from roughly \$1,000 to as much as \$6,000, depending on the make and model of the car. It then becomes fairly easy for the insurance company to say the car is a "total" and not worth making the repairs.

Keep in mind, if the insurance company says the car is a "total," you can still accept a check and keep the car — maybe then bring it to a reputable shop for a reasonable repair. And, of course, an insurance company's settlement offer is not necessarily carved in stone. You can negotiate, especially if you have data to back up your argument.

Insurance companies, of course, have every right to try to reduce the cost of repairs. That helps keep our insurance premiums as low as possible. However, collusion between an appraiser and an insurance company is illegal — even if that collusion is just the result of an eye blink and promise of more work in the future. It must be investigated.

The appraiser must remain unbiased, impartial and fair.

Is it fair for an insurance company to take 15 or 20 days just to look at the damaged car? After delays to even look at the car, is it fair for the insurance company to stop paying for a rental car? Is it fair to refuse to pay for storage of the vehicle when it is the insurance company causing long-term storage to be needed?

As well, claiming a car is a "total" because an air bag went off is not impartial or fair. Basing an estimate of the cost of repairs exclusively on photos is not fair or unbiased.

In the past, the Connecticut General Assembly considered legislation to prohibit outside interference from pressuring licensed repairers to cut corners on the quality and safety of repairs. Unfortunately, it did not pass. Now is the time to reconsider such consumer protection measures.

Can we count on Attorney General William Tong to help move legislation forward? Can we count on Tong to more vigorously investigate claims of insurance company malfeasance? And what about the state Insurance Department? Is that department sufficiently free of pressure from the insurance companies themselves?

Thornton (Scotty) Scott is one of the owners of Family Auto Body and is a member of the Auto Body Association of Connecticut. He can be reached at 203-366-5631.

Source: *The Connecticut Post*
<https://www.ctpost.com/>



Ford's \$1 million scholarship program to help aspiring auto techs



Ford is donating \$1 million toward scholarship programs to help meet the demand for auto technicians throughout the industry.

Its newly announced scholarship program, which “aims to foster diversity and reduce barriers for students pursuing careers in automotive service and technology,” will be rolled out through dealerships in four cities: Atlanta, Chicago, Dallas, and Phoenix. This round of funding will focus on STEM (Science Technology Engineering and Mathematics) skills as the industry shifts away from internal combustion engine (ICE) vehicles

and toward electric vehicles (EVs).

According to the automaker, the program supports:

- “A focus on STEM-based curriculum in combination with hands-on learning;
- “Reaching students early and reinforcing the opportunities available for upward professional and economic advancement; and
- “Collaboration with dealers through their involvement in participating schools, career fairs, shadowing days, mentoring, and internships.”

“As we move toward an electrified future, these career opportunities are exciting and require skilled technicians who are proficient in STEM-related study,” said Elena Ford, Chief Customer Experience Officer. “Working together with the Ford Fund and our dealers to offer this scholarship program means we will welcome a new generation of diverse students to the industry, and hopefully into our Ford family, to help us better serve our customers.”

The automotive industry has grappled for decades with how to attract and retain skilled workers. A recent Techforce Foundation study found that 232,000 techs were needed in 2021 across automotive, diesel, and collision but schools were graduating only 42,000. In collision alone, the demand was 35,000 techs while only 4,500 graduated.

Ford said the gap is likely to worsen throughout the next decade, particularly in Arizona, Texas, Georgia, and Illinois. It hopes its scholarships help move the needle in the right direction by inspiring more students to enter the field.

The scholarship is open to students enrolled in post-secondary auto and diesel technician training programs in the four selected cities. Applications for the needs-based scholarships, which will be put toward tuition and related expenses, are being accepted through June 30. Scholarships will be administered by TechForce, a non-profit that helps students pursue careers in the auto tech field.

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“These scholarships will go a long way in engaging students, particularly those from under-resourced communities, to consider careers in automotive technology and service,” said Jennifer Maher, CEO, TechForce Foundation. “We’re excited about working with the Ford Fund and Ford Dealer partners to help create a path to careers students may not have considered before.”

The scholarships are the latest in several steps Ford has taken to help close the skilled workers gap.

In January, it partnered with Enterprise Holdings, through the Enterprise Holdings Foundation, to add a seventh college to the Collision Engineering Program (CEP). CEP is a national workforce development program founded by Enterprise Holdings and Ranken Technical College that offers a two-year apprenticeship to attract and develop entry-level talent to fill essential roles in the collision repair industry.

In that case, the Ford Fund will offer scholarships to CEP students and will also pay for program startup costs, instructor training, and school equipment including lab materials, and provide students access to tool kits, uniforms, PPE, certifications, tuition assistance, assessments, and other student-centered resources at the new school.

CEP students learn in both classrooms and modern collision engineering facilities where industry experts provide real-world education as students work toward earning their associate degree.

“We are just pulling partners together to try to solve this skilled technician shortage,” said Mary Mahoney, Enterprise Holdings vice president. “We have a long way to go. I’ve talked to shops that go, ‘That’s all great but I need 2,000 techs today.’ ...We’re working on the educational side trying to build curriculum alongside our I-CAR partners and trying to move forward.

“Widespread industry support is vital to addressing the worker shortage and skills gap, and to ensuring the success of the Collision Engineering Program. As a leader in the automotive industry, we’re committed to addressing these challenges with our partners. We could not be more thrilled to expand our longtime partnership with Ford Motor Company, through its philanthropic arm, the Ford Fund, to increase access to the Program and help address this ongoing industry challenge.”

Visit TechForce’s website for more information on how to apply for its current scholarship program:

<http://techforce.org/FordFund/>

Source: www.RepairerDrivenNews.com

Article by Michelle Thompson on March 31, 2023



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