



Automotive Service Association®

# COLLISION OPS NEWS

A bi-monthly news update from ASA's Collision Division.

July/August 2014



## Collision Operations Committee

### Division Director

Dan Stander, AAM

### Assistant Division Director

Scott Benavidez

Tommy Clayton

April Hernandez, AAM

Mike LeVasseur

Steve Tomaszewski

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Roy Schnepfer, AAM

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#### General Director

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#### Collision Division Director

Dan Stander, AAM

#### Mechanical Division Director

Bob Wills, AAM

#### ASA President/Executive Director

Dan Risley

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### Affiliate Associations

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ASA-Colorado

ASA-Georgia

ASA-Illinois

ASA-Michigan

ASA-Midwest

ASA-New Mexico-Central

ASA-New Orleans

ASA-Northwest

ASA-Ohio

ASA-PA

ASA-Rhode Island

ASA-Texas

## Recent activities of the ASA Collision Division Operations Committee ...

### Farmers Insurance Drops Most Favored Customer Clause from New DRP Agreements

Following Farmers Insurance's decision to remove Most Favored Nation (Customer) clauses from insurer direct repair programs, Dan Risley, Automotive Service Association president and executive director, sent a letter of thanks to Jeffrey Dailey, Farmers' chief executive officer.

Generally, Most Favored Nation (MFN) clauses stipulate that should a provider give a bottom line discount, rebate or other estimate discount on the repair costs to any insurer, the same or better bottom line discount must be given to the insurer proposing the DRP agreement. The elimination of MFN clauses has long been a policy priority for ASA, the members and the industry.

ASA's collision leaders have made several trips to Washington, D.C., to discuss eliminating the clauses with congressional leaders, the U.S. Department of Justice and the Federal Trade Commission. To read ASA's letter to Farmers, or to learn more about ASA's work to eliminate MFN clauses from DRP agreements, go to [www.TakingTheHill.com](http://www.TakingTheHill.com).

### Are Reduced Refinish Times Challenging Your Business?

There is an issue commonly referred to as "blend within a panel" or "zone refinish" that has challenged many collision repairers throughout the country. For clarification, blend within a panel is not attributable to nor should it be confused with the process of blending an undamaged adjacent panel for color match purposes.

Blend within a panel is associated with the arbitrary reduction of the refinish time specific to a damaged panel. Often times, the damage to the panel is minor and doesn't require blending the basecoat into an adjacent undamaged panel to achieve a color match. Because the refinish technician would not likely be applying sealer and basecoat to the entire panel, some insurance adjusters will reduce the refinish time on the estimate. It has been reported that some insurance are reducing refinish times upward of 70 percent. This arbitrary reduction is typically a percentage of the full refinish time for a new undamaged panel.

Recently, ASA has sent letters to all three information providers. We believe that fact-based information provided from their estimating databases would contribute towards a more accurate estimate and potentially improve the relationship between repairers and insurers.

### Highlights from 2014 NACEICARS

The new date, new city and new convention center provided a great "renaissance" for the NACEICARS Expo & Conference.

ASA held its "Celebration of Excellence" at the Henry Ford Museum in Dearborn, Mich. The night began with the Automotive Management Institute (AMI) graduation ceremony

recognizing those who have earned the Accredited Automotive Manager (AAM) designation. The traditional event continued as it honored the achievements of ASA members and its industry partners as shown below:

- Emil Stanley Merit Award: **Stefany Lorang**, LaMettry's Collision, Inver Grove Heights, Minn.
- The BodyShop Business Magazine Scholarship: **Patrick Johnson**, Brothers Body & Paint Inc., Martinsville, Ind.
- ASA's Phoenix Award: **Michael Anderson**, CollisionAdvice.com.

- The Chairman's Award of Excellence: **Roy Schnepfer**, AAM, Butler's Collision, Roseville, Mich.

- The ASA Partnership Award: **Ray Fisher**, executive director of ASA-Michigan, for his input, direction and unwavering support of NACEICARS 2014.

- The ASA Benefit Provider of the Year: **AutoZone**. This award is presented to a sponsored benefit provider in appreciation of its relationship with ASA, and for the value, quality and professional service it offers to ASA members.

A huge success was the Collision Repair Executive Symposium (formerly the MSO Symposium). This was designed for collision repair multi-shop operators, as well as operators looking for high-growth strategies, mergers and acquisitions, divesting, and operational excellence.

First time in trade show history, live demonstrations! Painting, welding and running vehicles on the show floor provided attendees with front row seating with no additional cost. These demonstrations were a huge success and welcomed by attendees and industry at large.

NACE attendees were provided a glimpse of the new high-strength, military-grade aluminum alloy used on the 2015 F-150 truck vehicle. They also learned vital information about the repair process and potential cost of equipment for a collision repair facility.

Members of the Collision Division Operations Committee and ASA Board met with Dale Sailer with PartsTrader. The purpose was to exchange information. In addition, the committee has an opportunity to address current collision projects.

Please note: Effective Oct. 1, 2014, this will be our new address.

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