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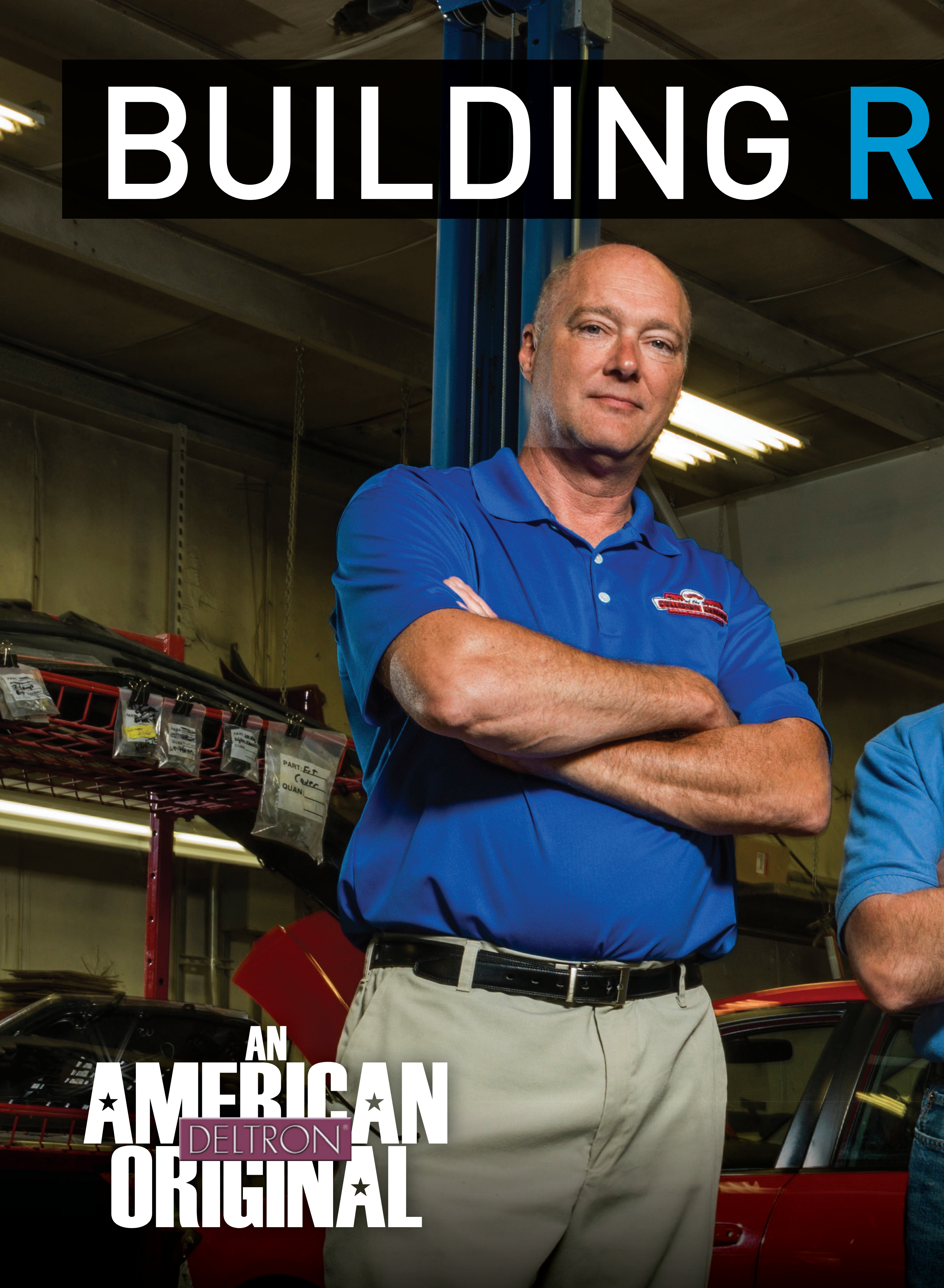
BUILDING R



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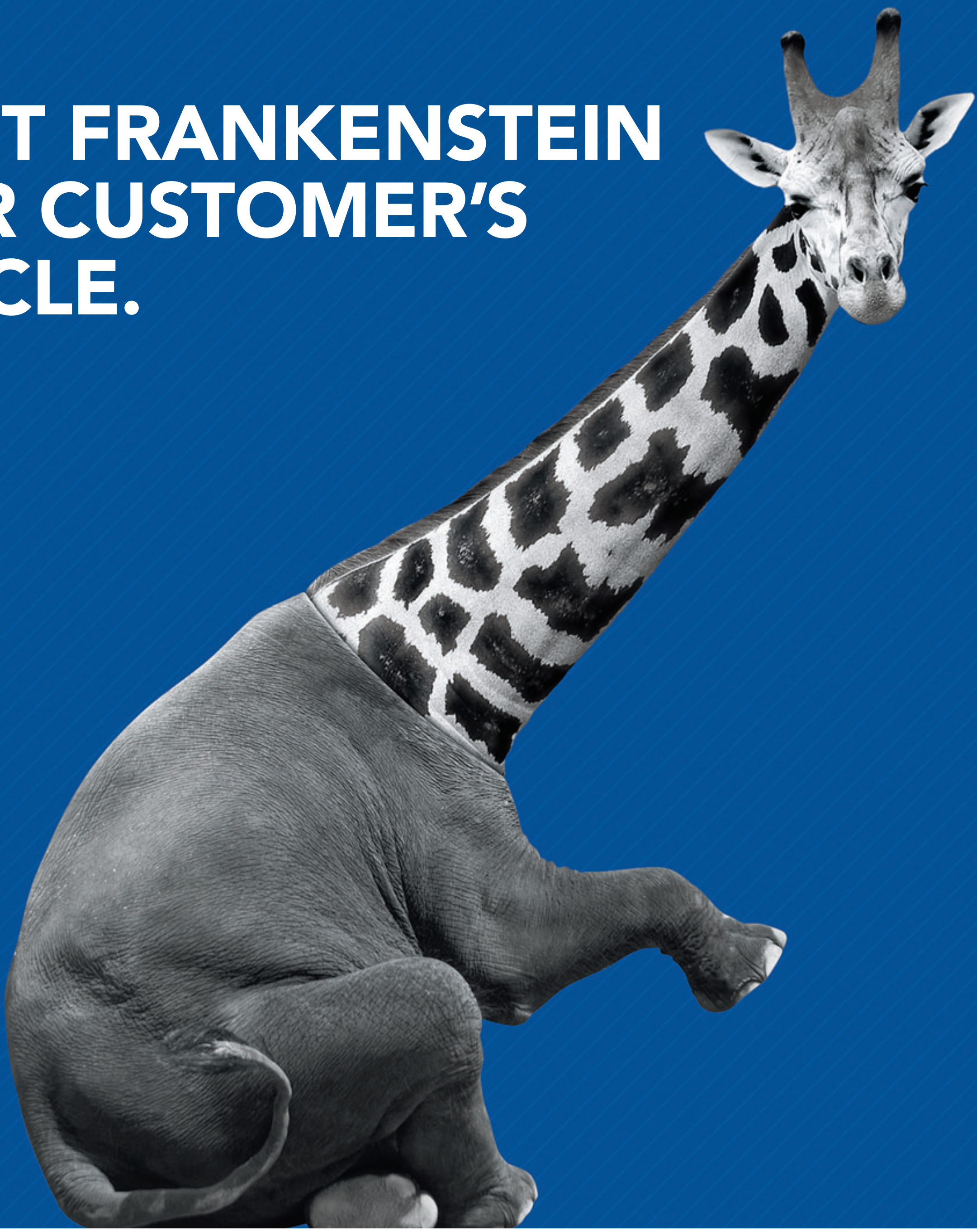

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KIA QUALITY CONNECTION FALL 2017

Check out Kia's newest supplement, packaged with this issue!

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That's why you need this whitepaper. Drawing on a vast assortment of experiences, knowledge and background, Global Finishing Solutions outlines specific questions you need to ask yourself, management and your painters before you take on this addition, as well as best practices for painting in the new booth and properly maintaining the investment. This resource covers what you need to know, ask yourself and consider before jumping into this new revenue stream.

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INDUSTRY NEWS

DIGITAL MARKETING

HOW TO MARKET YOUR SHOP IN THE AGE OF SOCIAL MEDIA

BOB COOPER // Contributing Editor

Over the past 100-plus years, marketing strategies and the brands that were built were developed by two entities: The client and the ad agency. The client would tell the agency how they envisioned their brand, and the agency would develop the advertising campaigns that would create that very same image in the minds of the targeted consumers. The tobacco companies wanted to create brands that would cause a consumer to feel good when they used their products, and the ad agencies did a great job of achieving this objective. Volvo wanted to create a brand that reflected safety, and as we all know, just about every Volvo ad sends that very same message. After 100-plus years, that systematic method of brand creation is now dead. Not just for companies like the above mentioned, but for auto repair shops just like yours. Let me explain what has happened.

The ability to create a brand is no longer under the control of a product or service provider, nor the ad agencies. In today's world brands are now created by one entity more than any other, and that entity is social media. The way your shop is going to be perceived in your community is based on what is being said about

>> **SOCIAL** CONTINUES ON PAGE **10**

BREAKING NEWS

SHOP EFFICIENCY

GFS NOW OFFERS CONSULTING SERVICES FOR SHOPS

Global Finishing Solutions, a manufacturer of paint booths and accelerated curing technologies, is partnering with Pat O'Neill to provide its customers with body shop workflow consulting services.

O'Neill, a prominent body shop owner and business partner of Bodyshop Revolution, has long been interested in emerging technologies and tools that body shops can use to improve their process flow and increase revenue.

O'Neill's shop consultative services typically take place during the installation of new equipment to guarantee the best placement and the most effective flow.

His philosophy has four key strategies: consolidate departments to reduce time, eliminate estimating mistakes, decrease cure time and affect the shop's culture and belief system.

TRENDING

CREF ANNOUNCES NEW BOARD OF TRUSTEES

The Collision Repair Education Foundation announced the appointment of four new members to its Board of Trustees: Kevin Burnett, Don Mikrut, Jay Sharp and Karen Sullivan.

ABRN.COM/NEWBOARD

OEM PROCEDURES: HOW OFTEN DO YOU CHECK THEM?

Each time a damaged vehicle is brought to a shop for repair, the tech needs to research the OEM repair procedures to know what exactly is needed for a full, proper and safe repair.

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THE CORE FOUR SOLUTIONS TO CORROSION PROTECTION

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IMPROVE CYCLE TIME, PROFITABILITY WITH WHEEL ALIGNMENTS

Chief's new line of wheel alignment systems can help control cycle time, which is crucial to staying profitable, and keep shops from sending cars out to an alignment shop.

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NEW FIBER LASER CUTTING SYSTEM

Automation Alternatives released the RubyLaser FLC, which boasts unsurpassed efficiency using a third of the power and less gas than CO_2 systems. It also offers lower service costs.

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INSURER STUDY

SMALLER, REGIONAL INSURERS GET TOP GRADES FROM SHOPS

FROM ABRN WIRE REPORTS

Smaller, lesser-known insurers received the highest marks from collision repairers asked to grade the auto insurers' claims practices in the 2017 CRASH Network "Insurer Report Card."

More than 1,200 individual shops around the country each graded as many as 30 different insurance companies in terms of how well each company's "policies, attitude and payment practices ensure quality repairs and customer service for motorists."

"Collision repairers interact with these companies every day," CRASH Network's John Yoswick said. "We think their perspective on which companies do the best job taking care of policyholders — and which ones have some room for improvement — can be a valuable tool for drivers as they consider which insurer to choose."

This year's "Insurer Report Card" found that the largest insurers nationally did not receive as high of grades as many smaller and regional insurance companies.

"Many consumers won't have seen or heard advertisement after advertisement for North Carolina Farm Bureau, Grinnell Mutual or Acuity Insurance, but shops graded these companies as among the best when it comes to taking care of customers after a claim," Yoswick said. "You have to look fairly far down the rankings before you find one of the best-known and largest auto insurers, but most consumers will find an insurer or two among the 15 highest-graded who offer auto insurance policies in their state."

Shops participating in the Insurer Report Card used such phrases as 'cares for the customer,' 'quality repair,' and 'easy to work with' to describe the insurers who received high marks. They criticized the insurers to whom they gave lower grades using such phrases such as, 'does not care about the quality of the repair,' 'pushes us to use cheapest/lowest quality parts available,' or 'inexperienced adjusters.'

"Just as medical providers see how health insurers process claims, collision repair shops interact with auto insurers on a daily basis, so we feel it's worthwhile to ask their opinion on how well those insurers treat car owners after an accident," Yoswick said. "We believe their views will be of interest to insurance companies and consumers."

A free summary of the 2017 "Insurer Report Card" findings can be downloaded at www.crashnetwork.com/irc.

>> **SOCIAL** CONTINUED FROM PAGE **8**

you, your company and your employees on social media and review websites. You may believe that you provide a great service, and that your technicians are second to none. You may also invest a lot of your hard-earned money into advertising programs to try to get that message (brand) into the minds of your targeted customers. But in reality, if the chatter in social media says that you overcharge or that you don't live up to promised completion times, then whether you like it or not, that will become your brand.

So here are my recommendations. First of all, accept the fact that social media is here to stay, and it is where your brand is going to be built. Secondly, you should create a plan that will have a positive impact on what is being said about you and your shop on social media sites. Obviously there are a number of things you can do, but nothing will ever trump extraordinary service. The reason companies like Nordstrom, Zappos and Starbucks have such extraordinary reputations (brands) is because they deliver extraordinary service. I would strongly encourage you to review every customer touch point from fielding that first call through your customer follow-up calls, looking for ways to improve the entire customer experience.

Lastly, I am going to suggest you do something that your competitors would never dream of doing, and that is invest 20 percent of your ad budget into the customer experience. This means investing in the customer waiting area, your shuttle service, refreshments, customer follow-up and the plan you have in place for dealing with disgruntled customers. The Marriott Corporation discovered that they were getting higher CSI scores from customers they dropped the ball with, yet the customer was pleased with the resolution, than from those who had flawless stays at the Marriott. The lesson they learned? When a mistake is made people typically don't expect a resolution that will make them smile, so when they are completely satisfied, they are pleasantly surprised. This is why the Marriott immediately allocated a good percentage of its training resources to dealing with customers who had a bad experience. Without question, you should do the same.

In closing, brands are no longer built on Wall Street, but in today's world they are being built each and every day on the web. I can only hope we all agree that social media is here to stay, so you need to invest in making the customer experience incredibly positive, because if you do, your customers will do what agencies used to do and create an extraordinary brand for you.

VEHICLE DESIGN

NEW CAMERA, DISPLAY MIRRORS ENHANCE VEHICLE SAFETY, FUEL EFFICIENCY

FROM ABRN WIRE REPORTS

Rear-view and side-view mirrors on new vehicles will begin to see major changes over the next decade, according to new analysis from business information provider IHS Markit. Combining high-definition cameras and displays in place of — or to complement — traditional mirror designs offers a compelling case for automakers to improve on fuel efficiency and battery range, while increasing visibility and safety with high-value technology-driven content.

These technologies will catch on quickly over the next decade, according to the recently published Camera and Display Mirrors Report from IHS Markit.

Displays where a rear-view mirror once was? It's possible!

The first production applications of rear-view display mirrors have been successful, with the substantially wider field of vision helping to eliminate blind spots from rear seat occupants or roof pillars. General Motors was first to market this technology in 2015 with the Cadillac brand before expanding to Chevrolet and upcoming Buick models. However, other automakers are taking notice and making plans to bring similar solutions to market soon. Nissan announced plans to introduce the technology on the 2018 Armada, and other automakers will soon follow.

A substantially wider field of vision also contributes to improved driver comfort and awareness. The device also appeases regulators and drivers alike with a toggle to switch between a traditional reflective mirror and the camera view. With regulatory approval and early signs of customer acceptance, rearview display mirrors are expected to reach nearly 1.8 million units produced annually in 2025, according to IHS Markit global forecasts.

Cost remains a major barrier to widespread implementation of this new design as relatively inexpensive traditional rear-view mirrors are replaced with more complex camera display systems. While cost and complexity will limit the market to an extent, the opportunity for differentiation and improved visibility will attract a number of automakers.

Cameras viable replacement for traditional mirrors

Aerodynamic improvements and enhanced visibility are primary reasons behind emerging mirror replacement applications. Now that the regulatory environment is taking shape to support this concept, production applications will soon follow.

The market for dedicated side-view camera display mirrors will grow as a result, with initial production expected within the next 12 to 24 months, according to IHS Markit. By 2025, nearly a half million side-view camera display systems will replace side mirrors annually in new vehicles designed to support the added technology content. Implementation will not be uniform, however.

"Suppliers and automakers are investigating several different ways to replicate the camera view with an in-vehicle display. These side-view images could feed through an instrument cluster display or even a traditional center stack display," said Brian Rhodes, automotive technology analyst with IHS Markit. "However, the majority of concepts to this point have focused on new, dedicated side-view displays located either in the door panels or A-pillars because they offer the driver the most familiar line of sight for this safety-critical aspect of driving."

From a driver assistance perspective, augmenting mirrors with cameras is already common today — from rear camera park assist to applications such as Honda LaneWatch that enhance visibility.

"Current side camera systems enhance the driver's view today and provide marginal added safety, but there is much more opportunity," said Jeremy Carlson, principal automotive analyst with IHS Markit. "Camera sensors allow machine vision software and artificial intelligence to constantly detect, track and recognize objects over a wide field of view, and that can be important to autonomous driving solutions."

In 2025, more than 1.8 million vehicles will be produced with side-view camera sensors to support drivers or contribute to automated driving systems, while more than 23 percent of these systems will completely shed the traditional side-view mirror, according to IHS Markit forecasts.

New opportunities for content differentiation, suppliers

These mirror replacement solutions offer automakers a new opportunity to add value for consumers and to deliver content in an entirely new area of the vehicle. In addition, they create opportunities for a new set of suppliers to meet this demand — including those with expertise in automotive camera systems, display modules, system ECUs, and mirror modules, all of which could see new business opportunities take shape as this market develops.

"Automakers will have the flexibility to integrate safety features such as a pedestrian highlight or warnings for fast-approaching vehicles to bring the driver's attention to these outside factors and allow them — or the vehicle itself — to respond accordingly," Carlson said. "That next level of innovation will push this emerging technology beyond the 'nice to have' cost constraints and into an integral part of a comprehensive in-vehicle user experience, whether you're driving yourself or watching your vehicle drive you."

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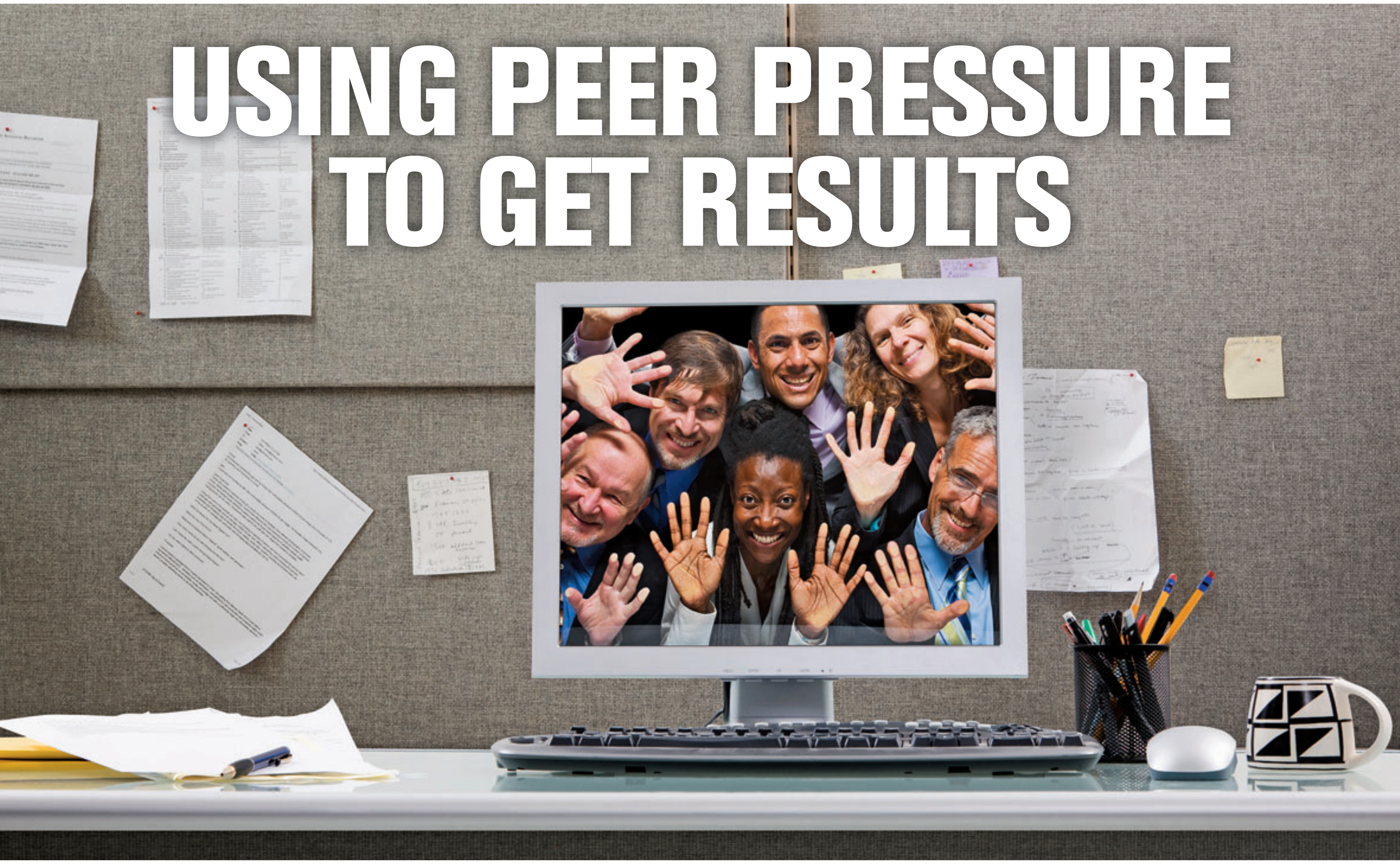

Getting state insurance commissioners to act may require showing them that others have

JOHN YOSWICK // Contributing Editor

If you can't get your state insurance commissioner to listen to you, maybe you can get them to listen to their colleagues.

Collision repair shops and associations often express frustration in trying to work with their state insurance regulators on issues related to steering, use of non-OEM parts or other insurance claims practices they consider unfair or illegal. But an increasing body of anecdotal evidence suggests one successful approach collision repairers may want to try: Point to actions taken by insurance commissioners in other states.

For example, in 2015, Montana's insurance commissioner released a video public service announcement reminding motorists that by law they can have their vehicle repaired at the shop of their choice, and that insurers are required to pay the claim properly no matter where the car is repaired.

Part of what prompted that action in Montana was a nearly-identically scripted video released just four months earlier by the Oklahoma insurance commissioner.

Those videos were discussed earlier this year when a representative of the Pennsylvania Insurance Department spoke at a Collision Industry Conference (CIC) held in that state. In his presentation, David Buono, a consumer liaison for that agency, said steering of consumers to insurers' preferred shops is "one of the things we do hear about," and that his department offers a guide on consumer shop choice. Buono said he thinks it's unlikely that insurers are directly forcing someone to take their car to a particular shop.

"What I worry about is…where a person says, 'You know Bob's Body Shop just takes a long time. But we can get you in this shop right away,'" Buono said. "That's

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steering. So we want to make sure those types of conversations aren't happening. The choice is up to the owner."

During a question-and-answer session that followed, Aaron Schulenburg of the Society of Collision Repair Specialists suggested Buono review the Montana and Oklahoma videos that addressed the more subtle forms of steering.

"That's actually a really great idea," Buono said of such a video, saying it could be something the department could include on its Facebook page. "That's something you could almost role-play to help consumers...understand what steering actually is."

Another CIC attendee suggested Buono's department review two Illinois Department of Insurance consumer guides on what to do if filing a claim with your own insurance company, and what to do if another party's insurance company is handling the claim. Still another attendee suggested Buono's department require more disclosures on photo appraisals about some of the limitations of estimates prepared without seeing the vehicle directly.

"I think that is something that I could absolutely look into and take back to see if a disclaimer of that nature should be added or could be added," Buono said. "It's something we could talk to our legislative liaisons about to see what we could do to try to make a change."

So if suggesting your insurance commissioner follow the lead of his or her counterpart in another state is one way to potentially get action taken in your state, what are some of the examples you can point to?

Mississippi issues consumer guide

Mississippi Attorney General Jim Hood this past spring issued a new 8-page "Consumer Guide to Insurance and Auto Body Repair," a document developed over 10 months by his office with input from a task force consisting of insurers, repairers and the state insurance

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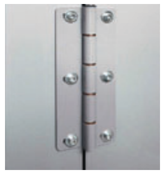

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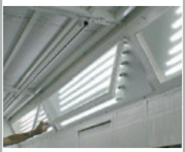

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Jump to Blowtherm USA's website from your smart phone commissioner. It prominently states that consumers "have the right to select the repair facility" of their choice and that the "cheapest estimate…does not always include all procedures and parts necessary to properly repair the vehicle."

The guide notes that "shops with certified technicians, modern tools and technology may charge more" than shops without these items. It defines "proper repair" as one performed according to OEM repair procedures and "using OEM or OEM-equivalent parts that have been properly tested to meet the manufacturers' specifications."

It explains the different part types, and tells consumers they "have the right decide what type of parts are used," but also notes that insurance policies "may only pay for used or non-OEM parts when those parts would properly repair the vehicle."

Mississippi shop owner John Mosley, who was part of the taskforce that offered input on the document, said that Hood and his staff "seem to understand the complexity of new-vehicle construction and the necessity for proper repairs." Mosley, who ran unsuccessfully for state Insurance Commissioner last year, wrote on Facebook when posting a copy of the document, "The days of 'the cheapest price is the price we pay' have reached an end."

Issuing a memo to insurers

Sometimes a memo issued by a state insurance commissioner is all that's needed to put insurers on notice that regulators are watching to ensure claims-related regulations are being followed.

Back in 2011, Montana became the second state (after Minnesota) to enact legislation prohibiting insurers from "unilaterally disregarding repair operations identified in auto repair estimating systems." Shown more recent examples by shops in that state of insurers skirting this law led the insurance commissioner to act. She issued an advisory about a year ago reminding auto insurers about that state law and pointing out that estimating systems do not dictate market price.

"Accordingly, insurers who unilaterally disregard repair operations because such operations are not standard and customary charges in the marketplace are in violation" of the regulations, the Montana memo stated. A lower estimate from a shop in the same market does not define market price. "Instead, market price must be determined by the manufacturer's list price on parts, prevailing surveyed labor rates, material usage and mark-up on sublet."

Taking regulatory action

A "market conduct report" performed by the Illinois Department of Insurance appears to have led USAA last year to instruct its direct repair shops in that state to disable the paint materials threshold in their CCC estimating system for all USAA claims.

The change was announced in a USAA memo to shops that was reported in *CRASH Network*. Although it wasn't clear what prompted USAA's change, it occurred just days before the Illinois Department of Insurance released a market conduct examination report showing that in 16 of 116 USAA claims files reviewed, the insurer unfairly placed "caps or limits on paint or materials."

Existing Illinois law prohibits an insurer from "attempting to settle a claim for less than the amount to which a reasonable person would believe the claimant was entitled" by such means as "establishing unreasonable caps or limits on paint or materials when estimating vehicle repairs." The Illinois Department of Insurance, which examined USAA property and auto claims from 2013 and the first quarter of 2014, found a variety of violations. In 10 of the claims found to have improper caps on materials, USAA paid $400 for paint materials; in the other six, the insurer paid $500.

The DOI determined the amount of the underpayment on these claims (all from 2013) based on the number of paint labor hours (which ranged from 13.7 to 24.8, an average of 17.8 per claim) multiplied by the hourly materials rate (which ranged from $26 to $34). The underpay-

"WHO PAYS FOR WHAT?" SUMMER SURVEY FINDINGS RELEASED

About 51 percent of shops say they are paid "always" or "most of the time" to pressure test and purge a vehicle cooling system when necessary as part of a repair, yet more than 40 percent of shops acknowledge never having billed for this not-included procedure. That's among the findings of this summer's "Who Pays for What?" survey.

Mike Anderson of Collision Advice, creator of the surveys, said it's become increasingly important to check the OEM repair procedures in relation to testing and purging cooling systems.

"Many automakers now are using electronic check valves on their cooling systems," Anderson said. "You can't just manually bleed those cooling systems any more. You need to use a scan tool to initialize an electronic check valve. So the labor time for this may vary based on whether this procedure can be done manually versus requiring a scan tool."

In addition to the cooling system operation, the July survey, conducted by *CRASH Network* and Collision Advice, asked shops about their billing practices — and insurers' payment practices — regarding about two dozen frame and mechanical related operations. Go to ABRN.com/summersurvey to see the full report.

"More than 89 percent of those taking the survey this summer said participating in 'Who Pays for What?' is helping them improve their business," Anderson said.

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ments in the 16 instances ranged from a low of 40 cents to a high of $294.40, but averaged $67.48. The consent order signed by USAA in response to the DOI investigation included a fine of $19,500 and an agreement by the insurer to "institute and maintain procedures to ensure they settle claims for a reasonable amount by not placing thresholds, caps or limits on paint materials."

"If I were a shop in another state that prohibits the use of caps, I'd be taking a copy of the Illinois memo and estimates showing a pattern of an insurer using a cap to my insurance commissioner," one Illinois shop owner, who asked that his name not be used, said. "Our insurance commissioner's action on this will give extra credibility to what you're trying to show yours."

Open lines of communication

The Pennsylvania Insurance Department representative picking up ideas at the industry meeting is a good example of how inviting your state regulators to speak at a gathering of shops can help open lines of communication.

Representatives of the California Bureau of Automotive Repair (BAR) spoke at an autobody association meeting in that state last year, saying they had learned that in some markets a wide variety of types of parts are being lumped together under the category names "alt-OE" and "opt-OE." The BAR representatives said based on their research, it was clear that shops don't always know what they will receive when they order such a part, so consumers certainly won't know what the term "alt-OE" or "opt-OE" means on a repair estimate or invoice. Shops in that state are free to use such parts, the BAR representatives said, but they can't use those terms on the paperwork without more adequately explaining what is being put on the vehicle.

"The whole premise of [BAR requirements] is that parts are described in a manner the customer understands," Jaime Ramos of the BAR's field operations and enforcement division said at the meeting. "So you need to find a way to explain it so the customer understands exactly what they're getting. I would go so far as explaining: Are they getting the same warranty? Is it the same type of part? Is it a blemished part?"

A shop owner at the meeting told Ramos that at least some of the parts appear to be OEM, arriving in OEM packaging even if sold by a recycler or non-OEM parts vendor. In such instances, the shop owner asked, should they be listed on the estimate as OEM?

"It's hard for us to say exactly how to classify it," Ramos responded. "You as a shop owner will have to decide what it is."

But another shop owner pointed out that several automakers, including Toyota and General Motors, have said they have no programs to sell OEM parts outside of their dealer network, and that only parts purchased through their dealers are "OEM."

"I think Toyota and GM just did you a favor, by telling you [that 'alt-OE' or 'opt-OE'] is not OEM," Ramos told shops at the presentation.

"Having those kinds of statements from regulators at open meetings can be helpful when the topic comes up with an insurer during a claim," one of the meeting organizers said. "Having them here to learn from us, and us to hear from them, helps us all work together."

Look for regulations to model

California's Insurance Commissioner Dave Jones also helped establish two new regulations (that went into effect earlier this year) regarding steering and insurer labor rate surveys that could be good models for other states' insurance regulators to follow.

The new rate survey rules, for example, do not require insurers to use a particular methodology, but lay out one method that the California Insurance Commissioner deemed acceptable. That system requires that all registered shops be included in the survey; that surveys be based on non-discounted, posted rates; and that prevailing rate for a particular shop be based on the six closest shops geographically (although rates at other shops within a 1-mile radius can also be included).

Jones determined that new labor rate survey regulation was required after finding that some insurers failed to follow basic statistical best practices in conducting labor rate surveys, leading to unfair reimbursement of shops, and consumers having to pay more out of pocket.

"We saw surveys used by insurers that only surveyed a few shops in each geographic area," Jones explained. "We also found cases where the shops weren't being randomly selected. It appeared there was some deliberate cherry picking of certain shops in order to input their labor costs and leaving out certain other shops."

Be persistent

Working for change within government is not for the easily discouraged. It generally requires time and persistence. But shop owners and associations who have successfully encouraged insurance commissioners to act on their concerns say it's not something the industry should give up on, even if their efforts in the past have failed.

They say it's best not to try to get your state's insurance regulator to understand and act on all the issues you have with insurer claims practices all at once. Instead, choose one or two concerns to focus on, and try to use documentation to show patterns of behavior.

"Then keep at it," one Montana shop owner said. "Be polite and professional and patient, but let them know through ongoing conversation that it's an issue you will continue to press with them."

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BE OPEN TO EDUCATION

Reap the benefits of engaging, learning from others

JEFF PEEVY // Contributing Editor

My final article this year on business culture speaks to the bottom line of what really matters. As has been mentioned in each article in this series — "Culture conversations," September; "Holding staff accountable," July; and "Culture: The soul of your business," May — the simple point that the cultures we establish and live in are based on patterns of learned assumptions. The less input we receive, the less likely our assumptions are the best, most productive approaches possible. The possibilities are limited because our perspective is limited.

We should do everything possible to create an environment that makes everyone around us feel comfortable in providing their thoughts, experiences and perspectives. This doesn't mean we should accept and follow every suggestion we receive, but develop a pool of information from which we pull from. The larger the area and diversity of input, the greater feedback we have to develop our own thoughts and ultimately influences the culture we establish around us.

The ability and willingness to learn is the absolute key to success today. If we believe we have seen and experienced everything, we are wrong. A quote from American author Eric Hoffer says it all. "In times of change, learners inherit the earth; while the learned find themselves beautifully equipped to deal with a world that no longer exists." In our industry, we are living in times of extreme change, and the ability and willingness to learn reigns supreme as the only resource of an ongoing competitive advantage. The longer we are in the industry, the easier it is for us to believe we have accumulated enough knowledge to become over confident and stop being open to learning. We spend more time sharing our past experiences and less on listening to new information.

As I travel and attend industry conferences and training sessions, I am always disappointed to see so few take advantage of the opportunity. The more

PHOTO: GETTY IMAGES/WAVEBREAK MEDIA

we can expose ourselves to others in the industry, the bigger and clearer the picture gets for us and the decisions and evidential culture we influence is built upon a more informed pattern of learned assumptions. The principle that we learn more by being around others is not just a human trait, but a universal one. The following is an example. In the United Kingdom, at the beginning of the last century, milk was delivered to doorsteps in lidless glass bottles. The cream would rise to the top and seal off the fresh milk. However, because the cream was exposed and easily smelled and accessed, the robin and titmice species of birds began to find the cream and eat it. The richness of the cream and the nutrients it provided caused a population explosion in both species. As the populations continued to grow, it got the attention of both researchers and milk producers. The result was a better understanding of why the population grew and the creation of aluminum lids being placed on the bottles. Once the lids were used, both bird species populations gradually went back to traditional levels.

However, within a few years the titmice population exploded again, while the robin populations stayed at traditional levels. This baffled researches until they realized that the very social nature of the two species accounted for the differences. The lid represented a higher level of complexity and required more learning to overcome. Robins are very territorial and though it was noted some robins had learned to overcome the lid challenge, they never taught the new knowledge and skills to others. As a species, they never learned to access the highly nutritious cream ever again. On the other hand, the titmice, who spend most of their time in groups, learned from each other and the knowledge needed to peel back the lid to access the cream was taught to the entire species in the U.K., and they benefited from it.

There is an important lesson in this story. The more complex the challenge, the more advantage one has when others are engaged. My industry observations are consistent with this theme and I note that shop owners and managers who attend conferences and educational events, actively engaged in 20 groups or have coaches, are the most successful. It seems this same group actively educate their employees at a greater rate than those who stay to themselves and fail to seek feedback from others. Please keep in mind that just showing up is important, but the real value comes when one engages others and the meaningful conversations and relationships begin.

Repair businesses that have a culture that sets an expectation to learn and share knowledge, coupled with leadership and staff who are engaging others in the industry are without exception the most competitive businesses in the industry. The dynamics of this culture keeps the shop on the cutting edge of knowledge and constantly learning from each other and those outside their organization makes the difference. This is the culture created by a genuine curiosity and willingness to learn and will ultimately represent the successful businesses of the future. You can be the robin, be protective and stay to yourself, or be like the titmouse and engage and learn from others and reap the benefits. The decision is yours.

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MANNING THE BOOKS

Hire and manage a bookkeeper with a single focus and clear communication

TERRY KELLER // Contributing Editor

I've made a lot of mistakes running a shop since I first opened my doors in 1974. In that time, I've spent my own time and money learning the exact wrong way to advertise, hire, fire and incentivize. I've filed 102 W2s in a single year hiring the wrong people, and I've spent hundreds of thousands of dollars on a single, failed marketing campaign.

As damaging as these things are, there's probably nothing I've done that has been more damaging to my business, bank account and health than hiring the wrong bookkeeper.

A bookkeeper is a vital part of running a successful shop, and I absolutely don't recommend trying to operate without one. But I'd wager that 95 percent of the shop owners I know and have worked with struggle to hire, train, manage and hold their bookkeepers accountable.

This position doesn't have to be a source of constant frustration and disappointment, especially with how critical it can be to your business. Start with learning how to hire a quality bookkeeper, how to manage him/her and lastly, how to best utilize this person.

Knowledge barrier

In the shop, we use service advisors or a related role to turn the technician's knowledge and specialized lingo into language the customer can understand. This relationship makes sense. A technician's highest and best use is repairing the vehicle — whether welding, painting or scanning — so we trust the estimator to translate and clearly communicate.

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A bookkeeper is every bit as specialized and deals in as much technical lingo as a technician but doesn't have anybody to translate for them, which means we must approach this from both sides. We must spend some time learning basic accounting concepts, and we must expect them to translate for us.

When a conversation has gotten too technical for me — with a bookkeeper or any other position — I stop the discussion right there and ask one of two questions.

If I think I have a pretty good understanding, but don't want to assume, I start by saying, "So, what you're telling me is…" and repeating back their words in my own language.

And if I have no idea what they're trying to communicate, there's no point in me pretending, so I say, "Teach me what you mean by that."

I know that probably seems like a strange place to start — how to ask your bookkeeper to explain what they mean — but honestly, it's impossible to hire, train and manage a bookkeeper if you can't communicate clearly with them. If we're not willing to ask for an explanation, we're going to stay stuck in the same cycle of distrust and frustration that plagues most shop owners and their relationship with their bookkeeper.

Setting expectations

Once you're ready to openly communicate with your bookkeeper, the next critical step is to set clear expectations for what they need to do every day, week and month. These shouldn't be poorly-defined concepts, but explicitly-defined tasks — which report to send, by what time, to whom.

At the expense of cutting a critical section short, you can download our Daily Bookkeeping Checklist for free at autoprofitmasters.com/checklist.

Who to hire

My biggest failure in the bookkeeping department has been seeking the right personality. All the processes and checklists in the world can't make the wrong fit a good bookkeeper.

For example:

I've hired empire builders, who wanted to take control of more and more responsibilities — which seems great until they walk and you're left to figure out how to get five jobs done again.

I've hired pushovers, who were nice but unable to get even basic job responsibilities done.

I've hired overqualified bookkeepers who came in and wanted to change how my books were done.

I've been doing this since 1974. I've hired a lot of bookkeepers.

And if there's a consistent lesson, it's this: look for a bookkeeper with a personality in the middle — someone who is will-

ing to fit into your system instead of taking over yours. Stick to core responsibilities — don't let them control everything — and remember: bookkeepers are not managers or customer service people.

Does that last point sound crazy? Your bookkeeper already knows more about your business than probably anybody in it – maybe even more than you. Do you want the person who does your payroll and bank statements to communicate with your customers and employees? Because they're doing so through that lens: "This person makes this much? I do more than them." And, "This person owes how much? They don't deserve excellent customer service."

Bookkeeping has a natural tendency to produce feelings of jealousy and underappreciation. Combining that with the responsibility to lead other employees or talk with customers is a toxic combination.

Which leads to perhaps my most important point in this article: not only should bookkeepers not be involved in managing employees or providing customer service, they are also singularly unqualified for helping you make business decisions.

It's not about whether they're smart, it's that they view every decision through the lens of how to pay for it. They don't know how to increase the efficiency of your team. They don't know how to attract quality customers with marketing. They don't know how to increase your profitability. They don't know how to properly incentivize your team.

Trusting them in the decision-making process for growing your business is foolish, and you'll end up stuck in mediocrity simply because it comes with fewer upfront costs.

Holding bookkeepers accountable

On this point, I'll admit to being lax at times, and each and every time it comes with consequences. You must trust somebody outside of the business to review your books regularly.

This isn't about not trusting your bookkeeper. You don't have to suspect that they're embezzling money from you. This is about making sure that there aren't long-term issues happening in your books.

If you hire a bookkeeper today, and you don't discover they're misclassifying an income or expense until your CPA finds it next April, how much time is it going to take to walk back all those mistakes? You've lost time and money with the CPA and you've lost a lot of time and money with your bookkeeper — all of which could be stopped with a routine audit by the CPA.

Talk to your CPA about doing a monthly, quarterly and annual review of your books. Keep a hard line of separation between the CPA and the bookkeeper; they should never speak, become cozy, or want to cover for each other. Have your bookkeeper send you the reports, and then send them yourself to the CPA.

Set the example

By "set the example" I mean "never be dishonest."

Even the smallest moment of dishonesty in front of your bookkeeper gives them the license to be dishonest with you. This is true of any position in your business, but especially with the bookkeeper.

They know your books. They know what you pay attention to and where they can hide things from you. They can hurt you in spectacular ways, even putting you out of business.

Ultimately, much of this article could go under the headline, "Don't let your bookkeeper own you," and this point is no different. From their personality, to their responsibilities, to the way you manage the position and hold it accountable, a bookkeeper can hold you and your business hostage.

And yet, the bookkeeper is a valuable part of your shop. They can keep you out of trouble, give you the knowledge you need to run your business effectively, and be a crucial part of your shop's success.

The key is to put them in a box to start, and take away the tools they might otherwise use to own you.

Good luck with your bookkeeping hire. I hope it doesn't take you the 30-plus years to find the right combination of skills, personality and tools that it took me!

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Shop layout must keep pace with business changes

More specialized expertise in shop design may need to be on industry's wish list

One of the things *ABRN* has encouraged me to write about in these columns is any challenges or hurdles I'm currently tackling in my business. I hope by the time you're reading this (some weeks after I'm writing it) that I may have found some answers to a struggle I'm having at the moment, which is getting help with shop layout.

I have an opportunity to convert essentially warehouse space into a shop, and trying to decide how to design the most efficient layout is proving challenging.

I know I'm not alone in this. Even if you're not planning a new shop, you may be due for an overhaul of the layout of an existing shop. Think about it: If you've been in business long enough, combo techs in your shop may have been doing both body and paint work. When I started in the industry, those roles had mostly been split. But since then, I've overseen another shift in my business from a technician "owning" a job — doing all the tear-down, repair and reassembly after paint — to a team system.

ONE REASON WE MAY GO YEARS IN BUSINESS WITHOUT SHOP LAYOUT CHANGES IS A SEEMING LACK OF QUALIFIED HELP WITH SHOP DESIGN.

Is the same shop layout the ideal way to move work through your facility in each of these different production models? Probably not. But too often we make such changes to our business without considering if changes in the design of the shop should be made as well. I suspect that, like me, you've at times walked into another body shop and thought, "They're doing all this backwards." It may just be that their shop layout hasn't kept pace with changes in the business.

I think one reason all of us may go 10 or 20 years in business without changes to shop layout is the issue I'm facing right now: a seeming lack of qualified help with shop design.

As I started to think through options for my new building, I checked with my equipment vendor and paint company. Each offer a program to help with layout, but I was looking for a little more. I met with an architect who has done some great projects for me, but is he the best one to tell me what the flow of a new shop should be? Probably not. I could work through it with him, but I'd be spending money to educate him, and could end up making lots of changes down the road because I didn't get it right the first time.

Granted, my situation is a bit unique. The facility I've acquired is two side-by-side buildings with a total of 20,000 square feet. I've leased one of the two for years, running a truck accessory business there. The landlord let me know he was going to sell the property, so I bought it with a goal of adding collision repair to the mix in the two buildings to maximize use of the people and facility.

But even aside from the added complication of doing spray-in bedliners and truck canopies within the same facility as collision repair, I've racked my brain about whether to go with linear production or traditional stalls, where to put the paint booth, etc. These aren't trivial decisions. It's hundreds of thousands of dollars to put a booth in, and you really only have one shot at doing it right.

As more evidence that expertise in this area is hard to come by, a colleague recently sent an email to me and other shop owners asking where he could find shop layout help. I told him I didn't know, but I'd appreciate any leads he found.

He eventually wrote back saying he'd found mostly what I had: somewhat limited help from paint and equipment companies. But he did provide the name of a California firm specializing in shop layout, so that may be my next call.

But given how long many of us in my colleague's email thread have been in this business, you'd think we'd be more familiar with reliable sources of shop layout expertise. Any tips or advice you have are welcome, and I'll let you know through this column what I find and what happens as my project moves forward.

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SHOP PROFILE

The 'Dingman difference'

Building a family business culminates in a structural culture of integrity, service

JAMES E. GUYETTE // Contributing Editor

At Dingman's Collision Center in Nebraska, family patriarch Boyd Dingman's title is simply that of "teammate," underscoring a management philosophy that's totally driven toward delivering the highest quality service and repairs. They call it the "Dingman Difference."

"We are a family-owned and operated business that has roots in the auto body industry since the 1930s," Boyd says, reflecting on the company's longstanding commitment to top performance in each of its four locations — plus a newly minted mechanical shop — throughout the Omaha area.

Many others agree: Dingman's numerous accolades include an Integrity Award from the Better Business Bureau and a Business of the Year designation bestowed by the local Chamber of Commerce along with category-clinching Best of Omaha honors for 13 years running, as voted upon by the readers of *Omaha Magazine*.

"When you win stuff outside of your industry, it's particularly nice," says Boyd in response to the public's acclaim. Industry-oriented stature is an equally appreciated achievement as son Andy has garnered a lot of professional accolades as immediate past-chairman of the Society of Collision Repair Specialists (SCRS).

A strong sense of family is seen throughout the bustling enterprise established by Boyd and his wife Diana, who oversees office operations. Daughter Darcie directs the marketing strategies while assisting Diana with accounting and other administrative duties in support of Andy's day-to-day operational oversight. Another son, Travis, is a repair process manager at the Maple shop.

Andy has recently been promoted to president of the company, moving up from general manager. "He takes the biggest load of the headaches," according to Boyd, an avid Facebook poster widely known for his pithy quips along with constructing, customizing and collecting exotic envy-inducing chopper motorcycles. (His award-winning "Blackbird Bike" was profiled in the January edition of *Easyriders Magazine*.)

"Our motto at Dingman's is: 'We would rather be the best than apologize for anything less.' We expect this from each and every position; we are always striving to be the best in everything we do."

Each of the shops displays yet another Boyd quote stating that, "If better is possible, good is not enough!"

DINGMAN'S COLLISION CENTER
Omaha, Neb. // www.dingmans.com

The Dingman Family
Owners

68,800
Total square footage of shops

4
No. of shops

AkzoNobel — Sikkens
Paint supplier

20
Years in business

Chief and Celette
Frame machines used

55
No. of employees

CCC, Audatex
Estimating systems used

81
No. of bays

"We embrace change and stay ahead of the curve in the industry by being involved nationally, and we work to create change locally as well," he explains.

More than 15 OEM certifications have been obtained, including Tesla. "Our dedication to state-of-the-art technology and the latest vehicle education has resulted directly in our status as the first and only Certified Tesla Service Center in Nebraska."

Engineered with groundbreaking technology and design, a Tesla is incredibly complex to fix. "An improper repair at one point could cause mechanical or digital errors elsewhere." A variety of unique components requires strict protocols and

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- 400-2400 RPMs (variable speed)
- Non-Crimping Cord Design
- 6 Month Limited Warranty
- One touch instant on/off

INSPECTION LIGHT

- 1800 Lumens
- 180 Degree Light Spread
- 2 Kelvin Settings (5000k, 6000k)
- 1 Dimming Setting

AUTO

+

MARINE

RBL PRODUCTS, INC. Detroit/USA

OEM-only parts to avoid cascading issues — the technicians achieved expert instruction by traveling to the automaker's training facility in Fremont, Calif.

Large-volume orders

"We are an independent shop that does not depend on DRPs (direct repair program affiliations); we believe in repairing vehicles to the manufacturer standards, and we do not take shortcuts," Boyd says. "We are known for going to bat for the customer with the insurance company to ensure proper, safe repairs."

He elaborates by emphasizing that "our customer is the vehicle owner, not the insurance company. We not only repair your vehicle to look like it did before the accident, but we make sure that the safety is put back in as well. We make your vehicle whole again."

In working with insurance providers, "Over time you build a relationship and a trust. They understand that we are going to be fair to them and we expect the same from them. We ask to be compensated only for the repair procedures that we do and are necessary to the repair."

Vendor relationships are likewise characterized by stressing cooperation and adhering to internal competence regarding production procedures. "We do our best to be a good partner in all working relationships. We work hard to have accurate parts orders so that there are fewer returns, which makes everyone happy," Boyd says.

"We also work to have all locations ordering from the same vendors, resulting in large-volume orders to our suppliers from Dingman's. We try to be loyal to our vendors, resulting in positive relationships with suppliers."

Continuity and excellence are enhanced by having a stable, contented staff. Advertisements are placed when an opening does become available. "However," according to Boyd, "word of mouth by our current employees is a great recruitment tool. We have consistently busy shops; when other shops are slow and sending home their techs, ours still have work coming in the door. We have created a great name for ourselves in our industry, which leads to great employees coming to work for us, as well as bringing work through the door."

Making a good move

"I grew up in Ding's Body Shop," says Boyd, referring to his father Francis' business in Garner, Iowa. "When you have a name like Dingman..." Well, yes, it does invite a series of not-always-flattering nicknames, and Francis nipped that situation in the bud by cheerfully embracing "Ding" as the moniker that proudly adorned the embroidered label affixed to his uniform shirt.

Boyd and Diana decided on Dingman's when opening an eponymous shop in Waverly, Iowa. After 11 years in business, though, the highway out front was widened and eminent domain claimed the property.

"We got less money for the building than we had put into it in the last five years," he recounts. Boyd was hired on at Sherwin-Williams, rising through the ranks and earning an offer to relocate to a choice of several out-of-town locales. "We chose Omaha, and it was a good move."

Subsequently Boyd and Diana opened their first Omaha shop over on Saddle Creek Road in 1997 after totally remodeling a structure that had served as a water bottling company.

Ambitious expansion was a key goal, and in 2006 they purchased a former mechanical shop at the corner of 120th and Maple, adding an addition to house the paint booth. A bowling alley on the corner of 144th and Industrial Road was the next acquisition in 2010. "This was a big undertaking," Boyd recalls. "There were many different contractors working to transform the bowling alley into a body shop." This is where the main office is headquartered.

In 2013 an old Chrysler dealership was purchased in downtown Papillion, Neb. "The majority of the building needed repaired and replaced. The steel framework was about the only thing not replaced."

Last year the Dingmans bought a convenience store next door to 120th and Maple. "We demolished the convenience store and built a brand new building that would better serve our auto body needs. We moved our body shop into this new building, as it has about twice the amount of working space. In the original building we opened Dingman's Mechanical Repair." The body shop was up and running in the new building in May 2017 and the mechanical shop started operations in June.

"We advertise through radio, television and billboards along with a few specific local print magazines," Boyd reports. "We are very involved in our community and sponsor many local events that also bring about brand awareness."

A customer testimonial attests to the effectiveness of the overall focus on operational organization, attention to detail and marketing presence. "I had heard about the 'Dingman Difference' on the radio, but hadn't experienced it first hand until my recent car accident," the pleased patron posted.

"It's hard to put into words how extremely satisfied I am about the tremendous job your company did repairing my damaged Mercedes and returning it to me in even better shape than I could have imagined," he continued. "Your personal advice and professional expertise, while not unexpected, was very much appreciated. You and your staff certainly exemplified the integrity, honesty and customer service that your company has long been known and recognized for."

JAMES E. GUYETTE is a long-time contributing editor to *ABRN*, *Aftermarket Business World* and *Motor Age* magazines.
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Top 3 reasons why your shop should be blogging

USE THIS EFFECTIVE MARKETING TOOL TO DRIVE CUSTOMERS TO YOUR SHOP

MARCUS MACKELL //
Contributing Editor

Having a blog for your shop may not be at the top of your priority list, but a lot of credible data suggests that maybe it should be. One source shows that including a blog as a key component of your website and auto shop marketing strategy increases the chances that your blog will have highly indexed pages on Google — by the incredible amount of 434 percent! And the higher your pages are indexed, the greater the likelihood that your shop will come up with more favorable search results when a prospective customer is searching for a shop.

Running an automotive business in 2017 is vastly different than it was just a decade ago. It's no longer enough to simply do a great repair job, have a website and do a little advertising. There's just so much competition and significantly more options for your customers to opt for auto repair. In order to ensure you keep customers rolling into your shop, you need to do everything you can to prove you're the best at what you do.

1. Attract your audience

Arguably the top reason any company starts a blog is to better attract an audience. When customers are searching for an item or service, the first place they often turn is the internet. In fact, studies show that 47 percent of modern consumers check anywhere from three to five online sources before making a purchase. That means that nearly half of your audience is taking the time to search for answers online before ever even getting into their car. Armed with this knowledge, your blog can help to ensure that when your audience searches for answers, your shop is the solution that pops up.

Search engines love content, that much is a fact. The problem with content is that after you set up your initial company website, there isn't much room to add more content. That's where a blog comes in. A regularly updated blog gives you a platform to continuously add content to your website, letting Google and all the other search engines know that your shop has the answers people are looking for, and getting your name in front of future customers.

2. Establishes authority

While attracting people to your website is the first step, it's hardly the only reason to start a shop blog for your business. Bringing people to your website is great, but it's what people read on your site that really matters. Writing blogs that answer your customer's questions makes your shop an authority in auto repair. This means that when people have a problem with their vehicle, they'll begin to associate you with a solution and make you top of mind when they're in need of a repair.

Becoming an authority in your industry allows you and your shop to not only flex your knowledge muscles, it helps your customers form a relationship with your shop. Content marketing is all about trust and there's no better way to build that trust with your customer base than through blogging.

3. It isn't difficult to do

The good news about blogging is that not only is it an effective marketing tool, but it isn't all that difficult to do. Many popular and intuitive website and blogging platforms such as Wordpress make including a blog on your site incredibly easy to do. While optimization can be a bit tricky, a great starting point is to put your digital pen to digital paper, create useful and relevant information for your readers and upload it to your blog.

If you're looking for a good way to take your auto repair business to the next level, a new company blog may be just what you need.

MARCUS MACKELL is a market manager for the Mitchell 1 SocialCRM product line. He is responsible for all support, sales and marketing initiatives for the shop marketing service.
marcus.mackell@mitchell1.com

"It was excellent. Not good — excellent for me, because when I go to training, I have to go 100 percent, asking questions and participating. Of course I want to go again!"

— JAVIER OVALLE, HILLSIDE AUTO REPAIR, TORRANCE, CALIF.;
NACE AUTOMECHANIKA CHICAGO 2017 ATTENDEE

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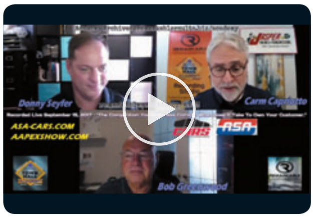

Being an industry analyst as a shop owner

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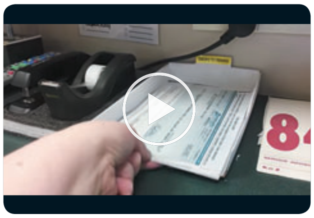
Polyurethane bumper repair

ABRN.COM/Polyurethane



Check endorsement system improvement

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MECHANICAL MOMENT

SERVICE REPAIR PROBLEMS AND SOLUTIONS THAT JUST MIGHT BENEFIT YOUR SHOP TECHNICIANS

MALIBU RUNS ROUGH AND STALLS

VEHICLE: 2011 Chevrolet Malibu, L4-2.4L, Automatic Transmission

MILEAGE: 171,009

PROBLEM: The vehicle was brought to the shop because the MIL was on and the engine ran rough and stalled. The technician checked the fuel pressure and it was within factory specifications. He was unable to keep the vehicle running long enough to see any difference in the camshaft timing "actual" versus "desired" PID. He also retrieved the numerous DTCs listed below.

P0011 – Intake Camshaft Position System Performance

P0014 – Exhaust Camshaft Position System Performance

P0068 – Throttle Body Airflow Performance

P0101 – Mass Air Flow (MAF) Sensor Performance

P0106 – Manifold Absolute Pressure (MAP) Sensor Performance

DETAILS: The vehicle's engine looked poorly maintained and had high mileage on it, so the technician removed both actuator solenoids for inspection. He found massive amounts of debris and sludge on the actuator screens and in the hydraulic passages located in the cylinder head. He double checked the actuator control circuits just to make sure they were operational. They were good.

CONFIRMED REPAIR: He cleaned the passages and replaced both camshaft position actuator solenoid valves. He also changed the engine oil because it was extremely dirty. After the repairs, the technician cleared the DTCs and test-drove the vehicle. It ran well and the MIL remained off.

This tech tip and others come from ALLDATA Tech-Assist, a diagnostic hotline of ASE-Certified Master Technicians. Whatever technicians need — from creating alternative diagnostic strategies to providing step-by-step repair assistance – the Tech-Assist Team can deliver. Learn more at ***ALLDATA.com.***

TRAINING EVENTS

NOVEMBER 16
I-CAR: Adhesive bonding
I-CAR Training Support Center
Hoffman Estates, Illinois

NOVEMBER 18
I-CAR: Structural straightening steel
Aims Community College – Automotive & Technology Center
Windsor, Colorado

DECEMBER 4-8
Advanced Selling Skills
Automotive Management Institute
Cincinnati, Ohio

DECEMBER 12
ASA-Midwest: OSHA training
HCS Auto Repair
Springdale, Arkansas

DECEMBER 12
I-CAR: Steel unitized structures technologies and repair
Washburn Tech
Topeka, Kansas

JANUARY 17-18, 2018
Collision Industry Conference
Hilton Palm Springs
Palm Springs, California

APRIL 11-12
Collision Industry Conference
Westin Westminster
Westminster, Colorado

AUGUST 8-10, 2018
NACE Automechanika 2018
Atlanta World Congress Center
Atlanta, Georgia

THE FUTURE OF STEEL

INDUSTRY DEMANDS ARE DRIVING CONTINUED ADVANCEMENTS IN STEEL SOLUTIONS

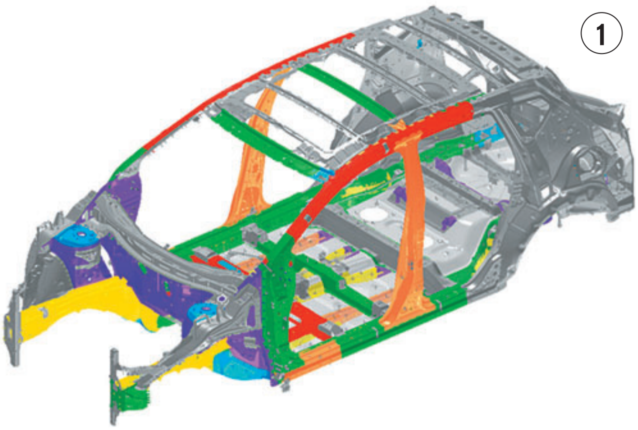
DAVID W. ANDERSON //
Contributing Editor

Innovation in the steel industry is continuous. In fact, steel's role in automotive is constantly evolving as automakers face increased demands for performance, lightweighting, value and sustainability. To meet these challenges, the steel industry has been working with its automotive customers to develop and apply the next generation of advanced high-strength steels (AHSS) that provide high-value solutions to meet the fuel economy and performance requirements of future vehicles.

Steel grades

With more than 200 steel grades available, automakers are able to use the right grade for the right application to maximize performance. Today's steel grades are as much as six times stronger than the steels of a decade ago and three to four times stronger than the latest aluminum alloys on the market. The added strength of AHSS allows automakers to deliver vital performance and safety benefits with lightweight products using their existing manufacturing infrastructure, eliminating major manufacturing cost penalties associated with the introduction of alternative materials. Additionally, consumer cost of ownership (purchase price, insurance and repair) is lower for steel-intensive vehicles than alternative material-intensive vehicles.

Thus, automakers see the value in steel's versatility, using 10 percent more AHSS in automotive applications each year than forecasted by Ducker Worldwide. As AHSS grades continue to evolve, even more chassis and suspension applications are being realized in addition to the many body structure and closure applications already designed with AHSS.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In the first article in this series, ("Steel 101: Grades and Repairability," May, ABRN.com/steel101) we discussed the different steel grades. These grades were categorized by conventional steels, high-strength steels and AHSS. A significant portion of steel innovation is in AHSS such that this is divided into its own distinct classifications or generations:

- First-generation AHSS include dual phase (DP), ferritic-bainitic (FB), complex phase (CP), martensitic (MS), transformation-induced plasticity (TRIP) and hot-formed (HF). They offer significantly higher strengths as compared to conventional steels and some have improved formability as well.
- Second-generation AHSS have mainly austenitic microstructures and include austenitic stainless steel and twinning-induced plasticity (TWIP). They are extremely strong and formable and can be used to provide extraordinary mass reduction for difficult-to-form parts.
- Third-generation AHSS (3rd Gen AHSS) are currently being introduced commercially. These grades will mainly be multi-phased (MP) steels with high strength and increased formability compared to 1st generation AHSS.

Third Generation AHSS

Third Gen AHSS are being developed to provide a high-value steel solution to bridge the properties gap between the already developed 1st generation AHSS and 2nd generation AHSS. This new generation of steel shares the high-strength properties of AHSS, while also having a higher total elongation (measure of formability) similar to high-strength steels, enabling automakers the continued use of their current stamping and assembly infrastructures.

There are many opportunities for 3rd Gen AHSS applications, including: lightweighting through direct material substitution and thickness reduction, improved energy absorption through enhanced strength/elongation, and optimized geometries and part consolidation enabled by enhanced formability. Potential applications identified for maximum performance and weight reduction benefit include a- and b-pillars,

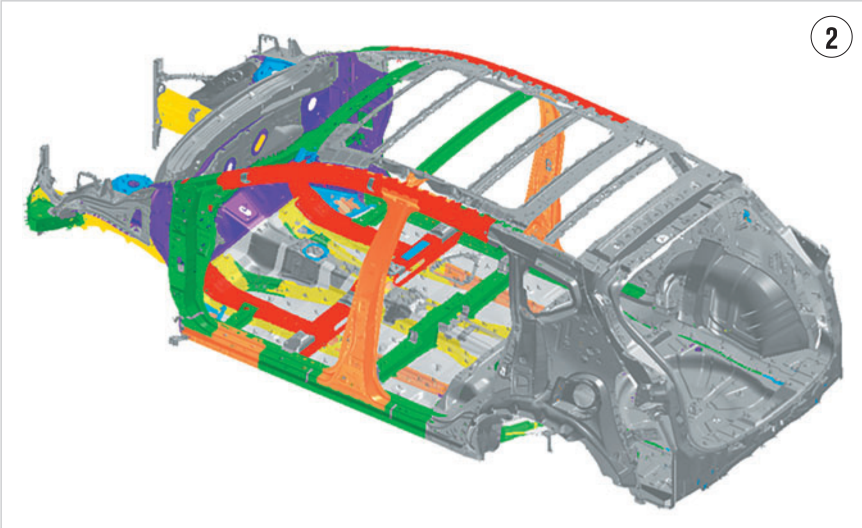
PHOTOS: STEEL MARKET DEVELOPMENT INSTITUTE

roof rails, roof bows and underbody reinforcements to name a few.

Nissan has been introducing new grades of 3rd Gen AHSS into their vehicles since 2015. For example, the 2015 Nissan Murano was able to cut 146 pounds from its redesigned model through AHSS applications, specifically replacing its high-strength 590 MegaPascals (MPa) and 780 MPa ultra high-strength steel with 1180 MPa. This was a 6 percent body-in-white mass reduction from the previous Murano (Figures 1, 2, 3).

Another example is General Motors' incorporation of 3rd Gen AHSS into its 2016 Chevy Sail by using a Quenched and Partitioned grade, with 980 MPa and 15 percent total elongation. According to Great Designs in Steel 2017, General Motors also has multiple additional 3rd Gen AHSS applications under consideration.

Other automakers are also evaluating this new classification of AHSS and how to best utilize the weight reduction potential and increase performance in their next vehicle designs. This is no surprise, and we estimate 3rd Gen AHSS will capture roughly 10 percent of the automotive market as quickly as 2020.



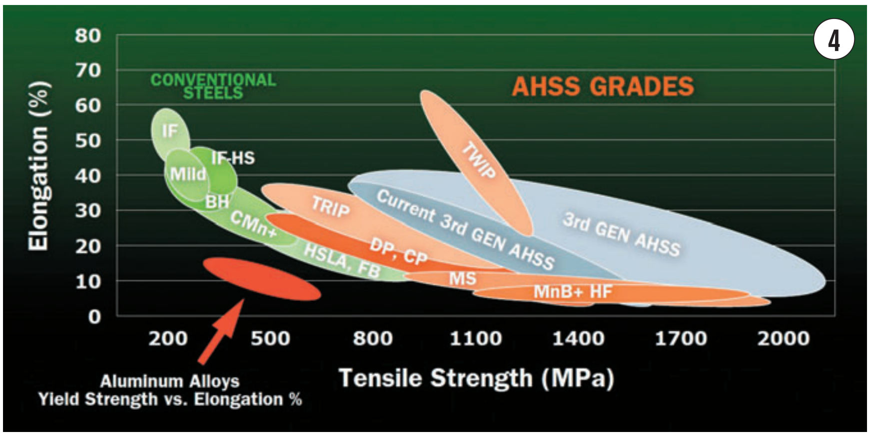
3

COLOR	MPa	
Red	1180	COMPLEX PHASE (MARTENSITE+FERRITE+BAINITE+RETAINED AUSTENITE)
Orange	980	DUAL PHASE (MARTENSITE+FERRITE)
Yellow	780	DUAL PHASE (MARTENSITE+FERRITE)
Green	590	DUAL PHASE (MARTENSITE+FERRITE)
Blue	440	QUASI HIGH STRENGTH
Purple	390	QUASI HIGH STRENGTH
White	MILD	SHOWN IN GREY (IN PICTURE) SHOWN IN WHITE (ON DISPLAY VEHICLE)

Integrated computational materials engineering project

The steel industry in partnership with the United States Department of Energy (DOE) and automotive customers completed the Integrated Computational Materials Engineering (ICME) project in March 2017. This four-year, $8.5 million project was conducted with the support of five universities, three steel companies, two engineering firms, three automotive OEMs, and one national laboratory. The project developed two 3rd Gen AHSS grades for model validation and design optimization to meet aggressive DOE weight reduction targets. The new grades were applied to a body side system, which resulted in 30 percent mass saved at an estimated cost of $0.32 per pound of mass saved (calculated by a technical cost model). In addition, the number of parts was reduced from 46 to 28 over the baseline.

As demonstrated by this project, these 3rd Gen AHSS both provide higher strength and enhanced formability, offering the automotive designer an additional suite of grades to help reduce mass and continue to keep steel the material of choice in future vehicles. This project reinforces why the steel and automotive industries must continue to work together, as further development and availability of 3rd Gen AHSS will provide an excellent economic path forward in meeting 2025 Corporate Average Fuel Economy standards and greenhouse gas regulations.



STEEL GRADES ELONGATION TENSILE STRENGTH

Third Generation AHSS repairability

As with 1st and 2nd generation AHSS, 3rd Gen AHSS applications will require different repair techniques. However, the automotive and steel industries are fully committed to working with the repair industry to inform these professionals on where in the vehicle AHSS are being applied and the best ways to work with those steels based on their properties. Partnering with repair professionals will continue as 3rd Gen AHSS becomes more prominent in vehicle design.

Additionally, the Auto/Steel Partnership (A/SP), a consortium of auto and steel makers, addresses the needs of the repair community in their AHSS Repairability study. This study aims to provide standardized safe and resilient procedures for AHSS use in vehicles. Currently, Phase I and Phase II of the study are complete. Phase I examined a 600 MPa tensile strength (TS) dual phase (DP) steel and a 1300 MPa TS martensitic steel after exposure to typical repair arc welding and flame straightening temperature cycles. Phase II studied 780 MPa TS dual phase and 600 and 780 MPa TS transformation induced plasticity (TRIP) steels after typical repair exposure. Both phases resulted in OEMs publishing guidelines in the form of automotive OEM repair matrices. The A/SP will soon start Phase III of the study to develop automotive repair guidelines for AHSS grades having tensile strengths between 780 MPa and 1800 MPa.

Conclusion

As the automotive industry works to meet increasingly stringent fuel economy and safety regulations, the steel industry continues to innovate and introduce new grades of 3rd Gen AHSS. This next generation of steel opens automakers' doors to the ability to continue to lightweight their vehicles with steel, thus avoiding expensive alternative materials. It will provide higher strength and formability choices, increasing the value of steel as a weight reduction solution.

It's safe to say steel will remain the material of choice in the automobile for years to come, especially as 3rd Gen AHSS is implemented into more and more vehicles.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MEASURING SUCCESS

PAINT DEPARTMENT KPIS can be greatly influenced by activity in other areas of a shop. Inaccurate estimates, in particular, can influence productivity.

USE THESE KPI STEPS TO BUILD YOUR PAINT BUSINESS

TIM SRAMCIK // Contributing Editor

The next time you're looking for ways to raise more revenue in your paint department, remember these three words: Do the math.

As it turns out, becoming far more familiar with the numbers — the key performance indicators (KPIs) — behind materials and labor usage is the first step in getting the most out of those materials and your staff. The next is understanding how these numbers translate into more efficiency and revenue. Following that, you need to transform this new or renewed understanding into a firm plan that creates more dollars for your shop.

Here's a five-step plan built on input from paint manufacturer experts to help you do just that.

Step 1. Know your KPIs

There's lots of good news for any repairer wanting more hardcore data on the paint department. BASF VisionPLUS Program Manager Craig Seelinger says his company looks at 100.

Unfortunately for many shops, having too much information can be just as much of a problem as knowing too little. This is why vendors prefer that shops beginning their first deep dive into KPIs start by focusing on a handful.

This is also a good point in the KPI discussion to bring up two caveats:

1. Working with KPIs isn't a one-size-fits-all pursuit. Different shops often need to focus on different KPIs based on their markets and operations.

2. Because of the challenging nature of utilizing KPIs, shops need to consider getting help. Reaching out to their paint vendors is the ideal step here. Vendors typically offer consulting to assist shops on their KPI "journey." Indeed, having an expert who can stand outside a business and assess it objectively is one of the keys to putting a KPI strategy into place. To this end, Seelinger says shops should first assess their current status and then determine which KPIs will be helpful.

With that being said, shops still need a starting point. Most of the vendors *ABRN* spoke with pointed to three:

1. Paint hours per repair order. This is calculated using only repair or-

PHOTOS: SHERWIN-WILLIAMS


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ders with paint hours. Simply add applicable paint hours.

2. Booth cycle time. This is the average time it takes for a vehicle to go through the booth or a complete spray/bake cycle for parts. Another simple calculation to perform — add up cycle times in minutes and divide by the number of cycles.

3. Paint and material gross profit percentage. Determine using the formula where you divide the sales revenue of each by the cost of each to first determine paint and materials profit. Then, take the profit number and divide by the sales. This reveals the gross profit percent.

Together, these three KPIs are particularly valuable because they indicate how much charged labor is being performed in the paint department, along with the amount of paint and materials being sold. Using these numbers, repairers can begin seeing where they can make improvements.

Again, you'll want some help reading into these numbers.

For example, Seelinger notes, "If a shop's paint and material gross profit percentage is 48 percent and overall cycle time is 15 days, they may not wish to track this KPI and instead focus on something that could improve their overall cycle time — perhaps booth cycle time."

He goes on, "However, if their paint and materials gross profit percentage is low, tracking their mixer efficiency may uncover poor mixing habits, which has a negative impact on this KPI."

Digging into these numbers and then working in other KPIs creates an even more telling, in-depth picture of what's happening in your paint department.

Robb Power, a senior manager for PPG Business Solutions notes, "A KPI that puts material costs into a better perspective is paint and material costs per refinish hour, since it indicates how many paint hours a shop actually produced with X dollars of material costs."

Power explains, "This metric couples costs with productivity. This can be measured at the macro-level (the entire paint department) or at the micro-level by each individual technician. The latter can help to build in some accountability."

Speaking of micro-level, you'll also want to dig down into one other key KPI — technician production efficiency, the average production hours each technician creates during each work hour. Power notes, "This gives us insight into our actual capacity to produce labor hours. If this KPI is on the low side, we would look for root causes: skill, will and opportunity."

He goes on, "Opportunity issues would be things like the work sent over from body is not 100 percent ready for paint, incomplete estimates, spray equipment is not working properly — booth, compressor, spray gun — or techs standing around and waiting for work. These are just a few of the usual suspects that rob capacity from shops."

TO MAKE KPIS WORK FOR YOUR SHOP, determine the performance of each employee and set targeted improvement goals.

INACCURATE PAINT MIXING is another problem area that KPIs can help uncover and correct.

Step 2. Find your benchmarks

Addressing these areas effectively means comparing your KPIs to industry bench-

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marks and touch points that show where your KPIs should be and where they are for the best, most efficient and productive shops.

Seelinger provides the following examples:

Paint hours per repair order – Top performers create more than 10.0

Booth cycle time – Top performers are less than 1.9 hours

Paint and material gross profit percentage – Top performer numbers are more than 40 percent

Looking at these benchmarks, it would appear your goal is keeping pace with the top performers in the country. It is. The value in benchmarks is forcing you to look at where you should be and then determining how to get there by setting improvement goals throughout the paint department.

ARE YOU PERFORMING ACCURATE COST ACCOUNTING for paint materials? This is yet another problem area that KPIs can address.

Step 3. Set immediate targets

Your first goals are immediate — in that they can be targeted quickly with improvement plans you and your staff will develop together. The key here is working with everyone within the department to determine why there are shortfalls and where you can set performance targets and expectations for specific staff members.

Seelinger, for example, points to a method to quickly improve booth cycle time. He says, "Implement an SOP that calls for a vehicle to be staged ready to enter the booth before the painters/helpers leave at night and additionally before they take lunch. We often see a spray booth not being used until an hour or two after the paint team arrives in the morning. Making sure a vehicle is being painted first thing in the morning and right after lunch break will improve your booth cycle time and overall cycle time as well."

Power looks for ways to produce more paint labor hours: "If we have a 6-man paint team working 8-hour days, that gives us 48 working hours for techs to produce. If their production efficiency is 150 percent (meaning that for every hour worked they produce one and a half hours) then on average we would expect to see this team produce 72 paint hours per day."

He suggests an initial improvement goal to 175 percent production efficiency. Getting there is a matter of reviewing estimates to see if there are opportunities to capture additional paint labor operations and to determine if there are any production issues that may drain capacity.

Power notes, "On each of these, once the initial goals have been achieved and performance is sustained at this level, it may be time to look for 6 cycles per day or an efficiency of 200 percent. We know this and much more is achievable because we have a number of shops that have been able to drive this type of improve-

AKZONOBEL PLAYS DETECTIVE

On the surface, your KPIs are simply numbers that indicate performance in various areas of your business. The key to using them is being a detective who determines where they should be and how to get them to that target.

That's difficult for anyone new or relatively unpracticed in using KPIs. Vendors can provide plenty of help. Here's a brief submission from AkzoNobel designed to help shops determine where their shortfalls are in paint and material profitability and how to fix those deficiencies.

Diagnosing paint material profitability

At the most basic level, there are only two factors that influence a shop's paint and material profitability — the amount they pay for their materials and the amount they sell them for.

This is perhaps the main reason that shops tend to focus so much on cost; they have little to no control over the price they charge and collect for materials. With this thinking driving their behavior, they often neglect to ensure they are charging for all the refinish labor operations the repair requires, which in turn drives their material sales.

To diagnose the effectiveness of a shop's paint and material profitability, you need to first look at two additional measures.

1. Material sales as a percentage of total sales
2. Material cost as a percentage of total sales

These two measurements will indicate whether the shop is selling the right amount of materials and whether they are spending the right amount on materials in relation to their total sales. This will point you in the right direction to make adjustments to their paint and material profitability.

To calculate these KPIs:

Material sales as a percentage of total sales

Material sales/total sales = material sales as a percentage of total sales

Example:

$30,000/$325,000 = 9.2 percent material cost as a percentage of total sales

Material cost/total sales = Material cost as a percentage of total sales

Example:

$18,000/$325,000 = 5.5 percent

Once again, in order for these measurements to mean anything, you need a benchmark.

Material sales as a percentage of total sales should be 9 percent to10 percent

Material cost as a percentage of total sales should be 5 percent to 7 percent

When the material sales as a percentage of sales ratio is too low, begin your search to improve material profitability by examining repair orders to identify missed refinish labor operations.

When the material costs as a percentage of sales ratio is too high, begin your search to improve material profitability by examining the accuracy of their cost accounting.

Shop owners are often quick to jump to the cost of their materials, waste or theft when material cost as a percentage of sales ratio is too high. Quite often though, the true culprit is inaccurate cost accounting.

For example, a shop usually purchases the following items from the same vendor as their paint materials but these items should NOT be accounted for as paint materials.

- Body filler spreaders and mixing boards
- Sanding blocks
- Stripe removal discs
- Shop towels
- Welding wire
- Rubber gloves

ment and sustain the performance."

Important here too is the fact that repairers need to look outside the paint department in order to address all the factors that affect the department's KPIs. Ted Williams, Manager of Business Consulting Services at Sherwin-Williams Automotive Finishes, says shops need to look to the estimate to make sure every department — including paint — is used to its fullest and charged accurately. Williams further notes that mistakes made during the estimate can cause delays and inefficiencies that later show up in the paint department and drain revenue there.

Step 4. Set long-term goals

Williams also notes that the long-term goals of using KPIs is increasing efficiencies that allow and create greater throughput, which significantly bumps up shop revenue. He says that through the proper use of KPIs, shops can make fuller use of their facilities.

"In a lot of shops, you'll see one tech is responsible for three bays that are never full," explains Williams. "What you want are full bays and the need to hire additional techs to handle all the work."

Those numbers, of course, ring truer to

shop owners than any other. Getting there is a matter of using KPIs to fix deficiencies and build efficiencies. Every shop can benefit significantly by adding one extra job per week. Utilizing KPIs has proven effective in helping add that job and far more, based on what a shop can handle.

Step 5. Maintain and grow

So, you've contacted your paint vendor, begun using KPI data and have increased revenue. What now?

Using KPIs to build business is a lot like joining a gym, hiring a trainer and cutting off 20 pounds of fat in the first four months. That's the easy part. What often happens in the following months is that you lose interest, stop working out, slide back into old habits and pack on even more weight.

Businesses too often live in a similar culture of immediate gratification. Long-term business plans and goals frequently are set aside in favor of short-term fixes. This is exactly what can happen in your KPI journey. You'll see immediate benefits. You might also experience how easy it is to backslide into old, inefficient behaviors once you've made a few positive steps forward.

The truly beneficial KPI journey is long-term — actually, permanent. Your focus here is understanding that utilizing KPIs means building upon success after success, even small ones, as a standard part of your business. Numbers don't lie. And they don't go away.

Therefore, they need to be made part of your SOPs. That means training employees on how your KPIs are calculated and how they work into continuous business improvement processes. Fortunately, the first part is easy since nearly every paint vendor provides software that calculates KPIs. That software then feeds into your shop management system to provide shop-wide reports. That information can be used to help track employee performance — including management.

Ultimately, making everyone take personal responsibility and accountability for KPIs is the key to instituting them as part of your operation, one that will truly benefit your bottom line.

Keep doing the math as you grow your shop, and you'll find a true partner in success.


TIM SRAMCIK has written for *ABRN* and sister publications *Motor Age* and *Aftermarket Business World* for more than a decade.
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WELDING WEAR

SAFE, EFFECTIVE WELDING requires that employees first suit up in all necessary protective gear.

SUIT UP FOR COMFORT AND SAFETY WITH THESE TIPS

TIM SRAMCIK // Contributing Editor

Ideally, all the best practices shops adopt should intersect easily and make for a smooth-running operation. That just isn't the case. Take efficiency and safety. In the pursuit of greater labor output and shorter cycle times, it's way too easy for workers to set aside safety standards they feel are too burdensome, which can then set the stage for everything from repair mistakes and delays to serious injury.

This is particularly true with common, high-risk tasks such as welding. Welding is one of the most common chores performed at shops. It also requires strict attention to detail — even before the work is performed. These pre-work details are vitally significant since they're the key to eliminating injuries, many of them serious, from the litany of dangers and hazards shop employees must deal with when welding, including: intense lights, excessive noise, toxic fumes, flying debris and fire.

What are these pre-weld details? Simple — dressing appropriately for the job. Repairers must wear all the right protective gear, which means going well beyond a helmet and gloves.

Use the following tips to (1) select the best protective equipment and (2) ensure your workers are always properly suited for welding every time.

Dressing toe to head

When you're preparing to weld, make sure you're protected the same way you'd build a safe structure — from the ground up.

Shoes

There's no substitute for non-slip, steel-toe shoes when working in a shop. Since you're dealing with heat and flying particles, you need as much coverage as possible. Always go with boots that provide 6-8 inches of ankle protection. Make sure they're leather, since the high heat from welding can melt many synthetic materials. Also make sure they're comfortable. Welding sometimes means working in awkward or tiring po-

PHOTO: ABRA

sitions. Comfortable shoes can reduce stress and therefore eliminate accidents caused by fatigue.

Pants

All clothing should be made from heavy cotton, leather or wool since these materials won't melt, unless you have access to synthetic materials that are specifically made to resist the heat produced during welding. Pants also need to be sufficiently long enough to pass over the tops of boots to keep out sparks and metal fragments. Never tuck pants into boots since doing so opens up spaces for hot materials to fly into.

For the same reason, pants should never have cuffs. Cuffs provide landing spaces for red-hot materials and other debris that can burn through material or be carried into other areas of the shop where they can create fire hazards or contaminate vehicle finishes.

Shirt

Once again you need to stick to materials that won't melt and can resist heat. Though this really should be obvious, long sleeves are absolutely necessary. Sleeves always need to be buttoned.

In warmer climates and shop environments, this level of coverage may not be comfortable, but it's necessary to protect skin. Great options to use in these situations are leather sleeves and an apron along with extended gauntlet gloves. A modified welding bib with long sleeves and open back over a cotton shirt can also suffice.

Shirts with pockets should be avoided since flames and fragments can find their way into these spaces. Shops should also nix lighter colors and go with darks since those won't reflect intense welding light under a welding helmet and into a worker's eyes.

Both shirts and pants need to be free of grease, solvents and other materials that can ignite.

Gloves

Stick with fire-resistant gloves designed specifically for welding and always go with the best available quality your business can afford. Top-of-the-line gloves typically are constructed from high-grain leather.

Look too for gloves that provide the best combination of comfort and flexibility. Meeting this goal can mean investing in multiple types of gloves for different types of welding based on the level of heat. For example, TIG welding usually produces the least heat, so welders can opt for a more flexible, lighter glove. Keep in mind that gloves are not one-size-fits-all work articles. Always let your welders try them on before purchasing (more on this later). Always check the gloves are in good condition and free of any holes.

Hearing protection

This might be the single most overlooked area of personal protection for collision repairers. Shops can be noisy places, though they're usually a far cry from the blaring environments welders often encounter in more industrial workplaces. For these reasons (and others), some shops can dismiss the need for hearing protection. That's a huge mistake. Being exposed to even slightly elevated noises over extended periods can cause substantial hearing loss.

Make sure you stock ear protection gear for welders and any employees who work around everything from pneumatic tools to loud ventilation systems. If maintaining your employees' good health wasn't enough motivation, the Occupational Safety and Health Administration (OSHA) mandates that repairers must

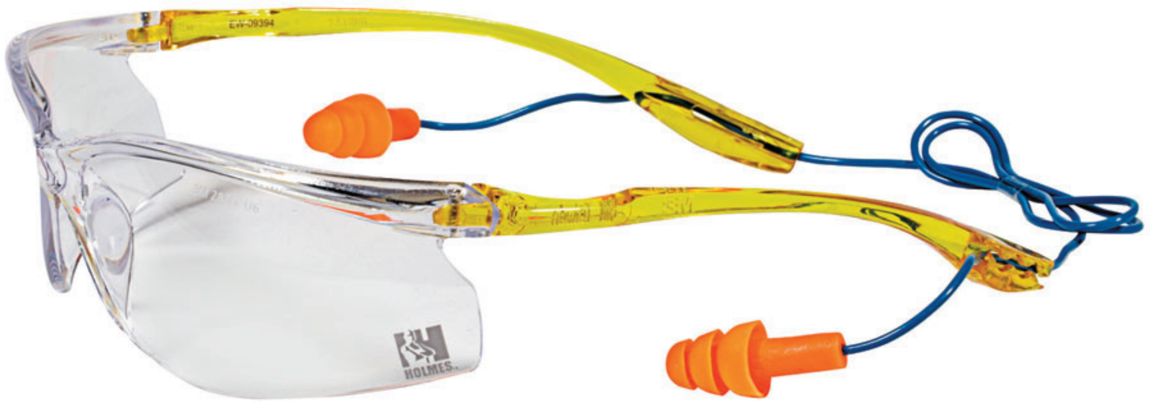

PHOTO: 3M

REGARDLESS OF HOW MUCH PROTECTION A WELDING HELMET OFFERS, always wear safety glasses or goggles, which can fend off debris that finds its way inside the helmet. Also, opt for hearing protection to ensure your shop is meeting OSHA requirements.

provide hearing protection for workers exposed to noises louder than 115 dB for more than 15 minutes over the course of an 8-hour workday.

Head and face

Protecting your head begins with selecting a fire-resistant welder's cap or other covering under the welding helmet. Some helmets have become so comfortable that employees may be tempted to ignore a covering. This is a mistake since these coverings protect hair and bare skin not fully covered by a helmet from heat and flames.

From there, select a combination of helmet and eye protection that, once again, account for intense lights and fragments. Start with a comfortable, clean pair of safety glasses. Since many helmets provide protection from flying debris, glasses or goggles might seem unnecessary. That simply isn't the case. Protective eyewear should be worn throughout a shop. When it comes to welding, eyewear can shield eyes from debris and fumes that can find their way (and often do) onto a welder's face by slipping under the front of the helmet.

The helmet itself must be compliant with American National Standard for Occupational Health and Safety (ANSI) Z49.1, with lenses and filters compliant with ANSI Z87.1. The best choice is an auto-darkening model that provides the necessary protection while allowing a welder to focus on the job without needing to draw down a darkening visor. These helmets provide the additional benefit of combining safety and efficiency since welders can get right to work without dealing with distractions that can move welding equipment out of position.

Locking protection in place

A proper work uniform, gloves, helmet and a few other protective pieces is all standard work gear that would be difficult for any seasoned repair professional to overlook, yet it happens. The reasons for that are many, but a good part of the blame can be placed on lack of training and standards.

A recent I-CAR survey noted that half of the industry doesn't train regularly. Important here, along with not receiving the technical knowledge and experience they need, many techs aren't getting necessary face-time with professionals who can address safety issues. That can translate into lots of bad, unsafe habits. Fortunately, there's plenty your shop can do to get employees in the necessary protective gear.

GLOVES MUST BE SPECIFICALLY DESIGNED FOR WELDING. Always make sure they're in good condition and free of holes. Allow workers to try on and pick out the gloves that work best for them.

PHOTO: MILLER ELECTRIC

1. Educate. Safety training should be a regular practice at every shop. Owners, managers and staff all need to be intimately familiar with OSHA requirements throughout a body shop and in their particular department. Need help? Contact a consultant or reach out to vendors who sell protective gear. Vendors will know OSHA requirements and be able to answer questions and steer a business in the right direction.

2. Set standards. Make rules regarding protective wear. Enforce clothing and protection policies. Post signage in work and other employee areas reminding them of shop rules.

3. Set penalties. Employees who do break policy need to face real consequences. If an offense is serious enough or if an employee continues to break rules, don't hesitate to couple verbal warnings with written notifications and other penalties such as suspensions. It can be difficult for some employees to change bad habits. These bad habits are especially serious since they threaten health, lives and the financial well-being of a business.

4. Stock the right gear. Employees can't dress right if a shop doesn't maintain protective gear. Again, speak with your vendors. Ask about upgrades and new products that combine safety, efficiency and comfort.

5. Let employees choose. Some shops have found a near surefire way to get all employees in the right gear all the time. They ask employees to try out and pick their own gear. Oftentimes, employees will neglect safety gear because it's uncomfortable. With plenty of options available for every piece of gear they need, workers should be able to find affordable protection they won't mind wearing.

Ensuring safe practices can be just that easy. The right clothing doesn't just make the man and woman — it can determine whether they return to work tomorrow. That's what every repairer wants.

TIM SRAMCIK has written for *ABRN* and sister publications *Motor Age* and *Aftermarket Business World* for more than a decade.
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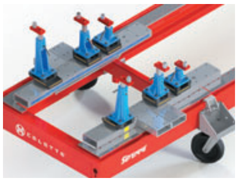
FIXTURE SETS



Celette has expanded their fixture set offering with the addition of the Cameleon: customizable fixture-set solution for light to medium collision repairs. This unique tool is focused on medium segment vehicles. It is modular and scalable with standard tips, adjustable X and Y plates and adjustable jigs. The Cameleon is adaptable to all of the existing Celette standard equipment.

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RADIATOR AND CONDENSER PRODUCT LINE

The all new Genuine Toyota Radiator and Condenser Product Line is engineered with the quality and value you expect from Genuine Toyota Parts, and priced to please your customers and the insurance adjusters. Using Genuine Toyota Radiators and Condensers is the only way to ensure that your vehicle repairs meet Toyota's standards for fit, function and reliability.

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SCAN TOOL

AutoEnginuity, LLC, a global engineering company specializing in vehicle data stream and diagnostic solutions, announced the worldwide release of the Giotto® scan tool (Version 15.3) for the Windows® platform. AutoEnginuity® scan tools are award-winning vehicle diagnostics systems for the professional vehicle service industry. Giotto 15.3 introduces a leap forward in coverage for Jaguar, Land Rover and Porsche.

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FRAME STRAIGHTENING RACKS

The Blackhawk Power-Pro XXL is the ideal lifting and straightening system for commercial, four-wheel drive and passenger vehicles. The Power-Pro XXL delivers performance and efficiency with numerous working heights up to 55 inches and strength to lift up to 9,900 lbs. Compatible for use with the Blackhawk Shark® 3 measuring system, the Power-Pro XXL also has up to 10 tons of pulling force for all types of repairs.

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MARKETPLACE

POSITIONS AVAILABLE

PRODUCTS & SERVICES

PRODUCTS & SERVICES

AD INDEX

PRODUCTS

Fighting back against case-by-case injustices

Shops should not have to fight insurers to get customers what they are entitled

As football season has kicked off, I am going to borrow the phrase, "C'mon, man!" from the ESPN segment of groan-inducing game highlights, as it seems appropriate with what happened with a recent insurer claim.

We repaired a 2012 Cadillac SRX that needed a front bumper, upper and lower grille, left headlamp, left fog lamp and repair on the radiator support. The left object detection sensor was knocked out of the hole, but not damaged. The first adjustor did not put a scan on the vehicle, which was not expected, because this insurer has never paid for a scan on the initial estimate. We scanned the vehicle per the GM position statement: *"General Motors take the position that all vehicles being assessed for collision damage repairs must be tested for Diagnostic Trouble Codes (DTCs) during the repair estimation to identify the required repairs. Additionally, the vehicle must be retested after all repairs are complete in order to verify that the faults have been repaired and new faults have not been introduced during the course of repairs."*

WE MUST BRING ALL VEHICLES THAT COME TO OUR SHOPS BACK TO PRE-EXISTING CONDITION. THIS MEANS THAT SCANNING IS A WAY OF LIFE NOW AND FOREVER.

The next paragraph in the position statement states, "*Even minor body damage or glass replacement may result in damage to one or more safety-related systems on the vehicle. Any action that results in loss of battery-supplied voltage and disconnection of electrical circuits requires that the vehicle is subsequently tested to ensure proper electrical function.*"

These are the specifications by the manufacturer. This must be done because of all the issues that can be wrong with the vehicle. This is not a recommendation — it states "all vehicles *must*…" I sent this in for a supplement and the insurer sent their appraiser — the same one who worked the initial estimate — out to review. He told me the insurer would not pay for the scan since it was not part of the repair procedures. Despite my contention that the GM position statement is a repair procedure or better, he still refused the supplement.

Fast-forward to the following week where I called the insurer claims department again. Claims refused to touch this because they said that the adjustor had already made his decision. After the issue was escalated to the local manager in my area, he also didn't see a need for a scan. Because the key was cycled on, the insurer shouldn't be responsible for the scan and it wasn't a part of the repair procedure, he explained. One way to avoid this would have been to dolly the vehicle to move around the shop. C'mon man, seriously?

He assured me that he would research the issue further and get back to me. A few days went by and I received a call from another manager wanting to know what had happened. I told the same story again, yet finally this manager understood and said this was a "no brainer." The scan got paid after a month of action.

As collision repairers, we must bring these vehicles back to pre-existing condition. This means that scanning is a way a life now and forever. Insurance companies can tell me that we are taking scanning on a case-by-case basis and that is OK, but when you have a case like this one — that is a "no brainer" — it should be paid. The customer should not have to fight to get what they are entitled by their insurance company. Notice that I said the customer should not have to fight. The insurance contract binds the insurance company to make the customer whole. Scanning is an integral part of this before the repairs begin and after the repairs are completed.

As an industry, our mutual goal should always be a complete and safe repair. Unfortunately, the memo has not gone out to our industry like it should, and that goes for insurance companies and shops alike. C'mon insurers, get with the program. I don't mind things being on a case-by-case basis, but get real with this policy.

PATRICK PORTER is a 3rd generation shop owner at Porter's Body Shop in Brookhaven, Miss. He is an I-CAR instructor and has his AMi Accredited Automotive Management and Collision Repair Estimator Certificates. *patrickdporter@gmail.com*


Onyx HD
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FALL 2017 VOL. 12 | NO. 3

2017 FORTE 5 SX
[Shown with optional features]
www.kia.com

A TIGHT FIT

New part improves hub vacuum sealing

GETTING CLOSURE

Striker adjustment alleviates trunk issues

THE SILENT TREATMENT

That's what your customers want for their vehicles

KIA | Genuine Parts

Our View

Quality recognition

Kia's reliability and vehicle satisfaction are touted

The Cadenza and four other Kia models earned the prestigious J.D. Power's 2017 IQS awards.[1]

Continuing a multi-year string of quality and reliability awards and accolades, J.D. Power's 2017 Initial Quality Study (IQS) recently recognized Kia Motors as the highest-ranking nameplate in the United States for the second year in a row.

Kia's improvement marks the best nameplate performance within the last 20 years of the IQS study, driven by five segment awards — the most of any nameplate — for the Soul (Compact Multi-Purpose Vehicle), Forte (Compact Car), Cadenza (Large Car), Niro (Small SUV) and Sorento (Midsize SUV). The Kia Soul took home an IQS award for the third consecutive year while Kia's two newest models, Cadenza and Niro, were outstanding performers in their first model year, with the Cadenza earning the top score among all models ranked in the study. Together with the Optima and Sportage, each of the seven award eligible Kia models included in the 2017 IQS study finished first or second in their respective categories.

"When Kia beat out the entire industry in last year's J.D. Power Initial Quality Study many people wondered if we could maintain such a lofty position. Today, the answer is loud and clear as Kia owns the top spot for the second straight year with more 2017 segment award winners than any other nameplate," said Michael Sprague, chief operating officer and EVP, Kia Motors America (KMA). "Our back-to-back chart-topping IQS performances reconfirm Kia's status as today's world-class automaker and reflect the exacting standards and craftsmanship our team members instill into every car, crossover and SUV Kia builds."

In addition to the IQS announcement, three of Kia's highly acclaimed models, the 2016 Optima midsize sedan, the 2016 and 2017 Cadenza premium sedan as well as the 2017 Sportage Compact CUV, were named segment winners in AutoPacific's 2017 Vehicle Satisfaction Awards in the midsize car, large car and compact crossover SUV categories, respectively.

"Kia is a leader in design, quality, technology and value, and the AutoPacific Vehicle Satisfaction Awards are another validation of our world-class products and their ability to meet and exceed customer expectations," said Orth Hedrick, vice president of product planning, KMA. "As a two-time winner, Optima illustrates that if you buy a Kia, you are going to love it. With Cadenza and Sportage also winning their categories, Kia is delivering what buyers are looking for in any size of vehicle."

As for those who service our cars, we think you will find that they are designed and engineered to meet the highest standards making them easy to service and maintain.

Kia Motors America, Inc.

All trademarks and tradenames are the property of their respective owners. 2017 Kia Forte 5 SX shown on the cover and above with optional features. Not all optional features are available on all trims. Some features may vary.

[1] The Kia Cadenza received the lowest number of problems per 100 vehicles reflecting higher quality among large cars in the J.D. Power 2017 U.S. Initial Quality Study based on 77,419 total responses, evaluating 189 models, and measures the opinions of new 2017 vehicle owners after 90 days of ownership, surveyed in February-May 2017. Your experiences may vary. Visit jdpower.com/cars.

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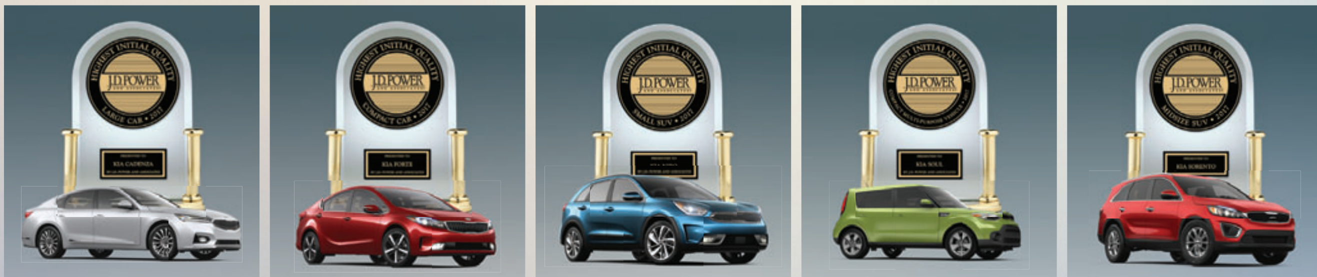
OUR COMMITMENT TO EXCELLENCE IS THE SUM OF OUR PARTS.

Kia is the highest ranked brand in initial quality for two years in a row.
Let's keep it going with Genuine Kia Parts.



2017 KIA CADENZA
"Highest Ranked Large Car In Initial Quality by J.D. Power"

2017 KIA FORTE
"Highest Ranked Compact Car In Initial Quality by J.D. Power"

2017 KIA NIRO
"Highest Ranked Small SUV In Initial Quality by J.D. Power"

2017 KIA SOUL
"Highest Ranked Compact Multi-Purpose Vehicle In Initial Quality by J.D. Power"

2017 KIA SORENTO
"Highest Ranked Midsize SUV In Initial Quality by J.D. Power"

KIA

Genuine Parts

The Kia Cadenza, Kia Forte, Kia Niro, Kia Sorento, and Kia Soul received the lowest number of problems per 100 vehicles reflecting higher quality in their respective segments in the J.D. Power 2017 U.S. Initial Quality (IQS) Study, based on 77,419 total responses, evaluating 189 models, and measures the opinions of new 2017 vehicle owners after 90 days of ownership, surveyed in February–May 2017. Your experiences may vary. Visit jdpower.com/cars.

A tight fit

New part improves hub vacuum sealing

In order to improve hub vacuum sealing during 4WD operation for 1998-2001Sportage 4WD vehicles, we recommend using a new inner seal, along with corresponding revisions to knuckles and CV shafts. A service kit is available from Kia to retrofit the new seal; installation instructions are described in this article.

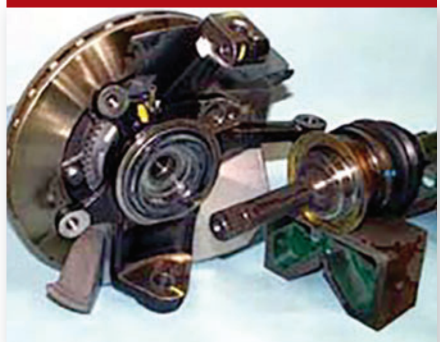
PART NUMBER DESCRIPTION

Description	Previous P/N	New P/N	Affected Vehicle Production Range
Knuckle/Hub Assy w/o ABS Knuckle/Hub Assy w/ABS	0K083 04 500 0K083 04 600	QK081 33 020 DQ QK082 33 020 EQ	1998, 1999, 2000 and some 2001 MY Sportage 4WD models with production dates between 9/1/97 and 10/21/00.

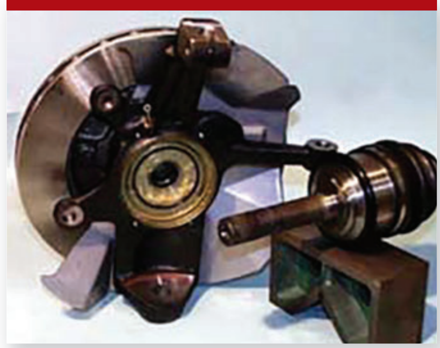
» TSBs may be updated from time to time. Please refer to TSB Vol. 2, Chassis, 007 at www.kiatechinfo.com for the latest procedures.

» All images are for illustration purposes only.

NEW STYLE



PREVIOUS STYLE



Repair procedure

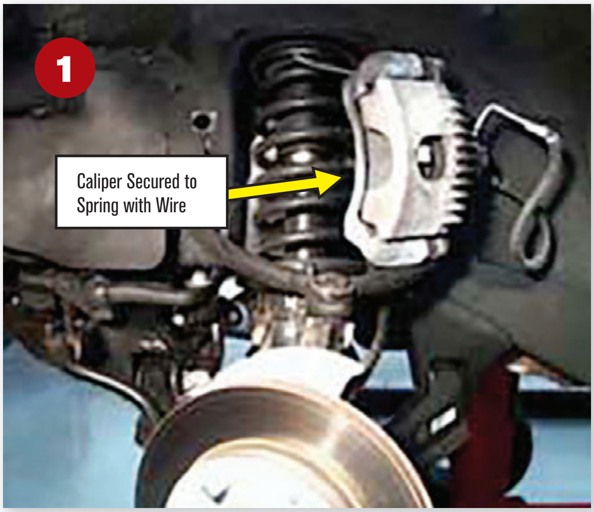
1. Raise the vehicle on hoist. Remove the front wheel/tire assembly.

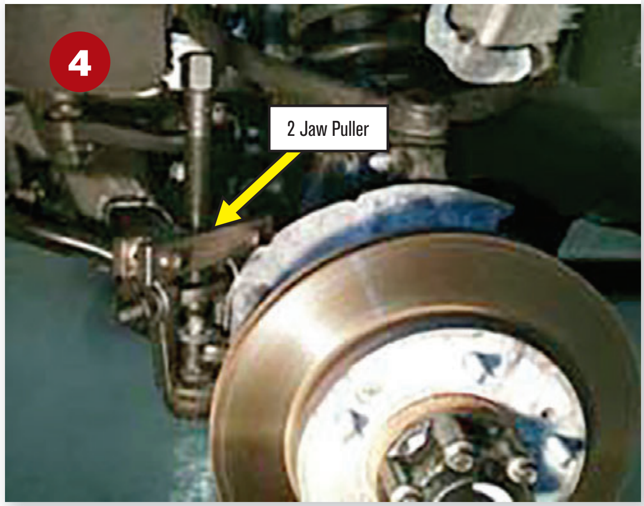
Remove the two bolts attaching the brake caliper/anchor to the knuckle and remove the caliper/anchor assembly from the rotor. Secure the caliper/anchor assembly out of the way with wire or tie wraps.

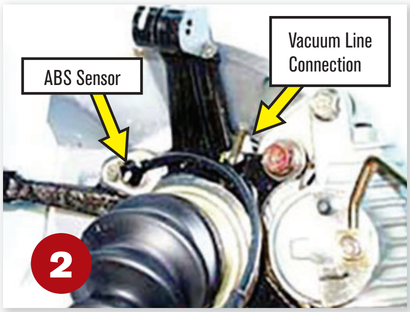
2. Remove the two screws securing the brake rotor to the wheel hub and remove the rotor.

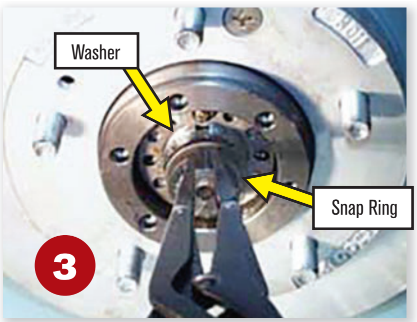
Disconnect the vacuum hose from the fitting on the knuckle.

Remove the ABS sensor attaching the bolt and the sensor from the knuckle (if ABS equipped).









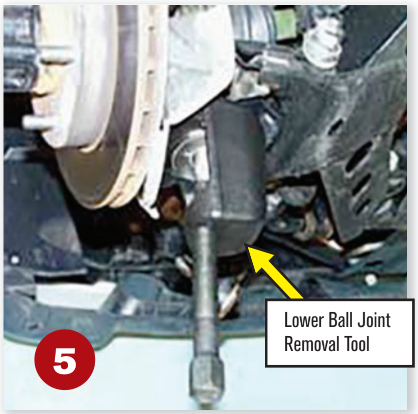
Notice: Do not allow the caliper/anchor assembly to hang from the brake hose.

3. Remove the six bolts securing the vacuum locking hub to the wheel hub and remove the wheel hub.

Remove the snap ring and washer from the CV axle shaft. Discard the snap ring.

4. Remove the tie rod cotter pin and nut; then with a suitable puller (such as Snap-on® CJ82B), disconnect the tie rod end from the knuckle.

Notice: Do not use a pickle fork type tie-rod separator because seal damage will occur.



5. Remove the lower ball joint cotter pin and nut; then with a suitable puller (such as Snap-on® CJ119B), separate the ball joint from the knuckle.

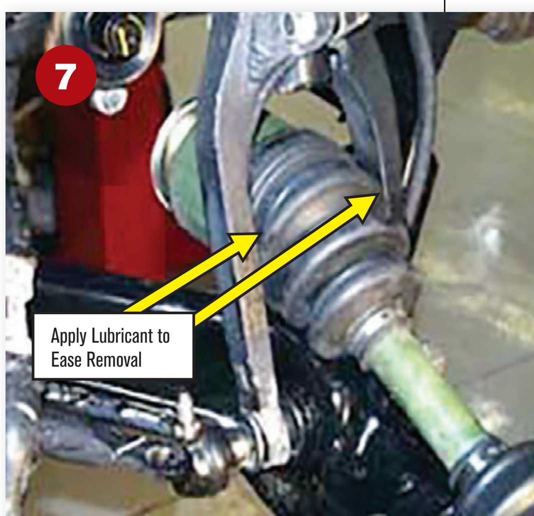
Notice: Do not use a pickle fork type ball joint separator because seal damage will occur.

6. Remove the 10 mm pinch bolt and nut securing the upper ball joint to the knuckle.

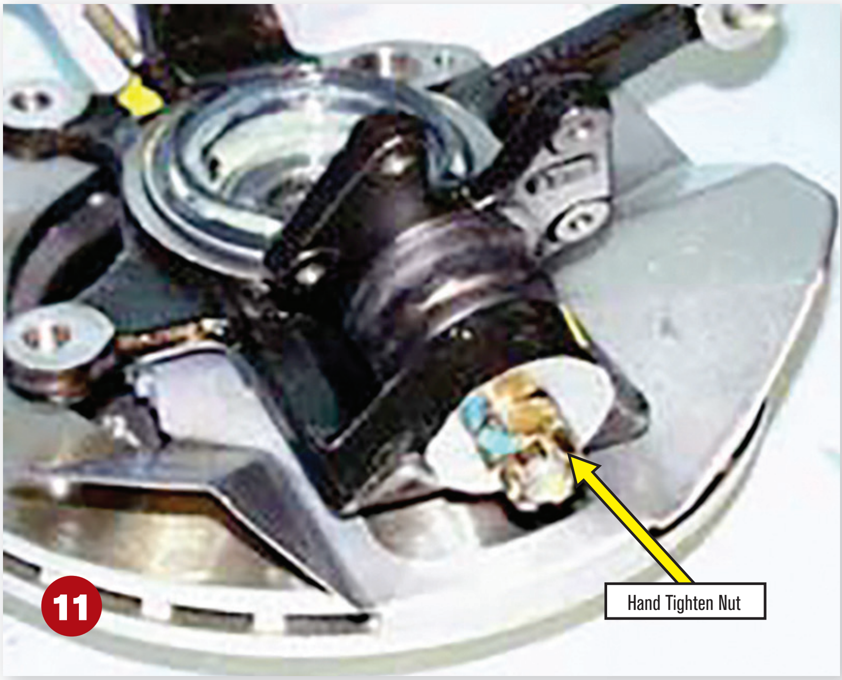
Remove the knuckle/hub assembly from the vehicle.

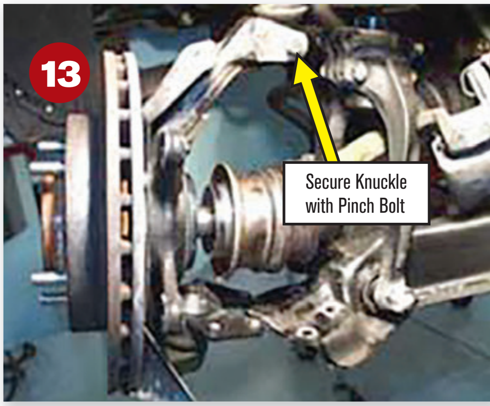
Using a suitable jack under the lower control arm, load the suspension and raise the strut fork opening sufficiently to allow the drive shaft removal. Pull the CV shaft free from the front axle by using the outer part of the shaft as a slide hammer.

7. Remove the shaft from the vehicle, carefully guiding the CV joint through the strut fork.



Notice: Apply lubricant to the CV boot edge and the fork edges to facilitate removal. Do not use undue force as damage to boot may occur.





8. Mark the edge of the lower control arm at 1/8-inch from edge as shown.

9. Remove the 1/8-inch of material marked in Step 8 by grinding the edge at an angle as shown. Touch up reworked area with black paint.

Notice: This material removal on the lower control arm is necessary to prevent interference between the lower control arm and the new knuckle and/or the inner seal dust shield on the CV shaft.

10. Inspect the retaining ring on the output shaft of the front axle, replace if damaged. Position/rotate the new drive shaft to line up with the splines in the front axle output shaft, then install by pushing it in place, using the outer part of shaft as a slide hammer. Unload the suspension and remove the jack.

11. Remove four bolts and separate the old ball joint from the lower control arm. Install the ball joint on the new knuckle and hand tighten the attaching nut.

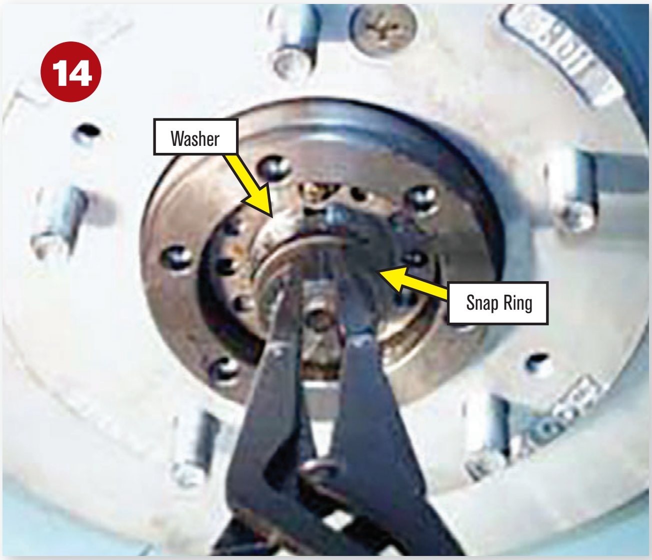
Notice: Installing the knuckle to the upper control arm first with the lower ball joint already installed on the knuckle will help prevent damage to the dust shield on the drive shaft and/or seal.

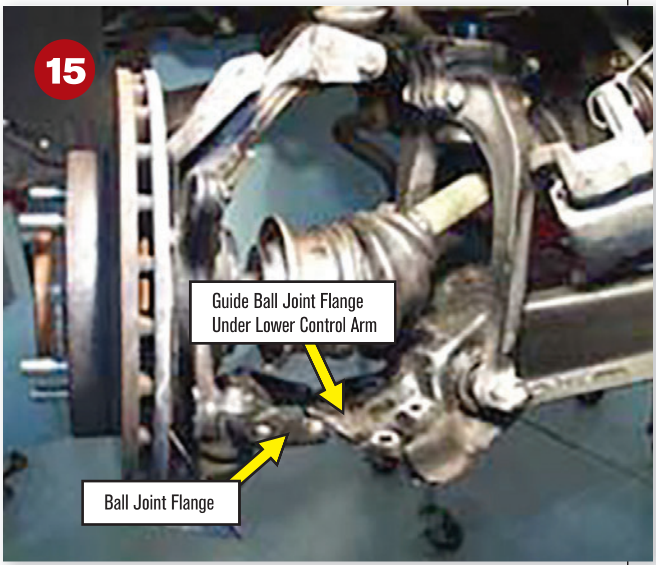
12. Apply grease to the inner bearing surface and to both sides of the new knuckle spacer (0K011-33-044, included in kit) and install onto the CV joint.

Apply grease to the inner seal in the new knuckle/hub assembly.

Notice: The spacer has a chamfer on the inside diameter; this chamfer must face the CV joint.

13. Install the knuckle/hub assembly by first installing it over the CV axle shaft, then insert the upper ball joint through the top of the knuckle. Retain with the 10 mm pinch bolt and nut.





Notice: Suspending the knuckle from the upper control arm before attaching the ball joint to the lower control arm will help prevent damage to the dust shield on the drive shaft and/or to the seal.

14. Make sure the CV axle shaft is inserted all the way into the hub, install the washer and secure with new the snap ring (P/N 0K-011-27-145, included in kit).

15. Lift the knuckle assembly up and guide the lower ball joint flange under the lower control arm and secure with four bolts. Torque the bolts to 16 –19 lb - ft.

Tighten the upper ball joint pinch bolt to 36 lb - ft.

Tighten the lower ball joint nut to 110 lb - ft and install a new cotter pin.

Insert the tie-rod end into the knuckle, install the nut, tighten to 27 lb - ft, and install the new cotter.

Make sure there is no interference between the lower control arm and the knuckle or the inner seal dust shield when turning the steering from full left to full right. If there is interference, recheck/repeat Steps 8 and 9.

Install the ABS sensor into the knuckle and tighten the mounting bolt to 7 lb - ft (if ABS equipped).

Apply a small amount of oil to the O-ring on the vacuum locking hub.

16. Install the vacuum locking hub to the wheel hub and tighten the six bolts in two passes using crisscross pattern.

First pass: Tighten to 19 lb - ft
Second pass: Tighten to 23 lb - ft

Connect a handheld vacuum pump to the vacuum fitting on the knuckle and check for vacuum leakage. The hub should hold a vacuum of 20 in Hg for 10-20 seconds. If it does not, check for seal damage or mis-installation and excessive wheel bearing play.

17. Check the vacuum hoses, steel lines, vacuum canister and vacuum solenoid for restrictions, cracks, and contamination or rust. Clear with compressed air if any debris or restrictions are found. Replace any unserviceable parts.

Connect the vacuum hose to the fitting on the knuckle.

Install the brake rotor and the two retaining screws.

Install the brake caliper/anchor assembly and tighten the two mounting bolts to 72 lb - ft.

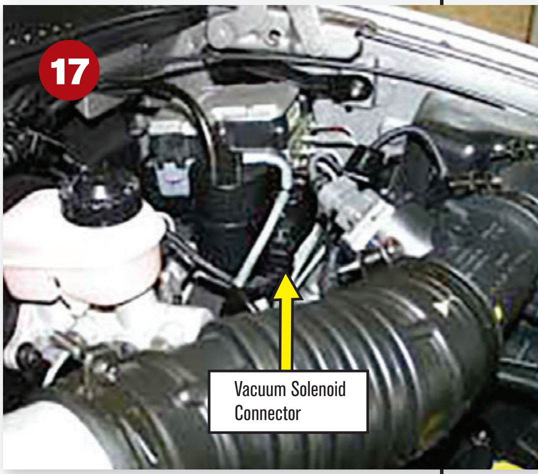
Install the wheel/tire assembly and tighten the lug nuts to 74 lb - ft.

Repeat the procedure for the other side of the vehicle.

Confirm that the vacuum solenoid harness connector is securely installed on the solenoid.

Notice: This connector may have been disconnected on vehicles modified for use with earlier style locking hubs.

Test the vehicle and verify the 4-wheel drive operation.



Getting closure

Striker adjustment alleviates trunk issues

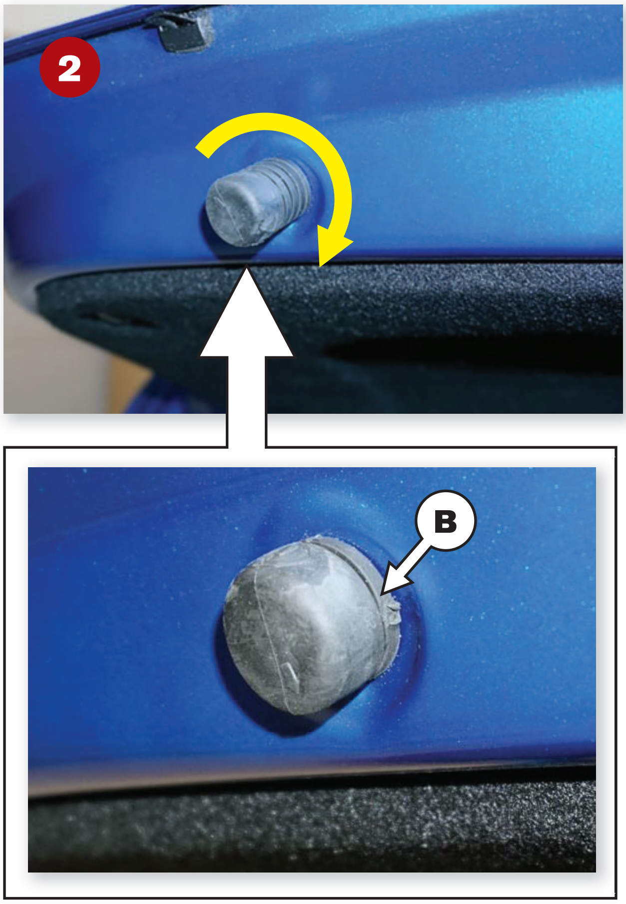
You may encounter a 2014MY Forte (YD), produced between February 1, 2013 through February 28, 2014, that exhibits a rattling noise from the trunk area and/or difficulty closing the trunk. If you do, following the procedures outlined in this article may resolve these issues.

AFFECTED VEHICLE PRODUCTION RANGE

Model	Production Range
Forte (YD)	From February 1, 2013 through February 28, 2014

» TSBs may be updated from time to time. Please refer to TSB BOD122 at www.kiatechinfo.com for the latest procedures.

» All images are for illustration purposes only.



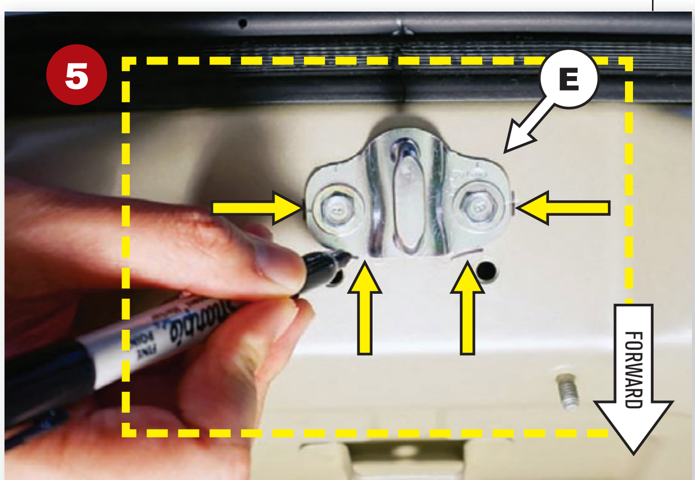
Service Procedure

1. Locate the two trunk rubber bumpers (A).

2. Check and adjust, if necessary, the height of the rubber bumper until only one adjustment line (B) is visible above the trunk surface.

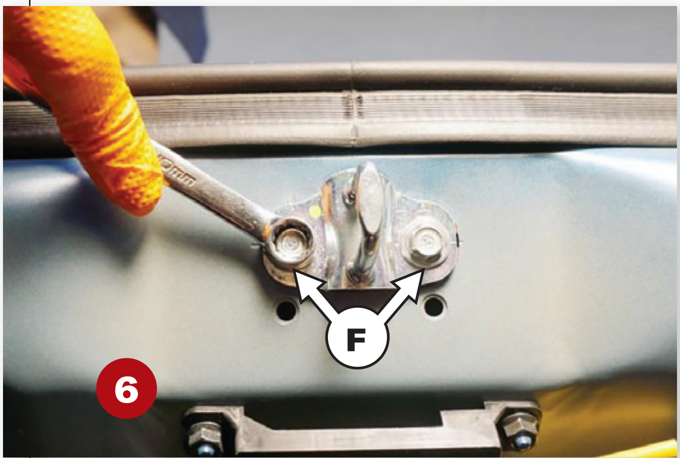
3. Remove the luggage compartment mat (C).

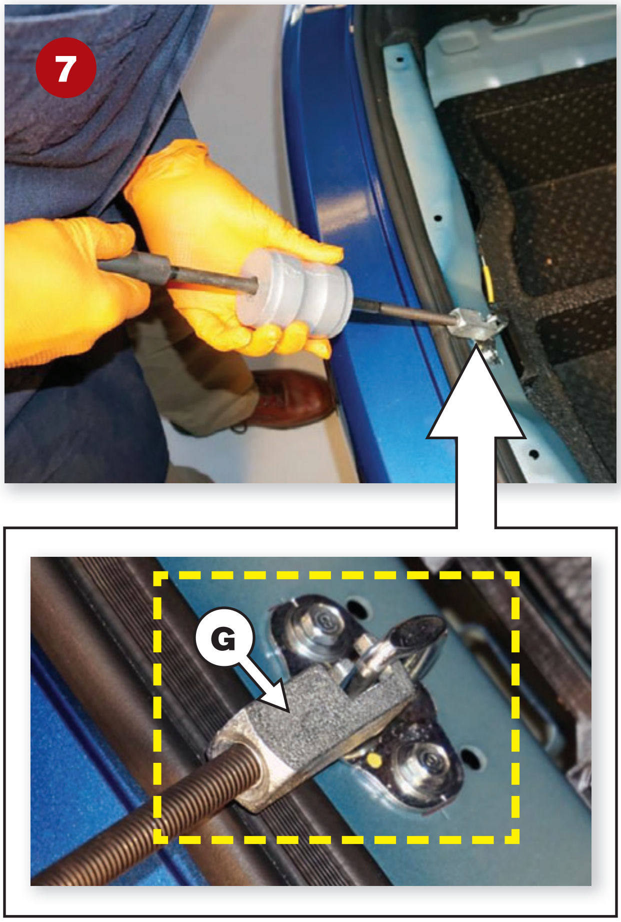
Caution; Use only non-marring trim removal tools (such as Snap-on® P/N PBN5 or equivalent) to avoid damaging trim pieces. Wear disposable gloves to avoid soiling interior trim components.



4. Carefully remove the trunk compartment trim (D).

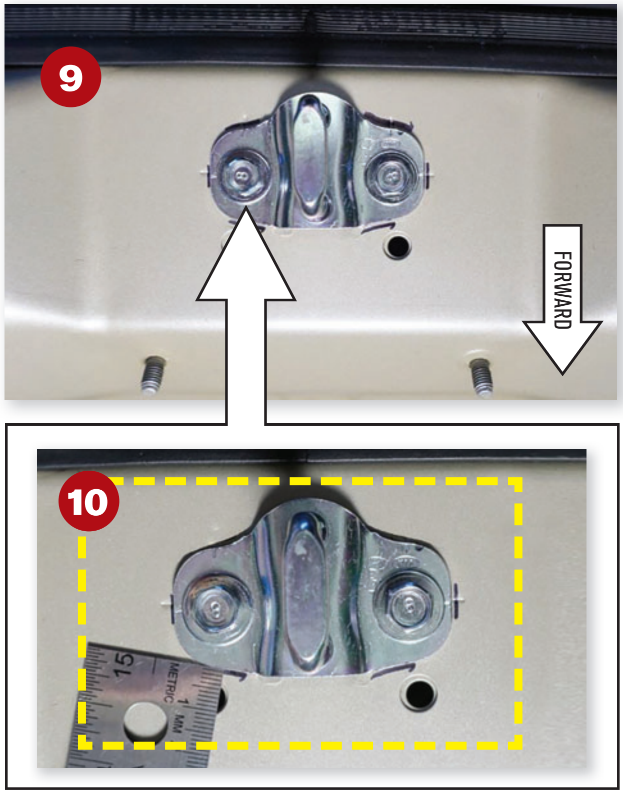
5. Locate the striker and use a marker to make four reference marks (E) around the striker, as shown. Note: The reference marks will make it easier to measure striker movement after adjustment.





6. Loosen the two striker mounting bolts (F) by 1/3 of a turn. Note: Do not loosen the bolts past 1/3 of a turn. The bolts must remain tight.

7. Install a hook adaptor (G) onto the end of a slide hammer, or a similar tool, and install it onto the striker, as shown.



8. Use the slide hammer to pull straight back on the striker, as shown. Note: Do not allow the slide hammer to deviate laterally while adjusting the striker.

9. After completing the first pulling operation, use a ruler to measure the amount of striker adjustment, relative to the reference marks. Note: If more adjustment is required, repeat step 8 until the striker reaches the required adjustment.
Required adjustment: 0.011"~ 0.019" (0.27 ~ 0.49 mm)

10. After striker adjustment is complete, torque the striker mounting bolts to specification.
Tightening Torque: 5.1 ~ 8.0 lb-ft (6.9 ~ 10.8 Nm)

11. Reinstall all removed components by reversing the order of removal.