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SCANNING... NOW COMES CALIBRATION

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PROTECTING THE COLLISION REPAIR SHOP'S INTEREST IN THE EVER-CHANGING REPAIR ENVIRONMENT

The complexity of rapidly changing repair processes requires that repairers perform "repair due dilligence" prior to writing the repair plan.

But if you are unsure what that means, you're not alone. Keith Manich, collision director at ATI, leads this new webinar to help you properly identify all required repair operations in the repair plan.

Watch and learn how to formulate a strategy to ensure you are paid, create a repair file that defines the repair requirements, document and discuss the repairability of the vehicle and present the information to other parties.

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ADAS

REPAIRERS MUST PREPARE FOR AFTERMARKET ADAS ADAPTION

JAMES E. GUYETTE //
Contributing Editor

As OEM-installed and retrofitted Advanced Driver-Assistance Systems (ADAS) continue to gain popularity, the aftermarket is well-positioned to provide much-needed education and training for installers, repairers and motorists along with benefitting by selling the numerous ad-on products that are becoming available within the category.

"ADAS is among the fastest-growing automotive segments today, and it presents a significant opportunity for aftermarket retrofitting and new vehicle upgrades," says Chris Kersting, president and CEO of the Specialty Equipment Market Association (SEMA), which has produced an analysis, entitled, *Advanced Vehicle Technology Opportunities*, offering insights about the category's prospects.

In 2017 the segment was valued at just under $1 billion, and it is expected to grow to more than $1.5 billion by 2021, ac-

>> CONTINUES ON PAGE 6

BREAKING NEWS

GLASS REPAIR

INSURANCE INDUSTRY SUPPORTS FLORIDA GLASS BILL

BRIAN ALBRIGHT //
Contributing Editor

Proposed legislation in Florida that would bar auto glass repairers from offering incentives to customers has received an endorsement from the American Property Casualty Insurance Association (APCIA).

House Bill 323, sponsored by Rep. Richard Stark (D.-Weston), would prevent auto glass shops from offering customers incentives such as gift cards, rebates, coupons or cash in order to get more business.

The bill was passed by the House Insurance & Banking Subcommittee, and has been referred to the House Civil Justice Subcommittee and Commerce Committee.

The glass repair issue is intertwined with another insurance challenge in Florida – assignment of benefits (AOB) lawsuits. In Florida (as in other markets),

>> CONTINUES ON PAGE 7

TRENDING

REGISTRATION OPENS FOR WIN CONFERENCE

Registration for the Women's Industry Network 2019 Educational Conference is now open. Set for May 6-8 in Fort Lauderdale, Fla., the event theme is "Navigating Tomorrow Together."

ABRN.COM/WIN19

SCRS VIDEO DETAILS STRUCTURAL REPAIR RULES, CHALLENGES

The Society of Collision Repair Specialists released a new video featuring the first of three panel discussions held as part of the 2018 OEM Collision Repair Technology Summit.

ABRN.COM/SUMMIT18

MEMA SELECTS BILL LONG TO LEAD

The Motor & Equipment Manufacturers Association (MEMA), a trade association focused on advancing the fast-changing mobility industry, has named William (Bill) Long as President & CEO.

ABRN.COM/LONG

ASE HOLDS CONFERENCE FOR INSTRUCTORS

The ASE Education Foundation will hold its 6th annual Instructor Training Conference on July 22-25, at the Embassy Suites Hotel, in Frisco, Texas, offering more than 60 technical sessions.

ABRN.COM/INSTRUCTOR

REGISTRATION OPEN FOR ASA CONFERENCE

The Automotive Service Association (ASA) has opened online registration for its 2019 Annual Business Meeting & Conference. The event will be held April 30-May 2 in Hurst, Texas.

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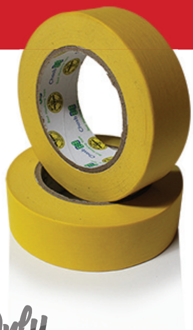

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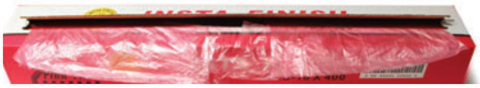

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cording to a SEMA-commissioned study conducted by Ducker Worldwide and the Center for Automotive Research (CAR).

Establishing just what this category actually entails is a topic requiring clarification as both the Motor & Equipment Manufacturers Association (MEMA) and the American Automobile Association (AAA) are calling on the industry to precisely define universal nomenclature along with detailing the product lines, properties and capabilities of the equipment.

At a SEMA-sponsored briefing in January, Chris Gardner, senior vice president of operations at MEMA's Automotive Aftermarket Suppliers Association (AASA), discussed the need for cross-industry collaboration on standardizing ADAS procedures, terminology, training and certification pertaining to business owners and technicians.

AAA's research reports that there is at least one ADAS feature available on nearly 93 percent of all new vehicles sold in the U.S. Ellen Edmonds, the organization's public relations manager, points out that as ADAS units achieve broader acceptance, "it is becoming increasingly important for consumers to have a solid understanding of their functionality."

In conjunction with preparing a list of proposed comprehensive product descriptions, AAA is embarking on a plan to ensure that the motoring public properly grasps the performance properties and qualities of the various ADAS products coming into the marketplace.

For aftermarket businesses, conducting ADAS classes may be a service that's welcomed by your customers because "there is still a lot of work to be done in educating drivers about proper use of ADAS technologies and their limitations," says Dr. David Yang, executive director of the AAA Foundation for Traffic Safety.

And nearly 80 percent of drivers with blind spot monitoring systems were unaware of the technology's limitations or incorrectly thought that the system could accurately detect vehicles passing at high speeds along with bicycles and pedestrians. "In reality, the technology can only detect when a vehicle is traveling in a driver's blind spot," Yang explains, "and many systems do not reliably detect pedestrians or cyclists."

"When properly utilized, ADAS technologies have the potential to prevent 40 percent of all vehicle crashes and nearly 30 percent of traffic deaths," Yang says. "However, driver understanding and proper use is crucial in reaping the full safety benefits of these systems."

Business readiness

At the fall SEMA Show in Las Vegas, Brandmotion's aftermarket ADAS lines were attracting enthusiastic attention from the attendees. "Our booth is always popular at SEMA because we spend a lot of money and time on innovation; people want to see what we are offering next," says company president Jeff Varick.

"We are seeing growth in a few categories," he reports. "Radar blind spot is the ADAS technology that most consumers are aware of, and it's growing the fastest. Backup cameras are down, but collision avoidance systems are seeing small growth."

A factor holding back even higher ADAS sales is a simple lack of adequate consumer awareness, according to Varick. "They just don't know you can add ADAS systems to an existing vehicle," he says. "That's why I started the Vision Zero Automotive Network to educate consumers that this technology exists, and it works."

He encourages the industry to "educate yourself and then educate the customer. Adopt a mindset that through your efforts you can save lives in your own community; even if it's just one life, you will most likely make a difference."

SEMA's Mike Imlay explains, "Current aftermarket suppliers are limited to a handful of major players, but their number is expected to increase as consumer demand grows. "Now is the time to evaluate your business readiness for this technological revolution."

SEMA PROGRAM INSPIRES NEXT-GEN ENTHUSIASTS THROUGH CUSTOMIZATION

ABRN WIRE REPORTS //

SEMA is partnering with five high school auto shop programs throughout the country to introduce students to and create excitement for the automotive aftermarket through real-world, hands-on experience. The partnerships, which follow a successful pilot program model between SEMA and Santa Fe Early College Opportunities (ECO) High School's automotive program in Santa Fe, N.M., involve students working alongside industry professionals on vehicle builds that will be auctioned off to raise money for ongoing, sustainable student customization builds.

Last year, more than 90 students took part in the modification of a 2015 4WD Jeep Wrangler Unlimited that sold for more than $56,000 through the Bring a Trailer Auction. The funds are being used this year to purchase a new vehicle that will serve as the platform for another student build at Santa Fe High School.

Other schools participating in this year's program include C.D. Hylton High School in Woodbridge, Va.; Comstock High School in Kalamazoo, Mich.; R.L. Turner High School in Carrollton, Texas; and Santa Ynez Valley Union High School in Santa Ynez, Calif.

"We're happy to provide students with this opportunity to get them excited about the customization lifestyle," said Wade Kawasaki, SEMA Chairman of the Board.

>> CONTINUED FROM PAGE 4

insurance policyholders can sign claims over to contractors, who then seek payment from insurers, often by filing lawsuits.

The Florida Department of Financial Services noted a large increase in auto glass lawsuits in 2012, when the number of lawsuits rose from 478 to 1,389. In 2017, there were 25,664 such lawsuits. The number of lawsuits began dropping last year as shops and insurers crafted pricing agreements.

"We applaud the House Insurance & Banking Subcommittee for advancing this good public policy. We believe the number of lawsuits are being under reported," said APCIA regional manager Logan McFaddin. "We still have a long way to go toward fixing the Florida system and protecting consumers. Thousands of cases are still being filed, which is evidence AOB abuse is a real problem that must be addressed.

"These numbers tell us there are too many Florida drivers susceptible to the bad practices happening within some auto glass repair shops," McFaddin continued. "And, this AOB abuse must stop. APCIA encourages Florida lawmakers to pass meaningful reforms this session that will safeguard Florida drivers and the insurance benefits they rely on during a critical situation."

While AOB is common practice in the insurance industry, insurers characterize the spike in lawsuits in Florida as an example of runaway litigation. According to the Insurance Information Institute: "The state's legal environment has encouraged vendors and their attorneys to solicit unwarranted AOBs from tens of thousands of Floridians, conduct unnecessary or unnecessarily expensive work, then file tens of thousands of lawsuits against insurance companies that deny or dispute the claims. This mini-industry has cost consumers billions of dollars, as they are forced to pay higher premiums to cover needless repairs and excessive legal fees."

In Florida, state law allows for one-way attorney's fees. If the plaintiff wins the AOB suit, the court determines a "reasonable sum" the insurer has to pay to compensate the plaintiff's attorneys. If the insurer wins, the plaintiff does not have to pay attorney's fees. Insurers also believe that the current system allows for too many inflated claims, which lead to bad faith or breach of contract lawsuits when the claims are denied. Insurers also claim there have been instances of fraud, where consumers are given an incentive for glass repairs that never actually occur.

Plaintiff's attorneys often bill legal fees far in excess of the original repair claim when they file an AOB lawsuit.

During the House Insurance & Banking Committee hearing, lawmakers cited instances of auto glass companies approaching people in parking lots and offering them cash or gift cards to repair seemingly non-existent windshield damage.

Auto glass shops, however, say that these incentives are necessary in order to compete with large companies like Safelight.

TRAINING

FIRST RESPONDERS LEARN NEW RESCUE SKILLS FROM NABC F.R.E.E. PROGRAM

More than 50 first responders from Evansville, Newburgh and Henderson, Ind. and surrounding cities' fire departments gathered in early February for a demonstration of the latest techniques in emergency vehicle extrication, preparing them to provide the best response for car accident victims in the region, all thanks to the National Auto Body Council First Responder Emergency Extrication program (F.R.E.E.) program and Lefler Collision & Glass Repair Centers.

In crashes where minutes can spell the difference between life and death, first responders to the accident scene need up-to-date information so they can act quickly and safely. Knowing specifically where and how to efficiently cut, pry and extricate can make the difference in saving precious minutes and lives as well as the safety of the first responders.

Keeping first responders up to date on the latest new technology in vehicles is a challenge for every local fire department. NABC F.R.E.E. helps first responders stay abreast of the rapid changes in vehicle design. High-strength steel, airbags, advanced restraint systems, onboard technology and safety around alternative fuel vehicles are all covered in the program. The growing popularity of high-voltage hybrid and electric vehicles and the many safety concerns surrounding these vehicles makes this program a necessity.

Alternative fuel systems present different challenges when first responders arrive at the scene of an accident. Electric cars, hybrid cars and natural gas vehicles have fuel systems that pose dangers for first responders if need arises to cut or pry the vehicle for rescue.

Lefler Collision & Glass in Evansville, Ind., hosted the first responders from Evansville, Newburgh and Henderson at a special NABC F.R.E.E. instruction program to help ensure area drivers have the best prepared response in case of an accident.

"It was a great day with our Hometown Heroes," said Jimmy Lefler, CEO, Lefler Collision & Glass Repair Centers. "It was great to see so many different fire departments come together for training with the latest extrication equipment. The new model crashed cars with the latest multi-location airbags and safety equipment provided a realistic experience that older salvage yard cars can't provide."

LEGISLATION

WYOMING CRASH PARTS LEGISLATION STALLS

ABRN WIRE REPORTS //

A bill deemed harmful to collision repairers and consumers alike has currently stalled in the Wyoming House of Representatives.

Opposed by the Automotive Service Association (ASA) and collision shops in Wyoming, the "crash parts" bill — SF0095 — had been on a fast track through the state government after garnering quick approval from the Wyoming Senate.

The Wyoming legislation stated: "AN ACT relating to insurance; providing standards for the use of aftermarket parts in automobile damage repairs; requiring disclosure when any use is proposed of a non-original manufacturer part; requiring that all aftermarket parts be identified and be of the same quality as the original part; and providing for an effective date."

ASA and Wyoming shop owners and industry representatives had raised issues regarding the legislation, including:

- Who would be responsible for determining what parts meet original equipment manufacturer (OEM) standards?
- What state agency is properly equipped to evaluate certification standards?
- What are the consumer protections and safeguards that are provided by the legislation?

Collision repairers communicated their concerns to members of the Wyoming legislature — and it appears the Wyoming House won't be moving forward this session with SF0095.

"It is important that collision shops continue to educate policymakers about the impact this bill would have on small businesses and consumers," said Robert L. Redding Jr., ASA's Washington, D.C., representative.

"ASA would like to thank Wyoming collision repairers and industry partners for their support in educating policymakers about this harmful bill."

The Automotive Service Association is the largest not-for-profit trade association of its kind dedicated to and governed by independent automotive service and collision repair professionals. ASA serves an international membership base that includes numerous state affiliate and chapter groups.

ASA BACKS OEM REPAIR PROCEDURE LEGISLATION

ABRN WIRE REPORTS //

ASA supports a proposal in the Connecticut Legislature aimed at addressing Original Equipment Manufacturer (OEM) repair procedures for collision repairs.

But ASA lobbyist Robert L. Redding Jr. has asked the Connecticut Joint Committee on Insurance & Real Estate to amend House Bill 7266 to "assure additional protection for consumers, repairers and small businesses."

The amendment would make the legislation similar to "language proposed earlier in the year," Redding said.

Redding made the suggestion in comments submitted to the committee on behalf of ASA.

"House Bill 7266 seeks to address an issue of concern for our consumers and repairers," Redding said in the comments. "The OEM repair procedures are the logical repair processes to be followed. To be clear, ASA does not support the use of OEM parts only. ASA's interest is in requiring the industry to adhere to a set of repair procedures that assure the best opportunity for vehicle safety on our highways.

"Our proposed amendment assures that no insurer shall condition payment of a claim to the insured or to any person conducting a collision repair based upon the utilization of any repair procedure or specification that does not conform to the original manufacturer's repair procedures.

"In addition, it is critical that scans are part of the repair processes. This is more important than ever before with new vehicle technologies. Many of our members risk not being paid by conducting pre- and post-scans of the vehicle to assure that the vehicle is safe when it leaves the collision repair shop. With this bill, the legislature ensures that the State of Connecticut has done as much as possible to protect consumers and small businesspersons in the repair chain following an accident."

According to HB 7266's Statement of Purpose:

- "... no, (1) Motor vehicle insurance policy delivered, issued for delivery, renewed, amended or endorsed in this state shall require a motor vehicle repair shop to deviate from the collision repair guidelines, procedures, recommendations and service bulletins issued by vehicle and original equipment manufacturers; and
- "(2) motor vehicle repair shop shall deviate from such guidelines, procedures, recommendations and bulletins without customer authorization."

ASA is the largest non-profit trade association for independent automotive service and repair professionals.

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INSURANCE RATES

STUDIES SHOW WOMEN MAY PAY MORE FOR AUTO INSURANCE THAN MALE COUNTERPARTS

BRIAN ALBRIGHT //
Contributing Editor

Any parent of a teenager knows that putting a new male driver on the family auto insurance policy is significantly more expensive than insuring a new female driver. However, some recent studies have shown that women in some markets are actually paying higher insurance rates as they age, and that gender-based insuring ratings are applied inconsistently.

At the end of last year, outgoing California Insurance Commissioner Dave Jones issued new regulations that prohibit the use of gender in insurance ratings in that state (the new regulations took effect on Jan. 1). That could help even out rates between men and women across age groups.

A 2017 study by the Consumer Federation of America showed that women in the U.S. are often charged more for auto insurance. CFA researchers obtained online premium quotes from the websites of Allstate, Farmers, GEICO, Liberty Mutual, Progressive and State Farm, then compared 165 pairs of quotes for men and women.

The study found that 40- to 60-year-old women with good driving records were charged more than men for the same coverage nearly twice as often as men were charged a higher rate. Conversely, 20-year-old women had lower premiums than men in the same age group, unless they bought insurance from Geico, which charged younger female drivers more than men in nine of 10 cities surveyed. Geico, in fact, charged women more 83 percent of the time, while State Farm almost never did.

That wasn't the only inconsistency. CFA found that in more than two-thirds of the tests they conducted, at least one company rated female drivers a higher risk, while another company found them to be a lower risk. Insurers are all over the map when it comes to factoring in gender for insurance ratings.

"It is widely believed that male drivers, especially young male drivers, cause more, and costlier, accidents," said J. Robert Hunter, CFA's Director of Insurance and former Texas Insurance Commissioner. "State insurance commissioners should insist that auto insurers explain why they usually charge middle-aged and older women higher rates than men," he added.

"This makes no sense," Hunter added. "If these large insurance companies are abiding by actuarial principles, you would not find one insurer granting a 21 percent price break for female drivers while another company sees a need for a 32 percent surcharge on those same drivers. Also, how can a company think that the women of Tampa are very high risks, but women of Cleveland are very low risks relative to men? A woman moving from Tampa to Cleveland does not magically become a better driver. What this really tells us is that either some companies are ignoring the data or that gender is not a good indicator of risk and should not be used."

Another 2018 study by Texas Appleseed found that women in that state paid $56 more per year on average for auto insurance that satisfies state minimum requirements. Single and divorced women paid $80 more per year.

The Texas study showed a wide range of premium differences, sometimes based on marital status, and many times too inconsistent across different insurers to reflect actual differences in driver risk.

Among the findings:

- Progressive and Farmers charged widowed women premiums that were 12 to 13 percent higher than widowed men. Geico also charged a "widow penalty," while Allstate actually reduced premiums for widows. State Farm charged the same rate for both genders.
- In Houston, women with perfect driving records pay $75 more on average than men with the same record, same vehicle, and same address. Farmers was the worst offender, charging an average of $144 more to women than men.
- People who get divorced see an annual average increase of $49 in their premiums, but women are generally charged a higher rate than divorced men — an average of $80 for basic coverage. In Tyler, Laredo and Amarillo, divorced women pay between $51 and $61 more per year than married women, while divorced men in those same cities actually pay $5 to $12 less than married men.

Insurers defend gender ratings

California is the first state in many years to ban gender as an insurance rating consideration. A handful of other states already had similar regulations on the books (including North Carolina, Pennsylvania, Montana and Michigan), but they were put in place decades ago. Part of the impetus for the change in California was the passage of Proposition 103, which prohibits discriminatory pricing and requires rates to be set based on driving records and experience.

The American Property Casualty Insurance Association chimed in during the California debate, stating that gender ratings are based on hard statistics that show men drive more miles than women, and that teenage male drivers are a higher risk.

However, those facts don't explain the disparities that Texas Appleseed and CFA found regarding older women and divorced or widowed women being charged more than men. Ironically, California's new rules will likely increase rates for young female drivers while reducing rates for younger men.

PROPOSED NAFTA REPLACEMENT COULD CHANGE SOURCING RULES FOR NORTH AMERICAN PARTS

JAMES E. GUYETTE //
Contributing Editor

William Reinsch holds the Scholl Chair in International Business at the Center for Strategic and International Studies (CSIS), a "think tank" based in Washington, D.C. CSIS was established in 1962 by David M. Abshire and Admiral Arleigh Burke and it is described as "a bipartisan, nonprofit policy research organization dedicated to providing strategic insights and policy solutions to help decision-makers chart a course toward a better world."

Reinsch previously served for 15 years as president of the National Foreign Trade Council, where he led efforts in favor of open markets in support of the Export-Import Bank and the Overseas Private Investment Corp. From 2001 to 2016 he concurrently served as a member of the U.S.-China Economic and Security Review Commission. He is also an adjunct assistant professor at the University of Maryland School of Public Policy, teaching courses in globalization, trade policy and politics.

Reinsch also served as the under-Secretary of Commerce for export administration during the Clinton Administration. Prior to that, he spent 20 years on Capitol Hill, most of them as senior legislative assistant to the late Senator John Heinz (R-PA) and subsequently to Senator John D. Rockefeller IV (D-WV). He holds a B.A. and an M.A. in international relations from Johns Hopkins University and the Johns Hopkins School of Advanced International Studies.

Edited slightly for context and clarity, Reinsch and CSIS have prepared a series of questions and answers related to the details of the pending U.S.-Mexico-Canada Agreement (USMCA) and other North American trade issues:

Q: What are some the most significant changes in USMCA compared to the North American Free Trade Agreement (NAFTA)?

The following areas will see the largest changes from USMCA:

- Automotive rules of origin: USMCA will require that 75 percent of auto content be made in North America in order for automobiles to qualify for preferential, duty-free treatment. By comparison, NAFTA's auto rule of origin was 62.5 percent. Of the 75 percent content threshold required by USMCA, 40-45 percent must be made by workers that earn at least $16 an hour.
- The wage requirement will be phased in over five years. It is essentially a U.S. or Canada content requirement as wages for Mexican autoworkers are not close to that level. The Trump Administration may have traded some additional auto manufacturing jobs in the United States for higher car prices and a less globally competitive auto industry. The higher rule of origin in USMCA and wage requirement may disrupt existing supply chains designed around the NAFTA rule of origin. USMCA rules may constrain where automakers can source certain parts, which could boost manufacturing costs.
- Investor-state dispute settlement: The special arbitration mechanism contained in NAFTA that allowed investors to sue NAFTA countries for discriminatory actions will be phased out between the United States and Canada, and its coverage will be significantly trimmed for investors in Mexico. The investor-state dispute settlement provision (ISDS) of USMCA will cover investments in Mexico only in oil and gas, power generation services, telecommunication services, transportation services, and the management of ownership of infrastructure. The paring back of ISDS is a major win for U.S. Trade Representative Robert Lighthizer, who views it as a means for corporations to undercut country's sovereignty and as political risk insurance that encourages outsourcing.
- Digital trade: USMCA contains provisions on digital trade similar to those negotiated in TPP (the Trans-Pacific Partnership). One significant improvement from TPP is a blanket ban on data localization requirements that does not provide an exception for financial services firms.
- De Minimis: USMCA will raise the threshold at which imports from Canada and Mexico will be subject to customs duties, a priority for many in the U.S. business community. For Canada, the de minimislevel will be raised from C$20 to C$40 for taxes and allow duty-free shipments of up to C$150, from C$20. Mexico will allow duty-free shipments of up to $117, from $50. The U.S. de minimisthreshold is $800.
- Sunset: USMCA contains a renewable 16-year term, a huge improvement for Canada and Mexico over the five-year sunset clause originally pushed by the Trump Administration. The three countries will meet six years after the agreement comes into force to decide whether to renew the pact for another 16 years.
- Currency: For the first time, the United States has managed to include rules regarding currency manipulation and monetary policy in the core text of a trade agreement. Requirements related to transparency in foreign exchange activity will be subject to USMCA's state-to-state dispute settlement mechanism.
- Continue reading at ABRN.com/NAFTA.

FUTURE OF THE COLLISION REPAIR INDUSTRY

As ADAS components continue to grow more prevalent, vehicle repair costs and complexity climb

JACK ROZINT // Contributing Editor

One of the hot topics of conversation at collision industry events these days is the outlook for the future, with all eyes on the rapid advances in technology that are found in today's vehicles and expected in tomorrow's. With the advent of safety systems designed to lessen the impact of or even eliminate collision events, there is concern among repairers about the future of the industry. At a recent Collision Industry Conference event in Palm Springs in January, the audience was asked the question, "Over the next five years, do you expect the total revenue for the U.S. collision industry to grow, shrink or stay about the same?" The majority of respondents felt that the industry would continue to grow. This article explores some of the factors that are influencing industry growth.

ADAS growth

Close to 40 percent of all 2017 model year vehicles in the U.S. were delivered with some form of Advanced Driver Assistance System (ADAS). The data for 2018 show that this number is now well over 40 percent, and with model year 2019 more than half of all vehicles sold in the U.S. will have some form of ADAS. Because these systems are designed either to eliminate or lessen the severity of crashes, it would seem that this would forecast a shrinking pool of work for collision repairers as the systems prevent collisions. Instead, we are seeing that because today's vehicles are more expensive to repair (not to mention the presence of vehicles of various ages on the road), there remains robust work for repairers — and that the cost of sensors, cameras, computer modules and other ADAS components leads to higher

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AUTEL MAXISYS
ADAS CALIBRATION
COMPLETE PACKAGE - Part #ADASCOMPLETE
Target Board Holder
UNIT INCLUDED FOR CALIBRATION FRAME MOUNTING
Honda-LDW
Honda-LDW
Honda-LDW
Honda/Kia-LDW
Nissan / Infiniti-LDW
Nissan / Infiniti-LDW
Toyota-LDW
Nissan-LDW
Nissan-LDW
Toyota / Lexus-LDW
Mercedes-LDW
Hyundai / Kia-LDW PATTERN
Wheel Clamps
Wheel Clamp Lasers
CALIBRATION FRAME STANDARD PACKAGE
CALIBRATION FRAME, ACC REFLECTOR, WHEEL CLAMPS & LASERS
LDW CALIBRATION KIT
LDW LANE DEPARTURE WARNING TARGETS
AVM - RCW - BSD - NV CALIBRATION KITS
ACCESSORY TOOLS, RADAR & NIGHT VISION
WE SUPPORT I-CAR TRAINING
I-CAR SUSTAINING PARTNER
PRE-SCAN & POST-SCAN
COLLISION REPAIR READY SOFTWARE PACKAGE
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CODING & ADAPTATIONS
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repair costs. In fact, Mitchell's research has shown that current generation vehicle repair costs are up 19 percent from the prior generation. As ADAS systems continue to proliferate this trend is likely to continue.

Not only is ADAS becoming more popular, the number and complexity of installed ADAS systems continues to grow with each model year. While a base model 2010 Chevrolet Malibu had no installed ADAS and just six airbags, the 2018 Malibu LT now comes with forward collision warning, front and rear parking sensors, rear backup camera, lane departure warning, front automatic braking, rear cross traffic alert, adaptive cruise control, blind spot monitor, pedestrian detection, aluminum hood and suspension components — and 10 airbags.

As ADAS becomes more complex, so do the associated repair procedures. The 2010 Malibu OEM procedure only calls for sensor replacement following front airbag deployment and/or seat tensioner deployment. The OEM procedure for the 2018 Malibu requires replacement of the sensors in the area of accident damage "whether or not the airbags have deployed. Replace the impact sensor even if it appears undamaged…..DO NOT try to determine whether the sensor is undamaged; replace the impact sensor." It is not hard to see how following these OEM procedures will lead to higher repair costs.

Mitchell analysts looked at the replacement costs of all parts that would typically be damaged in a front-end collision and found that repair costs grew from $1,652 for a 2010 Malibu to $3,627 for a 2018 Malibu. It is important to remember that many of the components in the 2018 Malibu repair are likely to result in lower severity impact — or even prevent a collision event entirely. However, it is clear that a similar impact on a newer vehicle will likely yield considerably higher repair costs. The average estimate amounts for 2010 and 2016 Chevrolet Malibus two years after introduction are shown below:

2010 Chevy Malibu
2012 Average repair cost: $2,539.76

2016 Chevy Malibu
2018 Average repair cost: $4,098.94

Another major factor affecting repair costs is the requirement for scanning and calibration. Honda's 2018 OEM repair procedures for vehicles equipped with its Multi-Function Camera System call not just for pre- and post-scans but also for recalibration of the camera system "if vehicle is involved in a collision." That is any collision, not just those severe enough to damage the cameras or deploy airbags. Recent analysis of more than 30,000 estimate lines that involved diagnostics or scanning by Mitchell revealed interesting results.

Some repairers charged a flat rate, while others charged labor, and the cost varied widely — from under $50 for some scans that were performed in-house to more than $900 for scan and recalibration when the work was outsourced to dealerships. With the growing need for scanning and recalibration, it likely makes sense for repairers to look to take this work in-house with their own tools and technicians. In-house electronic scanning capability allows diagnostics to become a new profit center, as opposed to a model where the diagnostic portion of the repair continues to be outsourced, eliminating a potential new income stream and adding to cycle time.

One of the most interesting statistics to surface recently was in a MARTEC study published by the Equipment & Tools Institute. This research found that the majority of the value of vehicles by model year 2020 will be in software and electronics.

This finding should alert repairers wanting to survive and thrive that they should develop the capability to perform electronic and diagnostic repairs in-house. While there will be sheet metal, headlamps and bumpers to repair for years to come, it is clear that electronic repairs and recalibrations are going to make up a substantial portion of the repair costs of ADAS-equipped vehicles.

Cadillac has "Super Cruise," Tesla has "Autopilot," and Audi has "zFAS" — and these are just some of the autonomous driving systems that are available today (that's in model year 2019!) with many more coming.

In an impending lateral collision at more than 25 km/h (15.5 mph), the suspension actuators of the optional Audi AI active suspension raise the body on the side exposed to the danger by up to 80 millimeters (3.1 in) within half a second. The other vehicle therefore hits the car in an even more impact-resistant zone. Depending on the selected options, the zFAS receives the data to do this from up to five radar sensors, six cameras, 12 ultrasound sensors and the laser scanner.

All of this is just for side impacts, which are less complex than forward facing self-driving capabilities. If you envision a Monday morning three or four years from now, when your repair facility is checking in one of these Audis followed by a Cadillac SUV and a Tesla, you should have a repair operation with substantial training, tools and equipment for handling the electronic and software portions of the repair.

One more interesting trend: with autonomous driving features such as autopilot, the liability for collisions is going to shift from the driver of the vehicle to the systems and computers controlling it. And, if the vehicle has been in a collision and repaired, substantial liability may be shifted to the repairer who worked on the vehicle's ADAS systems and performed the recalibrations.

So what is the impact of all of this on industry revenues over the next five years?

Forecast industry frequency and severity

Accident frequency as measured by collisions per million vehicle miles traveled is going to continue to decline — and to decline dramatically among vehicles with ADAS systems. However, the average repair costs for these same vehicles is going to continue to increase — nearly equally dramatically. Research by organizations such as Grand View Research and IBIS indicate that overall the U.S. collision industry is likely to continue its pattern of steady growth.

Conclusions

From this, we come to four main conclusions for the collision repair industry:

1. Collision frequency is likely to continue to decline with ADAS advancements. Even so, there will be plenty of work for North American collision repairers in the coming years. There are nearly 250 million vehicles on the road that don't have ADAS systems, and even ADAS-equipped vehicles continue to be involved in collision events.

2. Average repair cost is likely to continue to rise based on vehicle complexity.

3. The type of repair work is changing: **From**: Metal/Frame/Refinish -> **To**: Electrical/Software

4. Liability for collisions will shift: **From**: Humans (the driver) -> **To**: Machines (the auto pilot/autonomous system) — and those who've repaired them.

JACK ROZINT is SVP, Sales – Repair, Auto Physical Damage, for Mitchell International. He has been involved in the automotive claims and collision repair industry for more than 25 years in roles that include GM, Robert Bosch, CCC Information Services and Ensera. He also founded RepairCar.com and RCC Consulting, which delivered consulting services in the areas of claims workflow, parts procurement, telematics, diagnostics and Usage Based Insurance (UBI). He is a founding board member of CIECA and chairman of multiple committees for the Collision Industry Conference (CIC).
jack.rozint@mitchell.com

DAD, STOP FILTERING THE INFORMATION

SUCCESSION PLANS ONLY WORK WHEN THE SUCCESSOR IS COMPLETELY IMMERSED

BOB GREENWOOD // Contributing Editor

The industry has to get through succession sooner than later; however, the older generation is having a very difficult time with this issue. For the businesses that are fortunate to have sons or daughters (or both) who are interested in taking over the business, we hear comments from parents that their child or children are not ready for this business yet, as they are only 21 or 23 years old. Based on that statement it is clear how parents — and especially fathers — are not engaging or involving the son or daughter properly.

First, the parent must acknowledge that the 21- or 23-year-old is a young adult, not a child — unless you, the parent, have always kept them there with your daily approach to them. If you as a parent have done that, then the question of "Why are you doing that?" must be honestly answered. Are your own insecurities today getting in the way of the future? Second, in order for a successful succession to take place, an apprenticeship training period must take place. This means that the young adult is fully exposed to all issues within the business and industry from all points of view. A good apprenticeship can take place for up to 5 to 10 years in which the son or daughter become the "right-hand person" with their opinions and views fully expressed at closed-door meetings. We all mature at different rates, so the right time frame must be monitored. Now they are making an informed decision as to whether they want this business to be their career. I don't believe that any parent wants their children to take over a business they didn't have a

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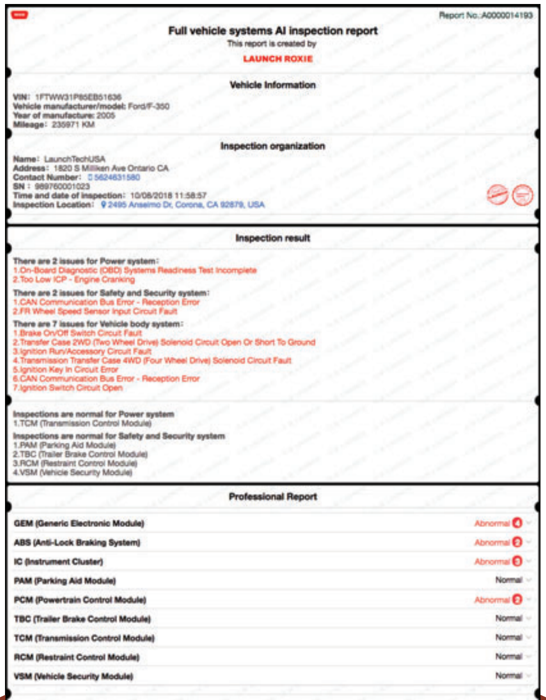

Report No.:A0000014193

Full vehicle systems AI inspection report

This report is created by

LAUNCH ROXIE

Vehicle Information

VIN: 1FTWW31P85EB51636
Vehicle manufacturer/model: Ford/F-350
Year of manufacture: 2005
Mileage: 235971 KM

Inspection organization

Name: LaunchTechUSA
Address: 1820 S Milliken Ave Ontario CA
Contact Number: 5624631580
SN: 989760001023
Time and date of inspection: 10/08/2018 11:58:57
Inspection Location: 2495 Anselmo Dr, Corona, CA 92879, USA

Inspection result

There are 2 issues for Power system:
1.On-Board Diagnostic (OBD) Systems Readiness Test Incomplete
2.Too Low ICP - Engine Cranking

There are 2 issues for Safety and Security system:
1.CAN Communication Bus Error - Reception Error
2.FR Wheel Speed Sensor Input Circuit Fault

There are 7 issues for Vehicle body system:
1.Brake On/Off Switch Circuit Fault
2.Transfer Case 2WD (Two Wheel Drive) Solenoid Circuit Open Or Short To Ground
3.Ignition Run/Accessory Circuit Fault
4.Transmission Transfer Case 4WD (Four Wheel Drive) Solenoid Circuit Fault
5.Ignition Key In Circuit Error
6.CAN Communication Bus Error - Reception Error
7.Ignition Switch Circuit Open

Inspections are normal for Power system
1.TCM (Transmission Control Module)

Inspections are normal for Safety and Security system
1.PAM (Parking Aid Module)
2.TBC (Trailer Brake Control Module)
3.RCM (Restraint Control Module)
4.VSM (Vehicle Security Module)

Professional Report

GEM (Generic Electronic Module)	Abnormal 4
ABS (Anti-Lock Braking System)	Abnormal 2
IC (Instrument Cluster)	Abnormal 3
PAM (Parking Aid Module)	Normal
PCM (Powertrain Control Module)	Abnormal 2
TBC (Trailer Brake Control Module)	Normal
TCM (Transmission Control Module)	Normal
RCM (Restraint Control Module)	Normal
VSM (Vehicle Security Module)	Normal

- PRE & POST REPORT -
WILL AUTOMATICALLY SEND UP TO 5 EMAIL ADDRESSES

LAUNCH WWW.LAUNCHTECHUSA.COM · 1820 S. MILLIKEN AVE. · ONTARIO, CA 91761 · 1-877-528-6249 true passion for. That would just create future stress and misery.

The problems I have personally witnessed are when the dad will not let go. He takes the attitude that "Dad is always right." However, the son or daughter desire to go down a more modern road by introducing better business processes and/or newer business technologies to streamline the systems and operate more efficiently and professionally. Dad is having a tough time grasping the new ways, so he rationalizes by imploring, "We have done pretty well up until now — why change, and who says that stuff is right for our business?"

If succession is going to move forward successfully, the father has to start listening, understanding and respecting his child's opinions, as well as stop cherry picking what information the son or daughter sees or is involved with. They must be properly exposed to all issues within the shop and be part of all discussions leading to solutions. Their opinions must be supported, respected, and, in the end, they too must be held accountable. Accountability will teach the next generation where mistakes are/have been made and where successes are realized to embrace.

They must attend as many courses on business management that they can find and if travel is involved, make sure the investment is made. Ensure the content within the course is truly relevant and get a written money-back guarantee on the course to ensure no one is wasting their time. They will require a minimum of six to eight days of business management courses per year moving forward to ensure the business depth is fully understood today in this forever-changing collision repair industry.

The next generation should be attending some key technical classes with the shop's technicians to also get an overview on vehicle technology and build positive, respectful relationships with the staff.

The son or daughter must be exposed to all industry association meetings and events to interact, network, connect and understand the industry, which helps them to understand their own business.

Now, that being said, here are some real issues. First, Dad must acknowledge that all this is an important step to take and engage with and the investments must be made. Second, Dad must attend events with his child/children so he can experience and discuss what all of them have been exposed to and what they have learned from the event or the course. It is through unbiased discussion that courses of action can be drawn out and confidence can be built. Accept that mistakes will be made — and Dad, is that now how you learned as well? The experiences for the son and daughter are invaluable.

There are also times when the parents do not have the skill or confidence to proceed down this succession road with their sons or daughters and that is the time when it must be recognized that additional help must be brought in to facilitate the discussion and keep the process moving forward. That is a positive decision and should be embraced. Take the time and seek out the right individual who you would be comfortable with and engage in the succession discussion. If after the discussion period you are comfortable, then it is time to introduce that professional coach to the son or daughter so everyone can start the process.

Time is growing short for a proper succession period to take place. Everyone in the current generation must make this step a priority and get things written out and put a plan together, keeping in mind what a good apprenticeship period will have to be to ensure absolute success for both sides of the family.

Remember, words are what people hear with their ears; behavior is what they hear with their eyes.

BOB GREENWOOD, AMAM, is president and CEO of Automotive Aftermarket E-Learning Centre Ltd. (AAEC), which provides business management resources for the automotive aftermarket. Bob has more than 36 years of business management experience and is one of 150 worldwide AMi-approved instructors. *greenwood@aaec.ca*

LISTEN IN TO LEARN MORE ABOUT SUCCESSION PLANNING

This episode of the Remarkable Results podcast with Carm Capriotto tackles planning for the eventual sale of your business with two shop owners — Joe Sevart and Judy Walter — who are in different stages of their succession plans.

They are joined by succession planning professional Bob Ward, President of Wardden LLC. Bob says, "Every business is eventually sold, but how? Most commonly, companies simply close their doors, sell the assets at auction, and are quickly forgotten because the owner didn't plan for their business to operate without them. That's the unfortunate truth."

In this roundtable, learn that building a perpetual business — one that succeeds yourself and can run without you — is the strongest way to succession planning. Also learn that having pristine financial statements is important, whether you are selling or not. Appreciate how much weight a buyer puts on stability and experience in your team. Discover that trust between members of the facilitation team, the buyers and sellers is critically important.

Listen to the podcast now at ABRN.com/successionplan.

USING PAINT/MATERIAL ACCOUNTS TO IMPROVE PROFITS

Properly categorize your usage to ensure you better gauge department success

JOHN SHOEMAKER // Contributing Editor

The toughest obstacle to paint/material profitability is reporting products in the wrong category. I encourage shops to separate paint/materials into four categories: Paint, Supplies, Materials and Tools/Equipment. Since the calculated paint/material reimbursement you receive on damage appraisals is for liquid paint products only, it is important that the products used are accounted for correctly to ensure items outside of the liquid paint category are billed properly. You can follow this guide:

Account 1.1: Paint — Includes paint products used in the refinishing process

PHOTO: FROM2015 / GETTYIMAGES.COM

such as toners, primers, sealers, clears and any other liquid products used during a repair.

Account 1.2: Supplies — Items used during the repair process: sandpaper, masking paper/tape, body fillers, glazing putty, scuff pads, cutoff wheels, fiberglass repair products, car cover, etc.

Account 1.3: Materials — Items needed to complete a repair process: plastic repair products, panel bonding products, corrosion protection products, seam sealers, two-sided tape, adhesives, sound deadener pads, gravel guard, etc.

Account 1.4: Tools/Equipment — respirators, air hoses, plastic spreaders, paint mixing cups, spray suits, razor blades, gloves, booth filters, paint sticks and strainers.

Knowing which category items go into will make it easier to bill for the items used during a repair. However, regardless of whether you bill for an item or not, accounting for them in the right area is what keeps you profitable. Accounting for paint and materials begins by organizing accounts using the categories above so you can receipt for products properly when they are delivered. Your supplier can assist you with accounting of items by creating a separate invoice for the items according to the account codes when they are ordered. Individual invoices will help prevent errors in the accounting process. The alternative is checking each line on the invoice and identifying the proper account. Ensuring the items you use on a day-to-day basis are properly accounted for is the first step in improving your profitability.

I commonly see everything used in the paint shop all put into one category; according to the categories above they should be separated into four buckets: Paint, Supplies, Materials and Tools/Equipment. As you can imagine, it would not take long for your profits to dwindle if a can of body filler or a roll of sandpaper was charged against your paint account — even a respirator can skew your profitability.

The Supplies account is also called "consumables," as they are consumed during a repair. Billing procedures for supplies are different from shop to shop and market to market. Some shops will add a charge for body supplies based on the number of hours on a repair appraisal, others use inventory systems to charge for each item used individually and others do not charge at all.

A majority of the profit loss I see is in the Materials category, which is unique to the other three. The materials category is unique because the items listed in materials are all required, but often overlooked as billable. Many use a token fee, "Corrosion protection — $12" or "Seam Sealer — $10" in miscellaneous on their damage appraisals. Without getting into estimating processes, those two charges do not tell anyone anything. It doesn't say what product, doesn't say where it is used, nor does it specify any quantity. My thought is that if you can measure what you use and tie it to a repair process, then it should be specified and billed. Another thought is that if it goes on a car and leaves with the car, then it could be considered a part and every part used on a repair should be billed separately. I had a chance to work with a shop using the 3M CRiMP tool where we created an invoice for the items required on a door skin replacement. Using the concept that materials are a part, let's see how the billing would work.

There were four additional "parts" required to install the door skin in accordance to OEM procedures and the 3M SOP, which were itemized in the 3M CRiMP invoice. The total of those parts was $132.38, a bit more that the "Corrosion protection — $12" or "Seam Sealer — $10" shown on the damage appraisal. Just identifying these materials and documenting them as parts added $110.38 in sales to this repair versus listing the vague $12 and $10 charges.

The Tools/Equipment category is just that — tools and equipment you need to operate your business. The key to profitability is knowing what is considered a tool or piece of equipment and ensuring they are not placed in one of the other buckets. Tools and equipment are generally higher-priced items and can affect profitability quickly if charged against the wrong account.

Not knowing whether an item is considered Paint, Supplies, Materials or Tools/Equipment can rob you of profits. Review how the items circulating through your shop are charged to your business as well as how the payments received are credited. I mentioned earlier that paint is reimbursed on a damage appraisal using a formula related to paint hours. If that reimbursement is not posted to a separate paint account, you will never show a profit. Likewise, if everything is put in one category, the reimbursement will never cover the expense posted.

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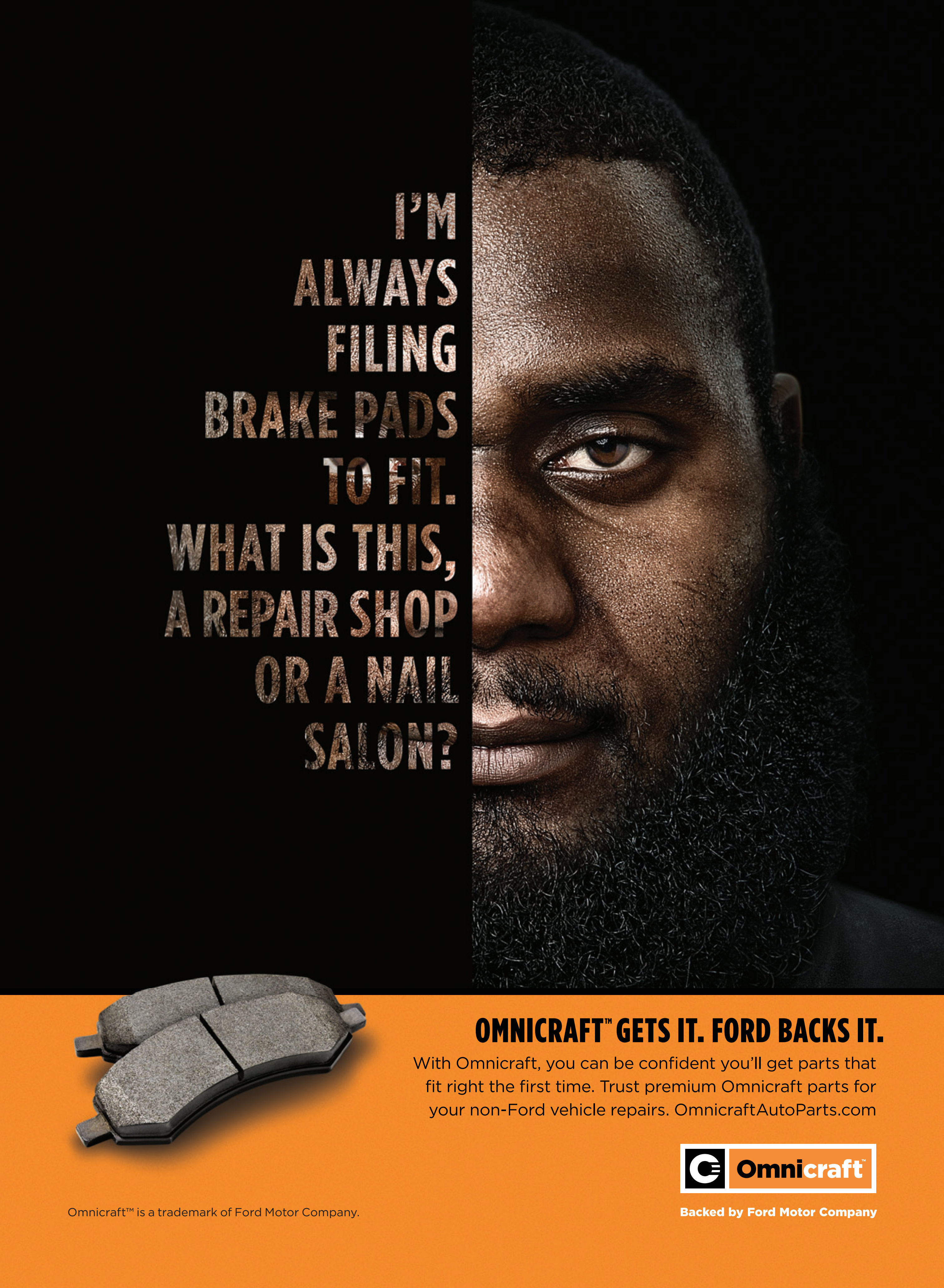
This article is worth .25 hours toward Automotive Management Institute (AMi) designation programs.

To receive credit, log in or set up a free "myAMi" account at **ami.knowledgeanywhere.com**. Once inside "myAMi," search for "Using Paint/Material Accounts to Improve Profits," or go to **ABRN.com/pmaccounts** and successfully complete the quiz.

JOHN SHOEMAKER is a business development manager for BASF North America Automotive Refinish Division and the former owner of JSE Consulting.

john.a.shoemaker@basf.com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THE ROLE OF THE MANAGER IN EMPLOYEE ENGAGEMENT

Technicians join companies but quit managers. Learn how to prevent disengagement.

CHRIS "CHUBBY" FREDERICK //
Contributing Editor

If you have ever lost a good employee and wondered what you could have done to prevent it, I suggest you keep reading. There is a tremendous amount of information out there on hiring and recruiting but very little on how to hold onto them for decades. As if that wasn't bad enough, the Millennials, who represent almost half of the workforce, need to be treated very differently than Generation X and Y associates. In this article, I'll tell you about training I had recently that I believe will help every shop owner in North America. I tried it out on my very first 20 Group I created 15 years ago, and they agreed unanimously.

Engagement vs. disengagement

Actively engaged employees represent only 5 to 15 percent of our workforce; engaged typically run at 20 to 25 percent of employees; somewhat engaged, 35 to 50 percent; and actively disengaged are 5 to 15 percent of your employees. The last category are the ones who have already quit, but they haven't told you yet!

Disengagement looks like no focus, tardiness and low productivity and initiative. Engagement looks like people loving what they do and looking forward to coming to work. Highly engaged shops have 40 percent less turnover, 21 percent more profitability and average 20 percent annual revenue growth. You cannot afford to lose any of the good ones.

Culture vs. engagement

Many have realized culture is a very important asset to help people want to work at your business. The problem is that your people can be culturally aligned but not engaged! Culture is how things are done around your business. Engagement is individual, between each person and the company.

Also, employee satisfaction does not necessarily mean engagement. Employee satisfaction is just an attitude, but employee engagement is a behavior!

New models for confronting disengagement

Most management theory was developed around companies that were built

PHOTO: JON FEINGERSH PHOTOGRAPHY INC / GETTYIMAGES.COM and prospered in an era of labor abundance. Leadership 101, I will call it, placed emphasis on the role of the leader within a workplace hierarchy, with specific regard to rewards and punishment. Leadership 201 was more focused on relationships, but still relied on hierarchy, and the leader came across more like a disciplinarian than a trusted colleague. Leadership 301 now is more focused on the whole workplace ecosystem, including the quality of social interactions necessary to create a positive, safe and productive work environment. Does the leader do things to employees or with employees?

The role of the manager on engagement

Owners should drive culture while the managers drive engagement. While a shop might have a great culture that owners have worked years to create, if your employees work under a manager who is not using Leadership 301 skills, your people are not going to feel the positive impact of the shop's culture. Managers must create the conditions where people want to come to work by creating a safe environment to communicate. They must give validation and recognition while listening well. They need to lead by

EFFECTIVE MANAGERS USE THESE THREE RULES

Start by revisiting two important words that are truly ignored by so many: "Slow down!!" This phrase is critical for you to work with to becoming effective in your position in the company.

Consider making a big sign with the below points and displaying it in your office where you are forced to view it constantly:

NOTHING SHOULD BE DONE IN MY BUSINESS BY ME UNLESS:

1. It makes a significant contribution to achieving worthwhile business goals;
2. It pays for itself in a reasonable and predictable time;
3. It can be explained simply and completely to those that have to make it work.

Think about the clarity those three statements bring to the table. Continue reading at ABRN.com/3rules.

example while encouraging and mentoring others.

The ATI model is to first help you understand what employee engagement looks like. Next, you need to measure it, because if you can't measure it you can't manage it.

So start aligning your people by two-way communication, not one-way. Quite often surveys suggest employees want more communication while owners feel like they are sharing their vision and goals completely. The problem is you are not always letting your employees communicate what they want and need.

Then there is the subject of growth and development. Do your employees feel you're investing your time and money in helping them grow? Are you interested in helping them get where they want to be in their life? If you are not, there is another shop owner or manager out there willing to put forth the effort.

Are you and your manager delivering the recognition needed to continually motivate them to succeed? Recognition is much more than monthly or annual awards! It needs to occur daily when your people are doing things right and succeeding in their job.

It's time for your managers and you to build relationships with all your people and create trust so they can accomplish their goals by working for you over decades, not just a few years. I realize they are not all like us, and that makes it more challenging than befriending the ones that are like us!

To help you along, you could follow some advice from me: "Where your mind goes your ass will follow!" I am sure I will take some heat for that famous quote; however, simply begin focusing your mind on two-way communication, growth, recognition and trust with your people.

If you would like a few sample questions to help you deliver better one-on-ones with your people that will lead to better employee engagement, simply go to *www.atitrainingonline.com/2019-03* for a limited time. Give it a try — you'll be happy when you see 40 percent less turnover and 21 percent more profit!

CHRIS "CHUBBY" FREDERICK is the CEO and founder of the Automotive Training Institute. ATI's 130 full-time associates train and coach more than 1,500 shop owners every week across North America to drive profits and dreams home to their families. Our full-time coaches have helped our members earn over 1 BILLION DOLLARS in a return on their coaching investment since ATI was founded.
chubby@autotraining.net

RECRUITING UP THE WRONG MOUNTAIN

We need to create career paths and rework our industry to attract young talent

CHRIS CHESNEY // Contributing Editor

Over the last several years I've written on many topics related to the technician shortage. We've discussed ideas focused on solving that issue and have illustrated some successes in the field that should encourage you all to believe there is a solution long-term. Part of our discussion has been focused on finding the right people that fit our industry — the tactile learner or the youngster who took things apart and put them back together again like we did when we were young. We're looking for the person who is inquisitive by nature. Some have sought the new generation of young hot rodders who are modifying their Asian and European sports cars, producing results that are simply amazing. Others have looked to upgrade the existing vocational education programs in their area in hopes of attracting more young talent to our bays. If you visit the large for-profit institutions, you'll see race cars everywhere in an attempt to entice youngsters with the allure of motorsports and perhaps the dream of working for a professional team. All of these efforts are worthy and have varying levels of success, but I question if we are looking at the problem through the correct lens.

As I've written many times, I'm influenced by the British-American

PHOTO: NASTCO / GETTYIMAGES.COM

leadership author, Simon Sinek. Two years ago, I heard a profound statement from him that has changed the way I think about our industry and young people in general. He said that the youth of our world that we typically see as lazy, uninspired, lacking direction, uncommitted etc., really know what they want in life. It's as if they are standing at the base of a mountain and can see their dreams and goals at the top of the mountain. However, they can't see the mountain. When I heard Sinek say this, it was like a sledge hammer had hit me up the side of my head. Society and technology have enabled our youth to get what they want when they want it to the point that if they don't get it instantly or in the time that is acceptable to them, they go in another direction.

I immediately thought the answer was simple: we need to describe the way up the mountain! Surely then, as they take the path we describe and enable them to pursue, they'll find their dream. Or, perhaps they'll find a scenic overlook on the way up the mountain that excites them even more than their original dream and they'll pursue that path. No matter, this had to be the answer to the question of how we can attract young talent to our industry. But is it? I still believe it is a key element to what we as an industry must do by defining the career paths for those entering our industry and for those in our industry currently. It is foundational, it is essential, but it is only one piece of the puzzle. My goal in this discussion is to make us consider for a minute that maybe we are describing the way up the wrong mountain.

I think we all agree the type of talent we need to attract are those who have a desire to solve problems and work in a high-tech industry. With the unstoppable onslaught of technology coming into our bays, we need technicians who have an insatiable thirst for understanding, analyzing and solving problems with these technologies. I have news for you all: those kids aren't entering our industry because we don't look like that. Sure, we see ourselves as high-tech and try to put our best foot forward with facilities and benefits and working conditions to attract the best, but at the end of the day, our industry is selling something the talent doesn't want. We are selling the wrong mountain!

It is becoming more apparent that we, the automotive service industry, must remodel ourselves in a way that attracts talent to our doors and creates a destination that is not what we have today. It must be different with respect to the barrier of entry, it must be different in the way of benefits, it must be different in the way of career pathways, and it must offer the same flexibility in time and life that the other industries that we are competing with offer. We must stand out. We must make our future workers learn about us and go WOW!

We must learn to treat them as technologists, not grease monkeys. And the same goes for the sales and management staff. We are working on highly sophisticated extreme engineering marvels that cost more than the first two houses I owned. Yet we continue to sell on price. Require our technicians to own their own tools and pay them based on flat rate. We put them in a dark hot box and give them a drop light and expect them to be perfect and fast. We expect our techs to work as techs and to never grow in their career. Sure, we train them enough to enable them to repair the next car in the bay, but we don't ask them what their life goals are and determine if they might want to own their own shop someday. We don't ask what's important to them. We offer discounted services to attract new customers and we expect the production team to build the work along with producing the work. And at the end of the day we all look exactly alike and look exactly like our industry did 40 years ago.

So, it seems to me that we as an industry need to totally rethink how we attract young talent. First of all, we need to recognize that we are not going to change all young people and the way they think or the dreams they have. Second, we are not going to change the technology coming into our bays. Third, we are not going to stop these groups of young adults that we struggle to attract from becoming customers (they are already) or business owners (they are already). Fourth, if we don't start changing today, our industry dies. A stark statement? Yes, but to attract talent we need to transform ourselves into an industry that is attractive.

Finally, think about how you position your business as a technology company that is focused on mobile sources. What are your entry requirements? Do you require a degree? Do you assist in getting that degree? Do you provide all tools and equipment? Or better yet, do you have a facility that looks like a technology center rather than a poorly lit dungeon? Do you have a defined career path for your team that places them on a road of growth and encouragement? Do you offer benefits and flexible work hours that meet their needs and goals? Maybe that is as simple as assisting with child care or offering flexible work hours.

Do you have a workflow that is well documented and includes a standardized set of tools, equipment and processes? Do you onboard your new staff? Does your business look like the rest of today's industry? Think about what I've started here. Please don't take it personally, but consider its importance. What we are selling the youth of today isn't attractive. We need a serious makeover, and this article was intended to start that discussion. It's time to look at other mountains for inspiration.


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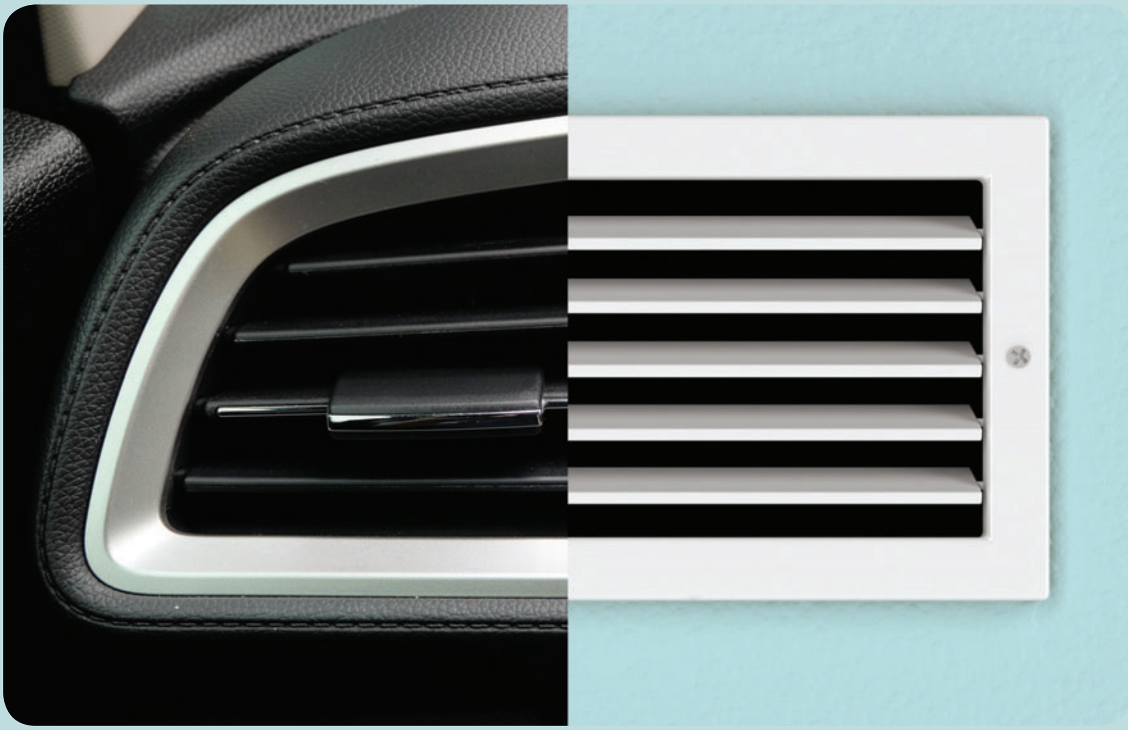

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THE COLLISION EXECUTIVE

The impact of training, OEM procedures and equipment

Further drive positive trends in your refinish department by looking at these factors

In my four previous columns, I outlined some of the factors you should consider when trying to improve your paint shop's KPIs. Here are the final factors on my list.

DON'T INFLATE ESTIMATES, BUT CAPTURE REAL REFINISH LABOR HOURS BEING PERFORMED THAT YOU MAY NOT BE BILLING FOR.

Train your paint team well

Has your painter been to the latest manufacturer training classes for the product line you are currently using? Too many shops presume if the painter has at some point been to a tinting or application class, that's sufficient. But the materials can change, and one manufacturer's training can't take the place of another if you've switched lines or product. Each system has differences — recommended gun settings, air caps and fluid tips, for example — and your paint team needs current training on the particular products they are using.

Training for improved paint shop performance can't be limited to just your paint team. Estimators could be responsible for your paint department seeming less productive or profitable than it should be. Tech reps tell me frequently that they see paint departments performing labor that isn't included on original estimates or final invoices. That not-included labor has a double-dip impact on the paint shop's numbers, because the shop is not being paid for the procedures it is doing and also receives less paint and materials compensation based on the lower labor hours.

There's a long list of not-included refinish procedures that are often left off estimates or supplements. They include labor to refinish the backsides of panels; labor to tint a second color for a trunk area or under the hood; labor to prep raw plastic parts; and labor to mask an engine compartment or sunroof opening.

Chances are your paint shop frequently does many of these steps to make the car look like it did prior to the accident. But their productivity numbers will look worse than they really are if that labor time isn't being captured by the estimator.

We're not talking about inflating estimates, but rather capturing real refinish labor hours that the paint shop is performing but that you may not be billing for.

Follow OEM procedures

The industry tends to think about automaker repair procedures mostly in terms of welding specifications, cutting locations and other body department operations. But there are a growing number of OEM procedures for the paint shop as well.

With the number of cameras and sensors expanding, paint film thickness is increasingly an issue. Many manufacturers have issued bulletins saying there can't be any overspray on wiring harnesses. The smart-wiring that connects high-tech vehicle systems can register such overspray as resistance, impacting performance.

Check the equipment you are using

Each paint manufacturer specs out things like recommended gun settings for their products. Yet I often see painters deviating from the manufacturer guidelines for such things as air caps and fluid tips. They may be using settings that worked well for another product line they'd used previously, but that can mean they're now applying too much or too little material.

Air compressors and spraybooths are also among the equipment impacting paint shop performance. You may not need to replace either to improve outcomes; good maintenance or modifications may suffice. I've been in some spraybooths with incredibly dim lighting. Just getting the proper color-corrected lighting in the booth and throughout the paint department can improve the speed of color match, application quality and overall throughput.

Monitoring ramp-up time can be important as well. How long it takes to get the vehicle metal temperature up to a 140-degree bake cycle can vary widely from booth to booth — and can change as a booth ages. You have to take this into consideration if you don't want to be pulling "half-baked pizzas out of the oven."

Working on any of the factors I've discussed here and in previous columns offers your best shot at boosting paint shop productivity and profit.

STEVE FELTOVICH of SJF Business Consulting, LLC, works with dealers, MSOs and independent collision repair businesses to make improvements and achieve performace goals. *sjfeltovich@gmail.com*


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ANALYZING MARKETING ANALYTICS

Data can help shops to determine in which direction to successfully take their business

AMBER HARPER // Contributing Editor

Looking to increase profitability? The answer is simple, right? Repair more vehicles. Out of space? Start repairs outside or build another building. Not getting enough cars? Sign up for another DRP. It's easy.

Of course, it's not easy. But information can help. This information includes your business data, your market data and data about your competition — it can all help you understand your customers, your processes and opportunities to improve your profitability. You can use data to:

1. Determine the right target market
2. Market your shop more effectively to that target market
3. Take advantage of consolidation
4. Adjust internal processes for better efficiency

Understanding your market

You need to understand your target market and the needs of the market. Insurance companies have always sent vehicles to your shop, and any shop could repair any car, but can they properly and safely repair today's more complex vehicles? Do you have the right training? Do you need to be OEM-approved to purchase parts? It's no secret that vehicles are becoming more difficult to repair and OEM certifications are gaining more prominence, and they provide a great opportunity to differentiate and market your business. Not every shop is certified by every OEM — nor should they be. Data can help shops understand their market and which certifications will be the best fit for their business. Data can help collision shops analyze their markets to determine the most common brand of car, their competition, certified shops in their area and dealerships in their specific geographical area. This will help to define a business strategy and create opportunities to determine if an OEM certification could create a competitive advantage in the market.

Effective marketing

You need to market the right way to reach your target audience. You want to invest your money in getting the best customers — those that will return, send their friends and promote your business. Data can help you learn about the population and vehicles in your market. For example, if your market is largely luxury vehicles, your money may be bet-

PHOTO: GETTYIMAGES.COM / TADAMICHI

ter spent on fewer, more prominent and appealing ads, versus mainstream vehicles, which are more highly available to the masses and can be owned by a wider variety of customer. Those car owners are better marketed to similarly to the vehicle availability — commonly and widely.

"Consolidation" is the buzzword of the 21st century

And for many small businesses, it's the subject of nightmares. With data, though, shops can navigate consolidation to their advantage.

- Considering selling your business? How do you make your business desirable to a consolidator? Data can help you understand what differentiates you in the market and what the consolidator may be missing in the market. Do you need to fine tune your business model? Is your shop the only one certified by an OEM brand where you can dominate the market in repairs to that brand of vehicles? Are you marketing that differentiator and can you demonstrate the value of that certification? Do you know where and how to find the data to demonstrate the values? Demonstrating that marketable difference with data can make your shop more desirable to a consolidator if you wish to sell.
- Looking to partner? Find a shop that complements your own. Perhaps you are already certified by luxury brands and don't work on mainstream vehicles, but you know some of your customers also own mainstream vehicles that you want to accommodate. A complementary shop will bring in a different audience to your shop. Data can help you strategically identify a prospective shop in a nearby market, surrounded by luxury vehicles, that is certified mainstream brands and doesn't have the equipment or training to work on luxury vehicles. If you partner together, they could market and send luxury vehicles to your shop and you could get more business by sending the mainstream vehicles to your new partner shop.
- Looking to compete with consolidators? Find your niche and differentiate your business to make yourself more competitive. Look at your competition — are they dealers, independents or MSOs? Are they OEM certified? Understanding this information will help you determine the business strategy that will differentiate your business in the market. You may want to consider an OEM certification program, and your data will help you evaluate the various programs and their fit with your business model. Data can be leveraged to show you how many vehicles are in your market, the dealers that don't have collision centers and the number of shops certified to repair those vehicles. If you are considering certifications, look at the market data and your business data. What vehicles do you repair today? What is your competition doing? What would happen if you lost that brand? Take a look at the nitty gritty details with your business development manager and find the most commonly registered vehicle that does not have a nearby certified collision shop — that is your sweet spot. If there are 5,000 of a specific vehicle in your market, no certified shop within a 100-mile radius, and you have experience with that brand, becoming certified could practically guarantee you increased business with the right marketing plan. When a household has an exceptional customer experience at your shop, they will bring you their other vehicles when the time comes, too.

Nothing beats customer service and high quality, trustworthy repairs

Once you have the traffic coming to your shop, the key is to keep it. The best customers are returning customers and those that refer your business to friends. Tracking internal data of CSI, cycle time and touch time — and working to improve them — will leave you with happy customers. Tracking KPIs is an important first step in understanding the fine details of how your business truly operates.

The more data you have, the more accurate your view of the operations is and the more accurate your fix can be. Get software that allows you to pull reports that can show influencers of your KPIs — you can see that cycle time was lower the first week of the month and see a correlation that your new prepper was on vacation that week, or your touch time was up when you hired a second prepper. These details can lead you to informed business decisions for the future of your business. Making changes based on data can lead to consistently lower cycle time and higher touch time, making your shop more desirable, which, in turn, leads to happier customers.

Another helpful aspect to all of this data is having the right industry partners to analyze and understand this data. Whether its your paint supplier or learning sessions put on by SCRS or other industry organizations or a Performance Group that you are involved in, more insight into your data can lead to better business decisions and improved customer satisfaction and retention.

The key to success is knowing your data, understanding your data and knowing how to utilize the data. If you order parts, measure paint, capture supply use and record timing during repairs, you have more data than you realize. Your next step is getting the data into an easy-to-use format and analyzing it to improve your shop processes and make your business stand out in the market.

AMBER HARPER, BASF Refinish Data Strategy Manager, has worked in the analytics and data field for over six years. She is a firm believer that business decisions must be driven by data and choosing to focus on data will propel businesses forward as these trends unfold. At BASF, she empowers the sales team with data analytics tools that add value to customers.

Missouri on track to cut safety inspection program

Aftermarket calls on legislators to oppose House Bill 451

House Bill 451, introduced by Missouri State Representative J. Eggleston, seeks to eliminate the Missouri vehicle safety inspection program. This legislation is similar to House Bill 1444, which did not pass in 2018. The Automotive Service Association (ASA) and other aftermarket associations oppose the legislation. For many years, the Missouri program has been touted as one of the best programs in the U.S.

In addition to the Missouri State Patrol, the Pennsylvania Department of Transportation and most recently the Center for Transportation Research at the University of Texas published reports supporting the value of their home-state programs in preventing accidents, injuries and deaths.

Presently, there are 15 state inspection programs. Mississippi, New Jersey and the District of Columbia programs have been eliminated in recent years. There were over 30 programs when Congress tied state vehicle inspection to federal highway funds. Once these programs were not mandated, the numbers decreased rapidly.

In addition to preventing accidents, injuries and death, vehicle inspection proponents encouraged the use of these programs to educate consumers about vehicle recalls. Airbag and other recall notices have overwhelmed consumers and the National Highway Traffic Safety Administration (NHTSA). Despite website revisions and partnerships, NHTSA has lagged in educating vehicle owners and assuring responses to recall notices.

The Missouri legislation is particularly troublesome with its track record of moving in the state House. As of this writing, the bill is nearing floor consideration.

In a letter to the Speaker of the Missouri House of Representatives, ASA stated: "ASA is a proponent of state vehicle safety inspection. Study after study has demonstrated that these programs prevent accidents, injuries and deaths. ASA has used the Missouri program as an example for other states of a successful vehicle safety inspection program. Data collected by Missouri in years past has been helpful in better understanding the importance of these programs by comparing states that have vehicle safety inspection programs with those states that do not."

Recently, aftermarket partners Auto Care Association and the Tire Industry Association (TIA) also joined together to oppose Missouri House Bill 451.

The Auto Care Association, in a letter to Missouri legislators, highlighted a comprehensive University of Texas study: "After conducting a thorough investigation of the costs and safety impacts of eliminating the motor vehicle safety inspection for passenger vehicles, the findings from this study's analysis indicate that the Inspection Program saves lives and enhances safety. The research team strongly recommends the following: **Retaining the Inspection Program and Conducting a further study to consider whether potential additional inspection items, such as tire age and recall information, should be included in the Inspection Program to further enhance highway safety in Texas."**

TIA called for Missouri legislators to oppose the bill: "TIA believes the Inspection Program in Missouri saves lives and enhances safety. Strong research has been conducted to support this claim. Removing the state inspection program could lead to more fatalities on Missouri roads, unsafe vehicles and a loss of revenue to businesses and the state. The average age of vehicles on the road today is nearly 12 years, and the largest growing segment of vehicles is 16 years and older. These aging vehicles need to be able to meet safety standards for repair and maintenance in the interest of public safety for all motorists on the road."

Members of the Missouri aftermarket and consumers are encouraged to contact their legislators asking them to oppose HB 451.

ROBERT REDDING is the Automotive Service Association's Washington, D.C. representative. He has served as a member of several federal and state advisory committees involved in the automotive industry. *rlredding@reddingfirm.com*

The American dream

Immigrant couple runs thriving trio of shops built on respect, open communication

JAMES E. GUYETTE // Contributing Editor

"Our story is the American Dream," according to Andy Zamora, describing how his father José arrived in the U.S. from Costa Rica at age 26 with a middle school education, $12 in his pocket and an unwavering vision of succeeding in his new homeland — a dream that became a reality when he and his wife Cathy established their first Zamora's Auto Body location.

"Thirty-eight years later, our family business has flourished from 5 employees to over 100," Andy reports. Adherence to traditional values and morals — and showing the utmost respect to customers and staffers alike — has been a constant quality throughout.

"Our employees are, and will continue to be, our No. 1 priority. Although we have expanded greatly over the years and have hired employees outside of our family, we all treat and view each other like we are family," he says. "This way of thinking was instilled in the company" by José and Cathy's direct examples, and it continues to this day as Andy and his brother Eric assume increased operational responsibilities.

"When we say we value our customers, we mean it and strive to show it. We wouldn't be nearly as successful as we are as a company if it weren't for our loyal customers," Andy explains.

"We don't advertise our business, so our reputation and growth rely solely on word-of-mouth from our customers. We acknowledge that accidents are an inconvenience for our customers to have, so we make it our goal to provide excellent service to better their overall experience," he points out.

"Overall, communication is our shop's biggest strength. It starts with all our staff maintaining excellent communication with one another; from the creation of a repair plan, throughout the repairs and with the customer, and it ends with keeping the customer updated through the entire process," says Andy.

"Another strength of ours is the low turnover from our staff," he elaborates. "We commit to our employees and they commit to the success" of the entire operation. "With long-time valued employees we have extremely highly skilled technicians in each department — we have created a staff that believes in our culture."

When interviewing a potential new hire, "We only ask for one thing: good attitude," says Andy.

"We don't expect them to have any experience because we like to build our own techs in each department." Each of the departments is set up with A-B-C level technicians with every collision specialist receiving a helper. The helper works with A level tech until moving up to become a B tech, and then the A tech gets a new helper.

"Before soliciting new techs, we give the opportunity to current employees to grow from within. We find the most valuable thing we do to retain our employees is communication with our staff and conducting semi-annual reviews. We ask questions about their salary, the supervisors, changes they would like to make, future goals and how long they plan on staying with our company,"

ZAMORA'S AUTO BODY

Rockville, Md. // www.zamorasautobody.com

Jose, Cathy, Eric & Andy Zamora Owners	**$2,200** Average repair order
3 No. of shops	**180** No. of customer vehicles per week
38 Years in business	**$350,000** Average weekly volume
100 No. of employees	**$13 million** Annual gross revenue
9 No. of DRPs	**PPG Envirobase** Paint supplier
61,600 Total square footage of shops	**Car-O-Liner** Frame machine supplier
86 No. of bays	**CCC One** Estimating system
7.5 days Average cycle time	

he reports. "This open-door policy with our staff creates loyalty from both sides."

Uniforms, a 401(k) and health care insurance are provided, but "the most important thing we offer is a safe and familiar atmosphere."

A partnership with the Frederick County Career & Technology Center has brought in several highly motivated student interns with the option of achieving full-time status upon graduation.

Building rapport

"We have very strong relationships with our insurance providers, mainly because they know we are an honest, friendly and high-quality shop," according to Andy. "Although our insurance providers are technically 'business partners,' we treat them the same way we treat the rest of our employees: like family. We have mutual respect, and it's shown through the way we're able to work simultaneously alongside one another to provide the service that our mutual customers deserve," he says.

"Maintaining strong relationships with our vendors is something that we pride ourselves in," Andy adds. "These business relationships are successful because our vendors and us both work closely together by putting a lot of hard work and effort into maintaining strong communication, building rapport, creating trust and instilling respect in each other," he explains.

"We have had most of our vendor relationships for several years, which adds to the rapport we've built. For example, 3M is a vendor that we have partnered with since 1981, and we expect to continue the relationship for many years to come. They offer constant support to our staff through on-site training, their technical support is superior, and they offer brand new top-of-the-line products that we stand behind."

Andy goes on to emphasize that "the quality repairs and exceptional service is what markets Zamora's to the public. We pride ourselves in our work and customers return, refer friends and family, and they advertise our quality on social media."

The three shops get plenty of notice throughout Frederick and Montgomery Counties. "We continuously give back to the community that consists of customers and future customers." Included in the efforts are charitable sponsorships, donations and a willingness to serve as drop-off sites for volunteer drives, such as the United Way of Fredericks' "Stuff the Bus" fundraiser and the Marine Corp.'s "Toys 4 Tots" campaign.

Cathy's many hats

José was unable to read or write in English when he came ashore from Costa Rica at age 26. His collision repair career began at a small shop in Kensington, Md., supporting Cathy as she learned English in night school. In 1981 José was able to take out a loan and open his own Zamora's Auto Body in Kensington, with Cathy serving as translator, secretary and the shop's adjustor.

The Kensington location measured just 2,500 sq-ft. In 1989, the business moved to a 5,000 sq-ft building in Rockville, later reaching 16,000 sq-ft by buying an adjacent structure.

In 2005, a second custom-built state-of-the-art shop was opened in Frederick, consisting of three buildings totaling 36,000 sq-ft. Earlier this year, a third Zamora's shop of 9,600 sq-ft was inaugurated, also located in Frederick.

Andy has been working at the company for more than 25 years. "Like my brother, I started washing cars, ordering parts, writing estimates and managing our customers," he recounts. With Andy and Eric transitioning into senior management and ownership roles — joined by their wives, Sandra and Angie, with anticipation that a third generation will eventually join the business — the Zamoras are dedicated to carrying on the principles instilled in them by their parents.

Their father "was by far the biggest influence in relation to our business," says Andy. "José leads by example, believes in morals, values and maintains a high level of ethics. He taught us how to be empathetic to our staff and customers," he adds.

"My mother Cathy, who wore many hats, doesn't get the recognition that she deserves. She is the true backbone to the family's success," Andy reveals. "Working together everyday as a family is not easy; she was our teacher, therapist, chef and nurturer."

JAMES E. GUYETTE is a long-time contributing editor to *ABRN*, *Aftermarket Business World* and *MotorAge* magazines.
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Tackling a common problem that truly has no solution

A LACK OF COMMITMENT IS NEVER SOMETHING THAT CAN BE SOLVED

MIKE JONES // Contributing Editor

I have bad news: a tremendous amount of conflict will occur in our lives.

In reality, there is no bad or good news. It is just news, and how we react to it will determine whether the conflict can be turned into a positive instead of a negative.

Keep in mind, it is important to remain focused on the opportunity for success and not on the potential of failure.

With that said, I will share a realization I recently had. I once believed that there was a solution to every problem; however, I have become aware of one problem that has no solution.

A solution is a means of solving a problem or dealing with a difficult situation. In my 30 years of training adults and children in personal and professional development, I have come to the realization that there is one problem that cannot be solved. I believe there is no solution to the problem of a lack of commitment. And an even bigger problem is not being able to recognize and admit to the lack of commitment.

How do you know when there is a lack of commitment? Because the same problems and issues will keep repeating themselves. You stay stuck in the same place and do not advance to the next level.

Quite often when this is occurring, the person demonstrating the lack of commitment will say things like, "I am trying," "I am not perfect," or "Be patient with me." I have even heard someone say, "You knew who I was when you met me. Why did you expect something different?"

You cannot fake commitment, because over time your lack of commitment is going to blow up in your face. If you committed to a positive attitude, you will not be able to fake a positive attitude because it will be clear when you are being negative. Negativity can be smelled a mile away.

If you committed to be supportive, you will not be able to fake being supportive; it will be clear when you don't have your team member's or partner's back.

If you committed to being effectively communicative, you will not be able to fake being effectively communicative. It will be clear you lack commitment when you do not voice your opinions, hold on to concerns and blow up with emotions after letting thoughts simmer, or when you bring drama into the relationship.

If you committed to be personally responsible for your choices and your actions, you will not be able to fake personal responsibility. Your lack of commitment will be clear when you make excuses and blame others.

When working with teams to build stronger cultures, I have an opportunity to see the effects of a lack of commitment on relationships. Oftentimes, people raise their hand and say they are committed. It is easy to appear committed when there is no challenging circumstance to overcome; however, when the storms begin to rage, and unforeseen circumstances happen, folks get to demonstrate whether they are truly committed or not.

When the commitments individuals made are challenged, and they choose to demonstrate a lack of commitment, the fruit they produce in that moment is so definitive that it is obvious there is a lack of commitment. In those moments, it does not matter if they say, "Trust me, I am committed," because their words do not match their deeds.

If the person demonstrating a lack of commitment recognized they are the problem and desired to make amends, their unspoken "I am sorry" would be manifested in their future behavior. Their actions demonstrating commitment moving forward would weigh more than any words they profess.

Many of the teams I work with have committed to a more positive, productive culture. They have committed to more effective communication. They have committed to accept personal responsibility and to have each other's back.

It requires little to no effort on your part to demonstrate positivity when nothing negative is occurring. There is no test to your commitment to positivity.

When there are no issues and no need to effectively communicate a concern we have, our commitment to effectively communicate is not challenged.

It requires no effort on your part to be committed to personal responsibility or loyalty when nothing is occurring to challenge your commitment to those things.

If negativity shows up and you choose to be negative, you clearly have a lack of commitment to positivity. The question in that moment is what are you committed to do to transform the negative to a positive?

>> CONTINUES ON PAGE 40

WATCH + LEARN

The rules of structural repair on modern vehicles

ABRN.COM/SCRSrepair

How to retain your female customers for life

ABRN.COM/FemaleCustomers

Consequences of rising vehicle costs

ABRN.COM/VehicleCost

Managing a negative online review

ABRN.COM/BadReview

MECHANICAL MOMENT

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

AUDI Q7 TRANSMISSION WON'T SHIFT — NUMEROUS DTCS

VEHICLE: 2014 Audi Q7 Quattro (4LB), V6-3.0L DSL Turbo (CNRB), automatic transmission

MILEAGE: 49,665

PROBLEM: The transmission would not upshift from low gear.

DETAILS: When the technician connected a scan tool, he found 20 communication DTCs listed in various modules because they could not communicate with the Transmission Control Module (TCM). Using his scan tool, he verified there was no communication with the TCM.

The first thing the Tech-Assist consultant advised was to check power and ground circuits to the TCM. The technician found that the green/red power wire at TCM pin #27-28 did not have battery voltage. The #5 fuse was good and had full voltage to it. The technician noted that the green/red wire ran under the door sill plate and the carpet had signs of water damage. He opened the harness insulation and found the green/red wire has broken due to corrosion.

CONFIRMED REPAIR: The technician stripped the wire insulation back to where the wire strands were clean, soldered in a new wire and used heat shrink to seal it back up. After the repairs, all the codes were cleared and the vehicle was test driven. The transmission shifted normally, and no DTCs returned.

This tech tip and others come from ALLDATA Tech-Assist, a diagnostics hotline of ASE-certified Master Technicians.

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APRIL 2-3
HD Repair Forum
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APRIL 14-16
PPG MVP Spring Conference
JW Marriott Camelback Inn Resort
Scottsdale, Arizona

APRIL 17-18
Collision Industry Conference
Gaylord Opryland Resort
Nashville, Tennessee

APRIL 30-MAY 2
ASA Annual Business Meeting and Conference
Hurst Conference Center
Hurst, Texas

APRIL 30-MAY 3
Automotive Body Parts Association (ABPA) 2019 Annual Convention
Westin Fort Lauderdale Beach Resort
Fort Lauderdale, Florida

MAY 6-8
2019 Women's Industry Network Educational Conference
Westin Beach Resort
Fort Lauderdale, Florida

>> CONTINUES FROM PAGE 38

When these moments occur, if you deflect or remind the person holding you accountable of the times in the past they demonstrated a lack of commitment, or when you blame someone else for not telling you what to do to demonstrate your commitment, that further demonstrates your lack of commitment.

There is no solution to a lack of commitment. Commitment means "I will do whatever it takes to deliver what I committed to do. It means there will be no acceptable excuses or reasoning as to why I did not keep my commitment.

I have heard people say, "I made a mistake," "I am sorry," and "I didn't know that was a problem." All of these, in the context of this conversation, are excuses. You made a choice to have a lack of commitment. If you did not see the circumstance that was occurring as a problem, it is simply because you have a lack of commitment. When you are focused on and committed to an outcome, you will know what is appropriate and what is inappropriate.

In order for us to create a more positive culture, a more connected relationship, to develop trust, we must demonstrate integrity to our commitments.

Let's be clear: people will not remember how committed you were in the good times, when the sun was shining. However, they will never forget how committed you were when things fell apart. They will never forget when you did whatever it took to demonstrate your commitment. They will never forget how you had their back and supported them in moments of need. They will always remember when you stepped up and showed up in the greatest times of need. In those moments, authentic trust is created in the relationship.

Conversely, when you demonstrate a lack of commitment in those moments, trust is damaged. When you have a lack of commitment, you will destroy the relationship.

There is no solution to a lack of commitment; there is no excuse for it.

How do you know if you are committed? It will be clear that you are committed because of your demonstrated behaviors. The fruit of your behaviors will produce the committed outcome. I encourage you to stay true to your commitments and you will create an enviable culture at work and at home.

MIKE JONES is the founder and president of Discover Leadership Training, a next-level leadership development solutions company in Houston, Texas. He encourages others to create a better version of themselves by realizing their untapped potential.
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HIGH-END WINDSHIELD PROTECTION FILM is the perfect offering for shops that already install paint protection film.

GROWTH THROUGH GLASS

BOOST YOUR SHOP'S BUSINESS BY ADDING HIGH-END WINDSHIELD PROTECTION

DAVID JENSEN // Contributing Editor

Products and services that protect and add value to drivers' vehicles are key to a successful aftermarket automotive business. Investing in products that will command interest from your customer base can increase revenue and prepare shop owners for long-term success.

Windshield protection is a major asset to any shop owner's portfolio. Since windshields are an integral part of any vehicle, their protection is incredibly important. Carrying and installing sophisticated windshield protection products is a smart addition to improving your shop's bottom line.

How to sell windshield protection

- **Accompany a strong Paint Protection Film (PPF) portfolio** – High-end windshield protection film is the perfect offering for shops that already install PPF. PPF is a larger investment, usually applied onto high-end cars. A consumer looking to apply PPF is already making a commitment for ultimate protection ($2,000 on the low end – $5,000 on the very high end) and naturally cares about the investment they're making in their vehicle. Consumers should be educated about windshield protection and introduced to a package where he or she can have their vehicle PPF job completed at the same time as a windshield protection installation. When a consumer is already investing in PPF, this additional cost is a no-brainer if the shop is carrying the film and can speak to its benefits.
- **Preach technology, not glass** – Newer, high-end cars with precisely manufactured windshields are becoming more and more standard in the automotive industry. The tide is turning thanks to new technology — rain sensors, heated defrosters, radio antenna, lane departure warnings, dynamic cruise control, blind-spot detection and collision avoidance systems are all now embedded right into the glass through camera systems. "Smart windshields" are expected to be

PHOTOS: DAVID JENSEN

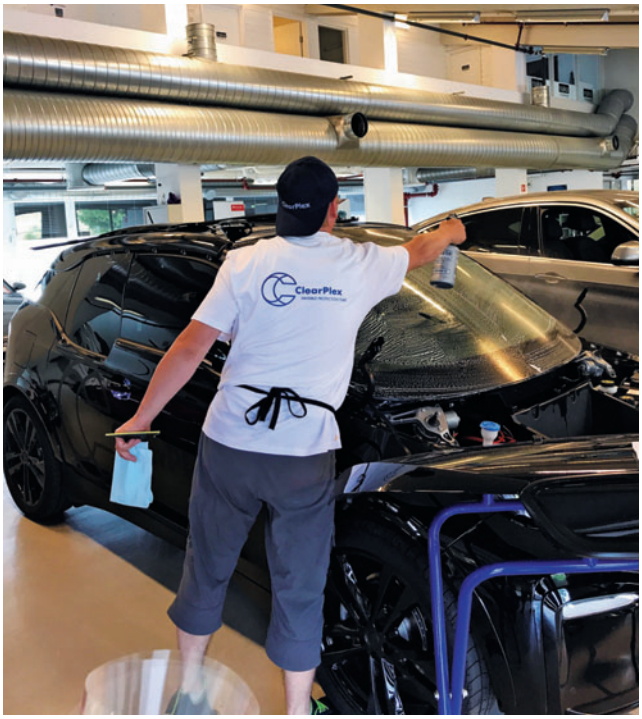
the norm by 2020 in all new vehicles, which are a great benefit for the driving experience and safety but will also significantly increase the price of windshields. In many cases, a windshield with embedded technology will cost a driver between $1,300 and $1,650, with a 2019 BMW 750Li windshield costing $2,100.

While replacing a windshield without embedded technology can be a simple operation, it's quite the opposite with technology. Technicians must ensure that the multi-function camera is calibrated properly during all replacement jobs, so it's no longer just simply replacing the glass. Some companies, Subaru, for example, prohibit windshield repairs if the damage is in the area of a camera, meaning any little issue and the glass will need to be fully replaced. Not only will replacing "smart windshields" prove costly, it's also difficult to track down the sophisticated piece of glass for each job. The cost of windshield film sells itself to any driver making this kind of investment.

- **Saving customers time and reducing downtime** – On top of their costly price tags, high-end windshields are often very difficult to find aftermarket. When selling windshield protection film, it's important to communicate that in the event of damage, the customer can come to the shop and have a new sheet of film applied in under an hour. If the windshield is damaged without film, receiving a new piece of glass can take up to a month to receive, given its sophistication and lack of availability on the aftermarket.

Aesthetics are very important to drivers of high-end cars given the price tag often associated with these types of vehicles. Many drivers would even fix a small scratch on the surface of their car. Without windshield protection, drivers must replace the windshield for a significant amount of money and accept a new aftermarket, rather than OEM windshield. With windshield protection, drivers simply wait for the removal and installation of new windshield film. Automotive shops can communicate this comparison to consumers who are already receiving a PPF package. Offering products that fit their protection goals can be a major benefit to any shop.

- **Windshield protection goes deeper than investment protection** – Protecting the investment is important, but another noteworthy benefit for prospective customers is the driving experience and preservation of the vehicle's structural integrity. Most high-end films block 99 percent of harmful UV rays, which makes for a more comfortable ride, but also adds to the longevity of the vehicle's interior. The film also handles salt, debris and gravel far better than the original glass. Furthermore, when applied to a new vehicle with an original OEM windshield, protection film helps maintain a vehicle's structural integrity. For instance, in a front-end collision the windshield provides up to 45 percent of the structural integrity of the cabin of the vehicle and in a rollover, up to 60 percent. Replacing the original OEM windshield compromises the structural integrity of the windshield and the overall structural integrity of the vehicle.



CARRYING AND INSTALLING sophisticated windshield protection products is a smart addition to improving your shop's bottom line.

- **Tested for success** – High-end windshield protection films are strong and durable and should have a track record of success. Dealers should work with windshield protection film manufacturers that can provide test data to back up their protection film product claims. It is also important to offer customers a visual demonstration of the film's strength. The best way to perform this test is by stocking a Glass Punch Demo Kit. These tests give customers a baseline knowledge and real-life example of the film's incredible strength.

Growing your business as a shop owner is no easy task. Automotive shops continue to look for ways to gain a leg-up on competitors. Offering high-end windshield protection film provides that competitive edge. As a shop selling many PPF installations or window tint, owners need to carry high-end windshield protection to ensure a perfect combination between the offerings. Growing and sustaining your shop's business starts with a great understanding of your products and clients. Implementing high-end windshield protection in your shop will grow your profitability and please your customer base.

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DRIVING THE CONVERSATION: TRAINING WITH I-CAR

I-CAR continues to lead and drive the conversation on industry-wide topics, concerns, solutions and advancements. This article comes from I-CAR and was first run in the I-CAR Collision Reporter *publication. The panel discusses the importance of I-CAR training and its impact on their businesses.*

Training is at the heart and soul of I-CAR's vision to ensure complete, safe and quality repairs for the ultimate benefit of the consumer.

The need for value, relevancy and commitment to training in today's ever-changing collision repair industry has never been greater. I-CAR hosted a panel discussion that takes an inside look at the comprehensive training, research and development involved in I-CAR's "Training Curriculum and Design Process" through the eyes of users of I-CAR training who have not only been students in their company's classrooms, but have also developed training programs or been trainers for I-CAR and others in the industry.

Moderated by Josh McFarlin, Director, Curriculum & Product Development at I-CAR, the following "Drive the Conversation" roundtable represents edited highlights of one-on-one recorded interviews with three industry subject-matter experts. Bonus Q&A with the panel can be found at I-CAR.com/CollisionReporter/Training.

Meet your panelists:

- Michael Bradshaw, Operations Manager with K&M Collision in Hickory, N.C. Bradshaw is a member of the Society of Collision Repair Specialists and an I-CAR ISAC member.
- Bill Burke, Training Manager with Gerber Collision and Glass in Elmhurst, Ill.
- Steven Schmidt, Manager — Auto Manufacturer Relations with State Farm in Bloomington, Ill. Schmidt is also an I-CAR instructor.

Why does your organization make a commitment to training?

Bradshaw: It's not really a matter of being able to do without training; we consider training a necessity. Today's vehicles are just becoming so complex that with the advances in construction technique and materials utilized, if we're not staying on top of training, we're not going to be able to fix vehicles correctly.

PHOTO: GETTYIMAGES.COM / BRADCALKINS

Burke: It's impossible not to invest in your people with a commitment to training and learning. Technology changes and advances every year. If we're not going to stay on top of it, we will cost our company a lot of money in rework and extended visits by the customer. It will cost our technicians more money, too. It will also erode technicians and customer satisfaction, both of which are important. We have to have satisfied customers, obviously, if we are going to build a business, but we also have to have satisfied technicians who are going to remain with us and continue to grow.

BILL BURKE

Schmidt: I think that the personal commitment to training that I and others make is that you have to look at the knowledge that you have, how you use it and how the training can apply to your day-to-day operations. It's critical to commit to training, and you have to be a continuous learner. Whether you are 24 and new to the industry or you're in your late 50s seeing the sun set towards the end of your career, you still, every day of your life, have to be committed to training and the continuous need to learn.

Has your organization always had a culture of training, or do you recall a watershed moment when you first fully embraced training?

Bradshaw: I think we've always made a commitment to do things the right way, but as the vehicles advanced, so did the need for training. As vehicle construction really advanced and we started looking more into becoming manufacturer-certified, that's really when we made training the top priority. It was roughly 8-9 years ago when we made a commitment to obtain not only manufacturer training, but also I-CAR Gold Class.

Burke: Our executives have always been committed to training, and they've certainly committed to training with I-CAR. Commitments, including those in managerial development and leadership training, have been designed to help improve the morale and satisfaction of our employees so we could do a better job with employee retention. And we could keep building on these skills so that the technician who joined us two to three years ago can advance further. It's in training, I think, where we have invested more lately.

Schmidt: As a technician, I came into this industry in 1980. As I came into the industry, one of the things that I did not get was training. What I got was a few hands-on words of encouragement from fellow technicians, and I learned slowly in that direction. In 1983, I took my first I-CAR class. I sat in that class and realized there was a lot of detail I didn't know. I was given tools, and I was told how to use them in a certain way, but even with those first classes I-CAR offered in 1983, I started learning. And as I progressed over the years, including becoming a private pilot, I fully embraced training as an absolute need in my life.

Before a single training course is developed, extraordinary field research is performed to identify and evaluate curriculum voids and the ideal course to close the gaps. Please comment on the relevancy of training.

Bradshaw: This all goes back to the changes in vehicle construction. What may be relevant on a vehicle repair today is going to be entirely different on that next model, year, next-generation vehicle, so the relevancy is that there are advanced techniques that are constantly being developed, redeveloped or tweaked. What a manufacturer may say is OK today is not going to be OK tomorrow, and without that training, you're really just going to be in the dark or unaware. Ignorance is no longer an excuse for our industry.

Burke: I began working in training, learning and development some 25 years ago as a curriculum designer, so I can appreciate all that goes into designing coursework. Coursework has to be well-constructed, and it has to be relevant. If our learners can't see why this course is relevant right from the get-go, they're not going to pay attention. They won't make that commitment to learning. The work we've seen I-CAR put together with their hands-on training is really relevant. People want to learn about it because people can see right away why it's important to their job to have that skill.

Schmidt: We talk about how we don't have the time, everything is a rush and how we have to keep moving. I think one of the keys is that whatever we're doing meets the needs of the individual head-on, meaning we're finding what the person needs, what mission is critical for their role and making sure that their time is being well spent.

STEVEN SCHMIDT

There's the cost of training versus the cost of not training. Any insight on this?

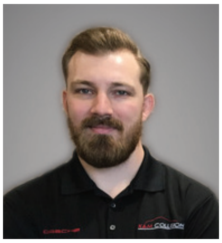
Bradshaw: Yes. The commitment to train at an I-CAR level, first and foremost, is what I would consider as "base" training. It's not a cheap commitment, but when you look at some of the commitments that OEM manufacturers are requiring you to make in the industry now, you're having technicians travel out of state, and they're gone for sometimes weeks at a time. So while it is very expensive to make a commitment to train on both levels, it's one of those things where the liability that you expose your business to by not being trained, by not performing a proper repair, is in the long-run going to far outweigh whatever it may cost to make that commitment to training.

Burke: Being a trainer, I'm rather biased on that! But the cost of not training is way too high. We need technicians who can do the job correctly. As the shortage of technicians exists now in our industry, it's been a challenge to identify, recruit and hire, train and keep them. So if we're not training them, the cost is substantial. Also, technology is so advanced in vehicles now, that if we are not fixing them right, we could end up doing it over or having to buy the car because we did it wrong. It's important… critical…that we train.

Schmidt: There is a cost in training, both in time and financially. But if you're not training, what's your time worth? How often can we be working down a path that isn't actually the most efficient or effective way to do something? If you train, you may learn that this is the correct process for it. While it may take time and may require a financial cost for you to do so, in the end you're going to see efficiencies that you would have never realized without training.

As an important customer and/or user of I-CAR training, what aspects of the curriculum and training does your organization find most beneficial and impactful?

Bradshaw: I think what we find most beneficial is that the training is current, and it is constantly being developed. One of the best courses, or series of courses, that we found are the Vehicle Technologies and Trends, which I-CAR is releasing at pre-determined periods. These are helpful because you learn what's here or what's coming months from now, and it's all about what's new in the industry versus really rehashing something that's already been taught 2-3 times.


MICHAEL BRADSHAW

The other opportunity is that it provides us an avenue to bring a new apprentice in, and while we're training them here on the job and they're shadowing somebody in the same role as them, we're also able to send them through the I-CAR curriculum, and that also helps build their base-level knowledge.

Burke: We're customers of all I-CAR training, so all of it has its place. For example, the e-learning training that we use is fantastic for our technicians. We make a lot of use of the welding training — we have 14 people out there who are involved in welding training of technicians. We also make heavy use of the hands-on curriculum, such as rivet bonding, MIG brazing, etc. So we're customers of all I-CAR training.

Schmidt: With today's demands on participants, and the way curriculums have to provide a balance between live classes and classes that are online driven, I see the importance of both applications. For the online-driven courses, although you're not physically there, the curriculum adds just as much value, so you're still getting the knowledge transfer that you may get through a live class in that environment.

Finally, what do you believe are the biggest curriculum and training myths out there?

Bradshaw: I guess the biggest thing is that once you have training, it's good forever. The thing with training is that it's constant. Again, you can take a course and even achieve the Gold or Platinum levels today or tomorrow, but a year from now that's not necessarily going to be relevant, because of, again, the constant change in technology. I don't know that in the last 20 years our industry has ever experienced such a rapid pace of change in the ways things are done, and that's why it is just so important to understand that training is not something you do and then it's done. It is a commitment. It's ongoing and it's always going to be ongoing.

Burke: I think that perhaps the biggest myth of all time is that training is boring. And there are some people who don't get a lot out of it. But we talked about relevancy a few moments ago — if we design training right, if I-CAR designs training right, if we prepare our facilitators, training is not boring. People see it's relevant right away; they get something out of it, and then make that commitment to learning.

Schmidt: I think one of the greatest training myths is when students tell me, "I don't test well." Nobody tests well. Tests are not fun for anyone. It's difficult to sit in a classroom environment or in front of a computer, take the learning and then struggle with it. But I find that once you have participants engaged in a program, in a process where they're taking courses such as I-CAR's on a continuous basis, those walls that they put in front of themselves drop down, and they realize that they can do this. They start understanding a different way of applying their knowledge and can roll through it very quickly and effectively. Then they can take that knowledge, retain it and use it going forward in their career.

TRADING OUT TIRES

BUYING QUALITY USED TIRES STARTS WITH A REPUTABLE SUPPLIER

PAUL ARELLANO // Contributing Editor

When it comes to acquiring used tires for resale, quality is key. A lot of consumers are looking for used rather than new for the obvious reason of saving money. This has created a growing market for used tires. Whether you're a collision shop looking to fix damaged tires while keeping an estimate more affordable or a service repair shop looking to replace worn tires, your shop could make a lot of money on used tire sales, but to get started, you need to find a supplier.

The key to consistent quality is the right supplier

There are a variety of options available, from huge importers to local suppliers. There are also some scrap tire recyclers that salvage the usable tires they collect. Regardless of what supplier you choose, you want to make sure you pick a reputable one. Here are some signs of a good used tire supplier.

They inspect their tires thoroughly

When it comes to inspecting used tires, a quick visual examination isn't good enough. Any reputable used tire supplier will have a dedicated inspection team that is up-to-date on the latest standards. This type of knowledge takes training. Each tire should be examined in a detailed inspection process.

When vetting suppliers, ask them about their inspection process. Also clarify who does the inspections and what kind of training they have. If the supplier can't give you confident, specific answers to your questions, don't buy from them.

They have a variety of sizes and treads available

Experienced suppliers will carry a wide variety of sizes and treads. When considering vendors, be transparent with them about your exact needs. You may even be able to negotiate price. Tell them what sizes and treads you'll need, and the quantities of each type.

They offer competitive pricing

Understand that suppliers need to make a profit, too. That being said, you should see what kind of pricing a vendor's competitors are offering. This will give you a good idea of whether you're getting a fair price. Also take into account any minimum order requirements and order processing times.

They receive positive online reviews

Search for suppliers online and see if you can find them listed on established review sites like the Better Business Bureau or Yellow Pages. Don't just look at the number of stars a supplier gets; read through the reviews. If none of them contain any comments, then the reviews may not be legitimate. It can also be informative to read the negative reviews, but you should take them with a grain of salt, as reviewers can sometimes get emotional and may exaggerate when this happens. If several different people are saying similar things, this is a good indication that the reviews have truth to them.

Thoroughly research potential suppliers

Once you've narrowed down your search to just a few vendors, talk to previous customers. Be sure to find customers who were satisfied and customers who were unsatisfied so that you get a complete picture of how each supplier manages their business.

There is an abundance of online databases, such as Alibaba.com, that exist to connect you to wholesale tire suppliers. However, these databases may not always be a great source to find credible vendors. While there are probably reputable companies

PHOTO: PAUL ARELLANO

listed on such sites, it's best to establish a relationship with a supplier in your own country. Used tire safety laws can vary, and you want someone who has been operating in your country and is familiar with the laws. It's also easier to vet your supplier if you're close enough for an in-person meeting.

The importance of quality used tires

You know tire safety is important and you want to sell your customers quality used tires. Besides ensuring your customers are happy, there's another vitally important consideration you need to take into account. You could find yourself facing a lawsuit if you were to sell faulty or compromised used tires.

Many states are now passing laws banning the sale of unsafe used tires. What constitutes "unsafe" varies by state.

For example, a proposed bill in Texas defines an unsafe used tire as a "passenger or light truck tire that has tread less than one-sixteenth inch deep; has chunking, bumps, knots or bulges evidencing cord, ply or tread separation from the casing or other adjacent material; has exposed tire cords or belting material as a result of damage to the tire; has a repair to the tire in the tread shoulder, sidewall, bead area or belt edge area; has a puncture that has not been sealed or patched on the inside with a cured rubber stem or plug that extends through to the outside surface; does not clearly show the United States Department of Transportation tire identification number located on the sidewall of the tire; is subject to a manufacturer's safety recall; has a puncture larger than one-quarter inch; or does not otherwise meet department safety standards under Section 547.101."

Most of these bills aim to apply common-sense standards that tire dealers should already be following, but it's important to be aware of any upcoming legislation and know the standards for tire safety in your state.

The thought of litigation can be frightening for any shop. One large settlement could potentially put you out of business, and then there's the issue of negative press. How can shops protect themselves from lawsuits?

Inspect your used tires before selling

The best defense you have is to inspect each tire before you sell it. Besides visually inspecting it for defects and improper repairs, you should use an air test to look for leaks, examine tread depth and judge the overall wear. It's also a good idea to put the tires on yourself, rather than just selling them loose to the consumer. This way, you can ensure that they're properly installed.

Inform the customer of the risks

Inform your customers about potential risks with used tires. Make sure they are aware of manufacturer guidelines for use. While there is no way to be completely certain a used tire won't pose a safety hazard, if you do your due diligence and keep written records of the types of inspections performed on your used tires and what information is relayed to the customer, you should be protected in the case of a lawsuit.

Arkansas trial lawyer Tab Turner puts it succinctly: "All dealers in used products have to do is recognize that they are legally responsible if they distribute defective products; be honest and truthful to consumers; fully inform consumers of the known risks associated with the used product; inspect the product to ensure that it does not contain a defect; and make sure that all information provided by the manufacturer regarding usage are followed and relayed to the consumer."

The used tire industry is growing. Now could be the perfect time for your shop to get into selling used tires. It's vitally important that you choose a reputable supplier, inspect your tires before selling them and inform each customer of the risks associated with used tires. It may be a bit of extra work for your shop, but the peace of mind will be worth it as well as the additional revenue.

LAKIN TIRE **PAUL ARELLANO** is the sales and marketing manager at Lakin Tire, a scrap tire recycler and used tire supplier. Lakin is committed to providing safer, smarter recycling solutions and high-quality used tires.
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VEHICLE MANUFACTURERS, DEALERSHIPS, insurance companies and body shops all have a tremendous hurdle on our hands with the challenges of proper calibration of ADAS systems.

SCANNING… NOW COMES CALIBRATION

TACKLING THIS LATEST INDUSTRY HURDLE MUST BE A TEAM EFFORT

SEAN GUTHRIE // Contributing Editor

The need for scanning continues to grow, and fortunately, the collision repair industry is accepting the need and requirement to perform scans. Scans at the beginning of the repair help improve estimating and decrease liability; of course, more importantly, after all the work has been completed, the completion scan is performed. The completion scan has become the final quality inspection point for many repairers, identifying that all parts and pieces are equipped and functioning correctly, all codes are cleared, and the virtual road map of the repairs has been deleted. As great as it is that the industry is checking the scanning box, the electronic portion of the repair may not be complete after the completion scan.

Consider it this way. You've broken a major bone. The first step the doctor is going to take is an X-ray. This will help them assess the damage and develop a plan to correct the break. Once the plan is established and verified with specialists, you will be wheeled off to the operating room. Depending on the procedure, a few hours later you'll be out and in a cast. After weeks of healing, the cast will be removed and you'll be ready for the next step. Eventually you will be back to normal, but first there will be one more X-ray to determine that everything has structurally healed. Once the doctor has given the thumbs up on the structural healing, a physical therapist will help in the painful process of regaining mobility, retraining your body how to move and regaining your strength. Once you're back to fighting strength, it is quite possible a final X-ray will be required before a clean bill of health is issued. Scan, repair, scan, rehabilitate and another scan. Repairing a vehicle has become very similar — scan at the time of the estimate, repair the vehicle, scan to ensure the repairs are correct, calibrations and a final scan. After those final scans and calibration only then can a final clean bill of health be issued.

PHOTO: ASTECH

Performing a scan is relatively straight forward. Aftermarket tools provide quick, inexpensive solutions to reading codes and looking at live data. Having a trained mechanic review the data is critical so that nothing is overlooked. Using a sublet vendor to perform the scan can allow for less experienced technicians to oversee the scans. The sublet vendor knows what data to review and can be a better guide through the multiple streams of data. The best sublet vendors also utilize OEM tools to ensure that every module is properly scanned with the most recent software from the specific vehicle manufacturer for that specific model.

Calibration can be tricky. Much like an X-ray doesn't tell you what your brain and muscles have forgotten, a scan doesn't necessarily reveal what the computer and sensors have forgotten or have had misaligned during the repairs. Just like the trained professionals who aid in physical therapy and rehabilitation, collision repairers must know when and what calibration is required. Again, scanning helps tell what is obviously wrong and has a very easy, clear-cut need, but calibration is not as easy.

How do you know when calibration is required? The saying, "You don't know what you don't know" has never been truer in vehicle repair. There is only one way to know and that is research. Research what systems are on the vehicle and what systems were/will be disturbed during the repair. The key to this is that touching or working with the physical components is not the only reason why those components may need calibrating. Removing a bumper, replacing a windshield, disconnecting a battery, performing a wheel alignment, and even the collision itself are all grounds for calibration. Reviewing position statements and repair procedures is the only way to know when calibrations may be required. Most calibration requirements cannot be identified with a scan or seen by a malfunction light on the dash. There is simply not a code generated with a misaligned sensor or camera.

When it comes to calibration, the list of equipment and training jumps tenfold over scanning requirements. The simplest of calibrations still require lengthy repair procedures to understand their proper execution. The simplest calibrations require just an OEM scan tool, while more complex calibrations may require alignment machines, calibration targets, specific floor mats and large open areas. While the tools and equipment required to perform the calibration may be available, the physical square footage required may not be for most collision repair centers. An average-size stall in a body shop is 12x20 feet, or 240 square feet. A calibration stall may require a space of 25x40 feet, 1,000 square feet or larger. This puts a simple calibration stall at greater than 10 percent of the average-sized shop. This sort of room simply doesn't exist.

Calibration of minor systems has been performed for years now. Resetting the anti-pinch on auto-closing windows is a form of calibration. Performing a zero-point calibration for the weight sensors in seats is a slightly more advanced and infinitely more important form of a calibration. These types of calibration are needed on the vast majority of cars repaired every day. These calibrations are typically done during the final scan and are usually lumped in and executed simultaneously.

The calibrations that are really going to weigh down collision repairs are those of the advanced driver-assistance systems (ADAS). ADAS calibrations are endlessly advanced and complicated and require the giant spaces, costly targets and what feels like endless amounts of labor.

Scanning was not the first big hurdle in the collision industry. We have fought difficult paint systems, the advent of high-strength steels, aluminum and airbags. Airbags used to be a difficult, scary proposition that many shops refused to tackle. As time progressed, shops got more familiar with dealing with airbags, and it is now expected for a shop to be able to handle them. The training is abundant, the understanding is common and charging for them is also fair and easily negotiated. Scanning has quickly gone a similar route. Proper fair compensation is now commonly reached, a general understanding is becoming the norm and more shops are completing the task each day. ADAS calibration is yet another hurdle in collision repair, but it will be the biggest this industry has ever faced. While many were worried about the cost, equipment and cycle time of airbags or scanning, they are insignificant in comparison to calibration. ADAS calibrations are so much more than anything we have faced before.

Vehicle manufacturers, dealerships, insurance companies and body shops have a tremendous hurdle on our hands with the challenges of proper calibration of ADAS systems. To start, most ADAS calibrations require a thrust angle alignment to be performed, proper weight in the vehicle (fuel, passenger compartment empty, weight to simulate passengers, etc.) and so on. In addition, the vehicles must be parked on a flat surface, with the required amount of empty space around the vehicle, with the targets placed properly around the vehicle. This includes calibration for all cameras (forward facing, 360 degree, etc.), blind spot monitors, Lidar, Radar, Sonar, and any other sensor that you can think of. Once the vehicle is ready and the surrounding area is prepped, an OEM scan tool is used to place the vehicle's computers into the proper learning mode so the calibration can occur. The calibrations may require multiple steps, moving the targets and a very specific road test to finalize the full calibration process. After all steps have been followed, then a completion test drive has to be performed.

The worst part about these calibrations is the inability to truly know when it has to be done and worse yet when it has been done correctly. When an engine has an issue, it creates a fault code; when a sensor is unplugged, it creates a fault code. Even when a tail light has been disconnected, a fault code is created and stored. When a camera is out of alignment or a blind spot monitor is tweaked, there is no fault code, there is no warning on the dash, and without proper knowledge of the way the system is supposed to function it may be impossible to know that it isn't functioning correctly. All that said, if it isn't functioning correctly the customer will find out, and the hope is that they find out in a way that doesn't cause risk of injury or death. This is why it is imperative to know when a calibration is required and how the systems are supposed to perform so that a complete and extensive completion test drive can be performed. Research the owner's manual, call dealerships or visit mycardoeswhat.com to fully understand each ADAS system. Once understood, drive the vehicle in such a way that those systems are checked for proper performance.

Performing ADAS calibration will likely not be done by most repair centers. Repair centers simply will not have the space, training and equipment required. While some repair centers may have the desire to get the training and equipment, the space requirements are simply a hurdle that most will not be able to overcome. Subletting ADAS calibration may be the only option for many repairers. This sounds easy, but the liability for the proper calibration does not go away by having someone else perform it. It also does not speed the process or reduce the cost. Dealerships are struggling to understand how these calibrations must be done. They lack training, the service drives lack the space, and since they are independently owned, the desire to perform the calibrations may not be there either. If subletting is the only option, it may be best to provide the OEM repair

WHILE THE TOOLS AND EQUIPMENT required to perform the calibration may be available to shops, the square footage required may not be for most collision repair centers.

procedures and have a good discussion with the service manager to ensure that they understand what is required. Once the calibration has been completed, an extensive test drive with the vehicle to ensure that the calibration was performed correctly is imperative.

If you don't think this is a real problem, think again! By 2022, automakers have agreed to make automated emergency braking standard. That means by 2022 every single new car produced may require some form of calibration after a front-end impact or windshield removal. Looking at most new models, this is already standard or at least an option and has been for a couple of years now. This isn't technology limited to luxury cars; this is technology already installed in the most common sedans, trucks and SUVs. Reviewing industry trends shows you that vehicle model years that have this technology could make up 30 to 40 percent of our repairable vehicles in less than three years. It currently makes up nearly 10 percent. As much time as calibrations take today, that time will only go up as more and more cars require it. Backlogs at dealerships will grow, increasing costs and increasing delays — two things that makes all parties involved cringe.

This is a huge hurdle not just for the cost and time, but for the increased liability. Scanning arguably has been the first large and costly item that has to be done on nearly 100 percent of the cars we repair. It has been a massive adjustment for repairers and payers. ADAS calibrations will be timelier, more expensive and will affect a very large percentage of cars repaired. Improper calibration may cause the vehicle to fail to prevent a crash, or worse yet cause a crash! This is a hurdle not just for repairers and payers, this is a problem for every supplier, manufacturer and customer. Finding solutions will have to be a team effort!

SEAN GUTHRIE is the director of operations for Car Crafters Collision Centers in in Albuquerque, NM. Sean oversees the seven locations handling their DRP and OEM relationships. Sean is I-CAR platinum, ASE certified, multiple OEM trained and sits on two advisory boards.
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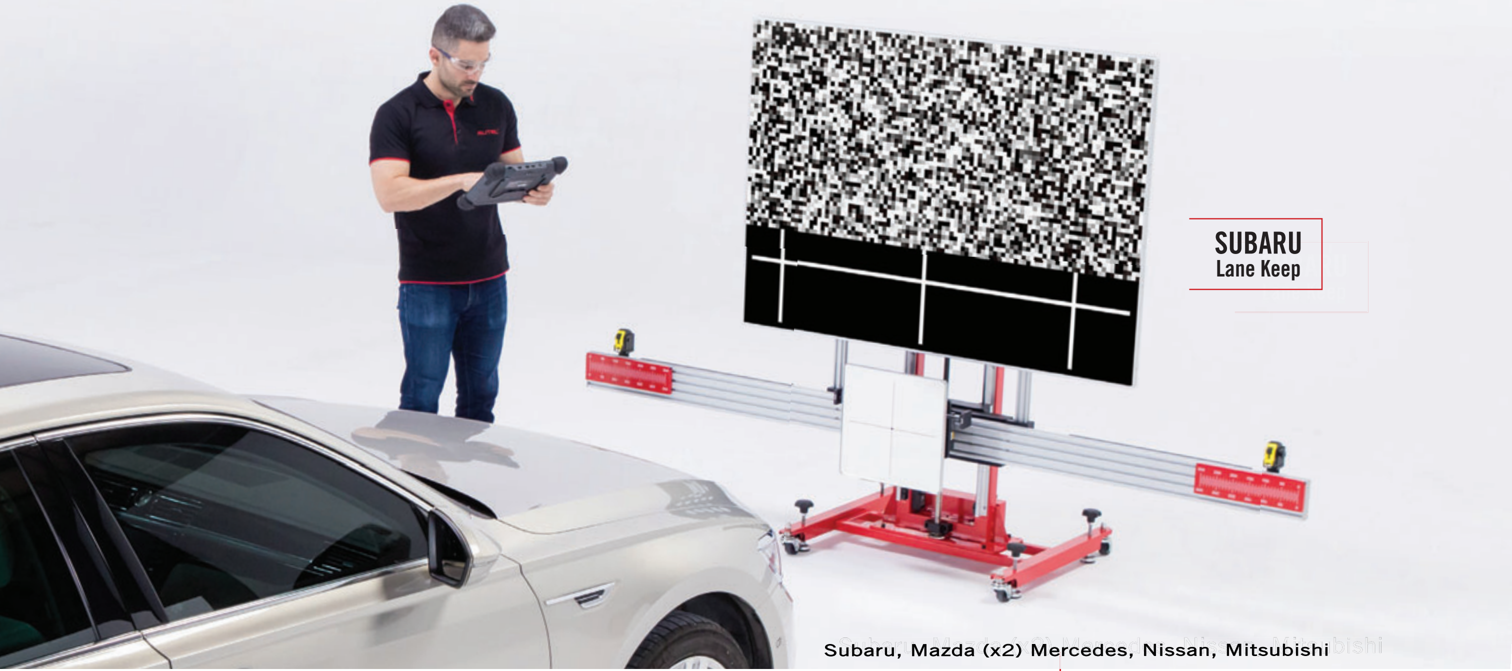
ADAS CALIBRATION AUTEL

NEW COVERAGE

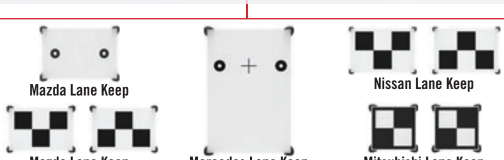
SOFTWARE / TARGETS



Subaru, Mazda (x2) Mercedes, Nissan, Mitsubishi

6 NEW LDW TARGETS

PACKAGE PART# LDWTARGET2



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PAINT CORRECTION SYSTEM

Auto Magic, ITW Evercoat's brand of professional car care products, announces the launch of its PC 1-2-3 Paint Correction System, an advanced three-step system incorporating micro-abrasive technology that cuts through paint imperfections and defects and restores the painted surfaces to like-new condition. Each of the three steps in the system include materials and pads engineered to address different surface issues like sand scratches, acid rain, oxidation and swirl marks.

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AutoNation's Wholesale Parts Network offers a collision product line of OEM and aftermarket parts solutions for most brands' repairs. Many parts are CAPA & NSF certified and are backed by a limited-lifetime warranty. With over $190 million in inventory, our trained associates at the counter and in the field will help get the parts you need, when you need them.

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AD INDEX

PRODUCTS

Using empathy to your tactical advantage

Acknowledge other people's feelings to have successful negotiations

Last month, in "Lessons we can learn from an FBI negotiator," March 2019, we discussed tactics from Chris Voss, former lead international hostage negotiator for the FBI. In his book, *Never Split the Difference*, he provides practical advice that anyone can incorporate into their business role or life.

We first delved into mirroring last month, and now let's learn more about another method that can help you create a win-win negotiating style and encourage you to add this book to your must-read list for 2019.

WHEN YOU ARE NEGOTIATING, YOU MAY THINK YOU WANT TO HEAR "YOU'RE RIGHT" FROM YOUR COUNTERPART. THE GOAL SHOULD BE INSTEAD TO HEAR "THAT'S RIGHT."

Tactical empathy

Voss explains the next step in successful negotiating is using Tactical Empathy. He defines this as understanding the feelings and mindset of another in the moment and hearing what is behind those feelings. We all have a desire to feel the other side is listening and acknowledging our situations. We can put ourselves in the other person's shoes without agreeing with them. We may think they are ludicrous. However, by acknowledging them, they may tell us something that we didn't know that can help lead to a successful negotiation. In addition, neuroscience shows that negative emotions are dispersed simply by calling them out. A tactical application might say, "It seems like you are frustrated." This tells them you acknowledge their frustration and triggers them to talk about why they are frustrated without asking why. If you were to ask, "Why are you frustrated?" that signals to their brain to put up defenses and you are trying to tell them they are wrong.

Another principle I found extremely insightful is we should always start the negotiation with getting the other person to say "No." What? How can that be? We want them to say "Yes!" Voss points out that getting them to say yes right away is a trap and makes the other person feel manipulated and ultimately there will not be a deal. Instead, he suggests asking open-ended, calibrated questions that allow them to say no immediately. This makes the speaker feel safe and in control and continues the conversation. One of the most compelling examples of this was when Ronald Reagan used this tactic in his speech just prior to winning the U.S. presidential election in 1980. He asked the American people "Are you better off today than you were four years ago?" Then, he included a series of other questions in that same manner during his speech.

When you are negotiating, you may think you want to hear "You're right" from your counterpart. But according to Voss, you do not want to hear that. Voss explains when someone says "You're right," they are simply trying to get you to shut up and go away. The goal should be instead to hear "That's right." The difference in these phrases are only one word, but the meaning and impact for the negotiations are quite different. When somebody says "That's right," they are telling you they feel understood. Science shows there is a chemical change that takes place in our brain when this happens and now their brain is willing to listen. There will be less resistance and a much better chance at a successful negotiation.

Keep in mind during a negotiation that there could be things to go on the table if you give them the chance to be put there. So, let them talk first. Let them feel that they are in control, understand how to get them to talk more, show tactical empathy, make them feel understood, repeat back to them what they said, be patient, and look for a win-win solution.

To find out more about Chris Voss and his book *Never Split the Difference*, visit blackswanltd.com.

SHERYL DRIGGERS is the owner of Universal Collision Center in Tallahassee, Fla. Through her career, she has gained specialized experience in marketing, management, public speaking, teaching and fiscal oversight. *sheryld@universalcollision.com*


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