

Issue:  
May  
2022



Wisconsin Collision Repair Professionals

## *The Body Shop Advocate*

~ WE ALL DO BETTER TOGETHER ~



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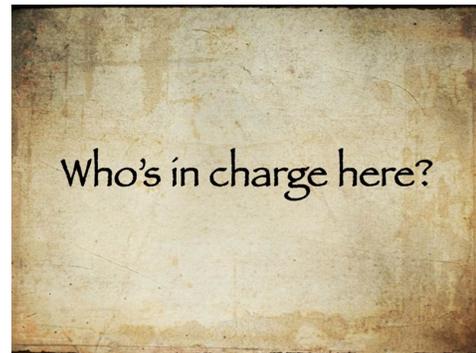
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### FROM THE DESK OF OUR PRESIDENT

We are all experiencing it--critical technician shortages, a work backlog that is often months out, parts delays that keep getting worse, paint and material costs that are going through the roof, ever increasing costs of keeping up with technology, fixed costs going up and payroll costs required to keep existing technicians, and hire new ones, are skyrocketing. Yet, despite all of this, we are still allowing a third party to dictate our labor rates.



So, what is your labor rate? (Whatever it is, it should NOT be exactly the same as Joe's shop on the other side of town!) Do you know your break-even point? Do you know how to calculate it? What day of the month do you have to get to before you start making a profit? Have you ever used a labor rate calculator to determine these numbers? (One is provided for you [here](#) on the WCRP website.) Or are you resigned to the fact that you just have to accept some fictitious number that an insurance company offers you?

In a recent conversation with an adjuster from one of the large national insurance companies, we were explaining these issues and why we needed a large increase in our labor rate. The adjuster stated "I understand all of this and I agree with you, but we cannot increase your rates until the big boys in your area (large DRP dealerships) increase theirs." This is the kind of archaic reasoning that we are allowing them to use on us! Don't let someone else tell you how much to charge, how long it takes, what parts to use, where to buy them, or what day of the week to begin the job. **YOU** run your business and **YOU** are responsible for its profitability--or lack thereof!!

Larry Terrien

## MEET OUR MEMBERS



TNT Auto Body is where it all began! We have over 20 years of experience repairing vehicle body damage. Our modern repair facility has the latest technologies and equipment to help get your vehicle looking like it was the day is rolled off the assembly line.

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[Click the picture for a PDF registration form](#)

**SAVE THE DATE! JUNE 23, 2022**

# Industry Night



**Join us for the next Industry Night!**  
Hosted by WCRP (Wisconsin Collision Repair Professionals)  
This event will be held at The Automobile Gallery in Green Bay, WI  
June 23rd, 2022 from 5:00-9:00.

We will have the place to ourselves to view the extensive gallery, network with fellow industry professionals, enjoy dinner and a panel discussion of shop owners/managers.

The first Industry night held at Leinie's Lodge in Chippewa Falls was a great success! Don't miss this one!

There will be limited seating.



## **A LITTLE FOOD FOR THOUGHT...**

Check out this article from [Repairer Driven News](#)

### **Consumer group criticizes auto insurers over 'massive' salaries paid to top executives - By Dave LaChance on April 29, 2022**

The nation's largest auto insurers are paying their top executives "massive salaries and bonuses," even as they continue to seek higher premium payments from consumers, according to [a review by the Consumer Federation of America \(CFA\)](#).

In its review of filings with the Securities and Exchange Commission and the Nebraska Department of Insurance, CFA found that the four largest insurers paid their top executives \$196.8 million between 2020 and 2021 – an average annual paycheck of about \$25 million.

“While Americans struggle to pay higher insurance premiums and deal with two years of pandemic challenges, insurance executives have taken corporate excess to a new level,” Douglas Heller, Director of Insurance for CFA, said in a statement. “At the same time, they are demanding rate hikes from consumers who are required by law to purchase the product they sell.”

Company	Executive	2020 Compensation	2021 Compensation
Allstate	Thomas Wilson	\$18,009,544	\$18,368,991
American Family	Jack Salzwedel	\$12,359,016	\$6,808,360
Berkshire Hathaway (GEICO)	Todd Combs	\$9,730,769	\$13,604,002
Berkshire Hathaway (GEICO)	Olza “Tony” Nicely (Executive Chairman)	\$77,879,001	\$8,087,616
Farmers Insurance Exchange	Jeffrey Dailey	\$7,084,202	\$7,980,763
Liberty Mutual	David Long	\$11,590,171	\$12,189,662
Progressive	Susan Patricia Griffith	\$15,220,523	\$14,462,961
State Farm	Michael Tipsord	\$20,266,506	\$24,507,574

[Continue reading the article here](#)

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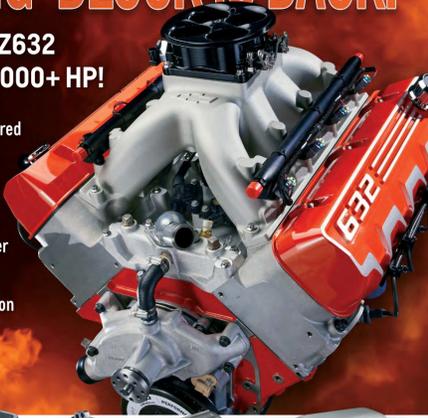
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# BODY SHOP BUSINESS

## Auto Body Repair: Auto Body Repair: The Cost of Doing Business

By Barrett Smith

As a former body shop owner and manager, and in my role as an industry consultant to some of the nation's finest collision repair facilities, I continue to hear a great deal of misinformation and just plain bull. It comes mostly from insurance claims representatives doing their best to mitigate their companies' expenditures through cost containment.

### Misinformation

Spreading misinformation is a tactic insurers use a lot — speaking untruths to claimants and service providers, such as collision repairers. Chances are likely you've heard some of these untruths:

- “We don't pay for that — that's the cost of doing business.”
- “We don't pay for that since most shops don't charge for it.”
- “This is the first time I've ever heard of someone charging for that — no other shops charge for that.”

I heard those same statements back in the mid-1980s in my shops when I was writing remove and replace (R&R) for outer door handles and moldings, removal of pinstripes, tinting paint for color match and other procedures that are now provided for on insurer estimates and not questioned as reasonable or necessary.

[Continue reading](#)



## SCRS QUICK TIPS VIDEO SERIES

[Click here for the video:](#)

**SCRS Quick Tip: Gravel Guard**



**Check out the great article by [Repairer Driven News](#) on the annual WCRP insurance rankings and labor rate surveys!**

Small, regional carriers placed highest in the [Wisconsin Collision Repair Professionals \(WCRP\)](#) annual ranking of auto insurers, while none of the 10 largest insurers finished in the top third, according to results announced by WCRP.

The ranking, announced earlier this month, was based on a survey of WCRP member shops, who were asked to rate 20 insurance companies based on their overall experiences with their claims handling.

According to Deb Brunett, executive director of WCRP, the top five spots in the ranking – Acuity, Erie, Auto-Owners, West Bend, and Secura – have been the same “for some years now ... our industry can be thankful for that consistency.”

[Continue reading here](#)



**\$1,000 was donated to the DEG!** The Deg is a *significant asset* to this industry. The efforts of that organization have increased your bottom line immeasurably! Thanks to those who donated: Brunett Family, Goss Auto Body, Dean's Auto Body, MJ Collision Center, Trubilt Collision Centers, Koffman Autoworks, and Quality Paint & Body. This will be a yearly fundraiser. If you could not contribute this time, please consider doing so next year. Of course, it's never too late to donate! You can mail your check to Deb at:  
WCRP

P.O. Box 841  
Merrill, WI 54452



## KNOW OF ANY SHOPS LOOKING TO JOIN WCRP?

Forward this newsletter to them!  
They can click [here](#) to go straight to the membership form or they can call Deb at 262-542-7707.



Are you interested in being a sponsor? Our Body Shop Advocate e-newsletter is sent out every month to 500 addresses.

***YOUR TARGET MARKET!***

Please consider being a sponsor for WCRP.

[Click here for information!](#)

## GUEST EDITORIAL

## Notes - All

Category:

Type: **Insurance Message**

Revised Estimate Approval: Author: [REDACTED]

Posted: 01.31.02022 10:29 PM GMT

Delivered To: [REDACTED]

Claim Reference ID: [REDACTED]

Subject: Revised Estimate Approval

Message: Rather than accepting my CR as submitted, shop uploaded revised estimate reflecting alt parts but not labor rate changes. This shop has been unwilling to reduce their labor rates despite being higher than anyone in the state. Revised estimate approved in the amount of \$2635.98.

## Notes - All N

Category:

Type: **Insurance Message**

Estimate Change Requested: Author: [REDACTED]

Posted: 04.26.02022 07:17 PM GMT

Delivered To: [REDACTED]

Claim Reference ID: [REDACTED]

Subject: Estimate Change Requested

Message: Photos document damage well. Prior attempts to reduce labor rate have been fruitless so I am conceding the \$[REDACTED]/hr. Sent CR reflecting A/M fender; waiting for [REDACTED] to respond.

I'm not sure if the attached notes were intended to be "shop visible" and at first read they are quickly interpreted as some snide inter-office memo. However, if you let your guard down and sit back in your chair a bit, they could be just as easily interpreted as a staff adjuster simply doing his job. We have different jobs. In fairness to ours you can't discount theirs. You can however pick WHO your customer is. We have transitioned from arguing with an insurance provider to educating the car owner on proper repair, this includes rates, parts and procedures. It's a much less stressful process and establishes us as the repair professional. You'll inevitably save time and create a customer certain to return. Most people want their car repaired by a professional.

I'd like to note during this transition from a posted rate increase to the rate acceptance there were no arguments, no name calling, and a relative professional tone was kept. Our office policy with disputes is simply to ask the car owner for a Co-Pay regarding unacceptable differences. (Check out the "**Insurance Short Pay**" page and "**co-pay calculators**" on the WCRP website [here](#).) Probably one of the best policies I've ever enacted. We attach the WCRP co-pay video to many emails right from the start. It quickly puts us on a better playing field and establishes our **line in the sand**. Home field advantage you could say.

A pivotal detail to all this is, WHO is your customer...WHO pays your staff...WHO covers your overhead...WHO does the car owner return to if a concern arises... Those aren't questions because you know the answers.

Call if you need encouragement!

Steve @ 715-892-1740

Click the photo below to be taken to the WCRP [YouTube page](#) and co-pay video. Feel free to share it and/or use it when needed!



Do you have an opinion on a subject that pertains to our industry that might be good for our Guest Editorial section? If you can tone it down and keep it under 300 words, we could print it here. Keep it clean and try not to offend more than 10% of our members. Please submit your wording to [wcrpinfo@gmail.com](mailto:wcrpinfo@gmail.com)



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