Issue: September 2022



Wisconsin Collision Repair Professionals

The Body Shop Advocate ~ WE ALL DO BETTER TOGETHER ~







VISIT OUR WEBSITE!



VISIT OUR YOU TUBE CHANNEL

FROM THE DESK OF OUR PRESIDENT

We have had many discussions in the Advocate about knowing your costs and expenses, and what your break even point is. Nowadays, however, this is a moving target that is extremely hard to hit. Once you do get it nailed down, it has probably already changed and you need to do it all over again. So, my question



is, when did you do your last pricing review and increase? Was it several months ago? Was it before the pandemic? Was it several years ago when the economy was doing well? Or are you one of those who waits until the insurance companies give you a raise? In today's world, there is no one who has not been hit by inflation, and that includes insurance companies. There is no better time than now to look at rate increases. It is important that you do your research. Check the consumer price index and the rate of inflation since your last labor and materials rate revision. Check with your paint supplier for their latest price increases (you will be amazed!) Use one of the cost calculators available here on the WCRP website and adjust accordingly.

The biggest thing is that you need to stop allowing insurers to determine your pricing. Remember, when you write an estimate of repair, you are providing a blueprint of what is required in your professional opinion for a proper, thorough, and safe repair. The customer chose your shop because they trust **YOU** to make the proper repair decisions-not their insurance company. When the insurance company wants you to do something that is improper, unsafe, or to remove something from the estimate that is "not needed," you need to have a conversation with the vehicle owner.

How to do this is just one of the many topics that we will be discussing at the upcoming <u>Industry Night</u> at the <u>Automobile Gallery</u> in Green Bay on September 22nd. This will be a

great opportunity for you to get together with other shop owners and managers to discuss mutual concerns and see some beautiful cars at the same time!

Larry Terrien

President WCRP





Affiliates,

Hope this finds everyone well! CRASH Network is doing a detailed survey on technician wages. If you want to encourage your members to participate, they can <u>click here</u> (or send an email to <u>info@crashnetwork.com</u>) to

request more information.

Participants should be prepared to submit full-year wage information (such as that reported on employees' W-2 forms) for body and paint technicians who worked at their shop for all of 2021.

The individual information collected in this survey will be held in the strictest confidence and will only be released in aggregate form. Participants who provide an email address will be notified when the results are available.

Aaron Schulenburg

Executive Director | Society of Collision Repair Specialists (SCRS)

QUICK POLL!!!

Does your shop charge a fee for estimates?

Yes

No

Select

Sometimes

Select

Are insurance companies paying this fee if you do charge?

Yes

Sometimes

Select

CONGRATULATIONS!!

WCRP MEMBER <u>KALIBER COLLISION</u> REPAIR OF PORT WASHINGTON CELEBRATES 50 YEARS IN BUSINESS!





According to the <u>Ozaukee Press</u>, Kaliber Collision Repair in Port Washington, Wisconsin, was opened as Calibre Auto Body by Jon Reno in 1972. Reno's nephew Bill Krzyzanek began working at the shop at age 15.

Eventually, Reno got more into the business of painting motorcycle parts. He took over the painting side, and Krzyzanek managed the body shop. In 1990, Reno got out of the auto body side of the business entirely, so Krzyzanek took over the shop and renamed it Kaliber Collision Repair.

Continue reading here...



These were the responses to our poll questions in last month's Advocate:

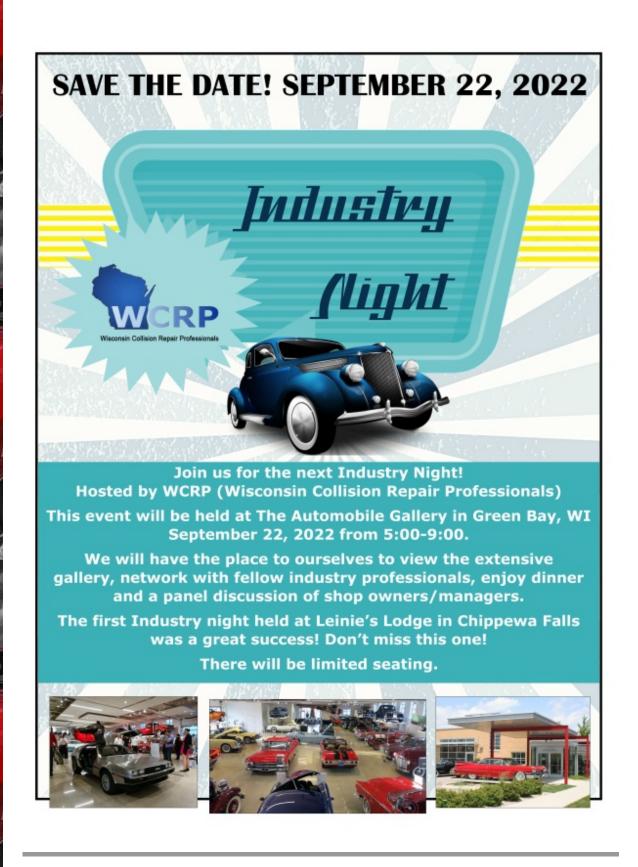
- 1) "Have your customers had their repairs show up on Car-Fax even though you never reported it?"
- 14 people responded. 6 said no and 8 said yes.
- 2) Would you be interested in having WCRP investigate this issue?
- 10 people responded. 2 said no and 8 said yes
- 3) Do you currently use an employee handbook at your shop(s)?
- 12 people responded. 2 said no and 10 said yes

THE NEXT INDUSTRY NIGHT WILL BE SEPT. 22!!

Our last industry night at the Leinie Lodge was a great success! Don't miss out on the next one!

Step 1: Download & fill out the <u>Industry Night Registration PDF</u> and email back to Deb Brunett - <u>wcrpinfo@gmail.com</u>

Step 2: Click Here to pay the \$99 Registration Fee



DON'T MISS OUT ON THIS *FREE* ESTIMATING CLASS BY OUR SPONSOR AKZO NOBEL!! Class will be held in Rothschild, WI.



AkzoNobel

Register: www.AkzoNobelTraining.com

Host:

AkzoNobel

Estimating Consistency Documenting Damage

This course is designed to review and refine the Estimators' skills relative to collision repair estimating. The participant will learn how to optimize profitability per repair order, while complying with insurer DRP requirements. Participants will be asked to write an estimate in advance of the course, and participants will critique one another's estimates for thoroughness. Role-playing will allow the participants a chance to practice the various skills that have been taught.

- Better understand the value of writing a thorough, consistent estimate
- Be aware of various techniques available to create fair and reasonable estimates/appraisals
- Understand how to evaluate frame, suspension, and mechanical damage
- Understand which P-page items should be included on an estimate
- Understand the fundamentals of negotiating as it relates to claims management
- Become better prepared to justify tough-tonegotiate items
- Appreciate and understand the importance of measuring sales mix (scorekeeping)
- Understand the need to follow all OEM procedures and specifications in developing your detailed Repair Plan

Sikkens Acoat OO

www.AkzoNobelTraining.com













SCRS QUICK TIPS VIDEO: Paint Material Calculation and Invoicing

As paint material costs rise, many repair businesses are reevaluating how they bill for the materials used in the repair process. Many have begun to shift from multipliers to the use of invoicing and material calculators to charge for materials used in the repair. Mike and Danny talk through the options, and why collision repair businesses are reevaluating their options. Understand if you are billing specifically off of the actually product used in the repair, or based on a weighted average of multiple brands. Are you billing for just liquid materials, or also allied materials such as paper and tape? Check out the cautions and tips, and decide what is the best mechanism for your business. If this information helped please like and share the video, and comment below with other topics you would love to see!

Click here to watch the video







DON'T MISS OUT ON THIS <u>FREE OPERATIONS</u> <u>MONTHLY LIVE</u> FROM DAVE LUEHR'S ELITE BODY SHOP SOLUTIONS

Click here to sign up

How to Hold Employees Accountable

September 13, 2022 11:am - 12:00 pm

Struggling to understand why your people don't consistently perform their jobs to your expectations? During "How to Hold Employees Accountable" we will simplify and teach you the behavioral techniques needed to keep everyone performing their jobs the right way.

- Identifying the "gap" between expectations and performance
- Creating clear written standards
- How to hold those difficult accountability conversations
- How to praise your employees



Labor Rates: How to Get What You Need

By: Laura Gay on August 15, 2022

The time for independent collision repairers to put the brakes on the bus, grab the bull by the horns and implement procedures to obtain labor and material rate increases is right now.

Every single body shop in America is struggling to combat massive inflation and suppressed labor rates. No one is immune to the struggle: neither the consolidators nor the independent shop owners.

Tanking profitability and, in a lot of cases, single-store locations losing money every month to the point of bleed-out has a lot of shop owners on edge and anxious. Compound that with the challenges of retaining, finding and/or offering retention bonuses to current employees amidst the massive amounts inflation that seem to inflate daily, and you've got trouble in paradise. These issues have become ground zero and body shop owners' No. 1

challenge.

Continue reading here





SCRS to Perform Week-Long Blend Study

Mechanicsville, Virginia, August 17, 2022 –

On Monday, August 22nd, the Society of Collision Repair Specialists (SCRS)began a week-long research project in coordination with the major North American refinish companies to study the delta between the time necessary to perform a full refinish on a panel, and the time necessary to blend the panel.

"As an organization, we've contended for a long time that blending a panel takes more skill and near-equal amounts of time as it does to apply refinish across an entire outer surface of a panel," shared Aaron Schulenburg, SCRS Executive Director. "Our members have similarly expressed to us that the 50% formula of the full refinish value is not reflective of the necessary tasks to prepare, apply product and facilitate an invisible transition. We've routinely communicated this on behalf of the industry to each of the information providers, and yet the 50% formula persists."

SCRS has organized for AkzoNobel Vehicle Refinishes, Axalta Coating Systems, BASF Automotive Refinish, PPG Industries and Sherwin-Williams Automotive Finishes to participate in a project which analyzes the delta of time and operations between the full refinish of an exterior panel, and the blending of the same panel.

Continue reading here...



Estimating Tip: Prep for refinish on panels with factory applied scratch resistant clear

DEG <u>Inquiry 20445</u> response from CCC – "An on-the-spot evaluation must be performed and agreed upon by both estimators to apply an estimated work time for the additional

prep that needs to be done for ceramic application coated vehicles." **GUEST EDITORIAL** WE MUST EVOLVE!

DEG <u>Inquiry 20475</u> response from Audatex – "Any additional effort to prepare a factory painted panel for refinish that has Ceramic clear coat is NOT INCLUDED. The refinish time is strictly based on the new e-coat part preparation."

DEG <u>Inquiry 20476</u> response from Mitchell – "Our research shows that there are no additional processes used in the application of ceramic clear. In regards to ceramic clear being hard to sand, Mitchell refinish times are for new and undamaged parts so difficulty in sanding would not apply. The specific vehicle manufacturer recommendations should be followed when refinishing a vehicle that originally came with ceramic clear on it."

Find more helpful tips here...



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.



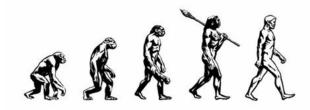
Are you interested in being a sponsor? Our Body Shop Advocate enewsletter is sent out every month to 500 addresses.

YOUR TARGET MARKET!

Please consider being a sponsor for WCRP.

Click here for information!

There have been several programs provided for free by our sponsor, Elite Body Shop Solutions on the topic of



"guesstimations." As in STOP providing guesstimations. These programs were free, and you were all invited... just sayin'.

Times have changed significantly, yet our trade continues to do what it has always done. In my case, allowing people to just drop in at anytime asking for a quick estimate, or worse "just come take a quick look." What purpose does this "quick look" have? Frankly nobody needs an estimate, they need their car fixed or need to know what that cost would be. The best way to determine that is a proper repair plan. You may call it by your name of choice, Enhanced Repair Plan, Advanced Repair Plan, Blueprinting, etc. The thing is, it is not a guesstimate anymore! A walk-in estimate leaves you vulnerable to many mistakes, I've made them all. Mistakes are costly! The wrong part because you were distracted, interrupted, or multitasking with skills you no longer possess. The missing part because the phone rang, or you were feigning an interest in the long-winded story on why Aunt Martha was parked behind them in the first place. (It was to drop off a belated birthday card.)

This leads back into our mutual problem of time management and the amount of administrative time we continue to donate. We now shoulder the bulk of claims processing. Taking proper photos, documenting the damage and so forth. Without compensation, and with the heel of suppressed labor rates upon our collective necks. Do you suppose ABC Insurance calls GM to complain when a box side panel increases 30% overnight?

I'd like to share our new direction in claim processing. We no longer "process" claims for certain insurers, you know who they are. This allows us time to properly address those insurers whose policies better align with ours. We also heavily promote certain insurers, so next time, if the customer changes insurers, we can serve them to the best of our ability stress free and with a fair profit margin. We continue to utilize the WCRP co-pay form on shortcomings. Regardless of the insurer. I don't argue or "prove" rates anymore, that's a fool's errand and I no longer participate.

Quoted as the world's longest sentence, the following well defines our marketplace:

Charles Dickens:

"It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of light, it was the season of darkness, it was the spring of hope, it was the winter of despair."

May I add: It is what we make it and it can certainly be much better.

Best regards, Steve

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







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