



By Larry Montanez III, CDA
and Jeff Lange, PE

The 3Ds of Collision Repair...and How to Change These Feelings

Disgusted, Disappointed and Disenchanted
Thoughts Are Plaguing Our Industry



©istockphoto.com/Rahimul Midea

For about the past year and a half, we have attended multiple courses offered to collision repair professionals. Some of those classes covered topics such as:

- Increasing sales;
- Your KPIs;
- Managing your numbers;
- Knowing your gross profit and net profit;
- How to obtain more Direct Repair relationships;
- Social marketing, how to obtain more customers, sales and profits;
- How to reduce your cycle time; and
- How to promote your business.

Additionally, we have had conversations with “mom and pop,” single- and multiple-location shop owners who explained what their complaints and issues are about this industry. Based on these talks:

- Mom and pop and single-location owners complained about Labor Rates, losing customers to DRP shops, the high cost of equipment and the ever-rising costs of refinish and shop materials.
- Multiple-location owners complained about keeping their cycle time down and KPIs up and making their numbers better than their competition so as to attract more DRP partnerships.

The one topic we have not seen or heard about had us *disgusted*, *disappointed* and *disenchanted* about this industry. But before we explain what our issue is, let us define the meaning of each of these descriptive words.

- **Disgusted** - Feeling revulsion or profound disapproval
- **Disappointed** - Sad or displeased because someone or something has failed to fulfill one's hopes or expectations from being realized
- **Disenchanted** - Freed from an illusion or false belief

We did some research by posting this very topic on LinkedIn and Facebook to see if others in the industry shared our feelings and frustration. Surprisingly, we found many good and insightful opinions about many of the aforementioned issues and problems, but only two people came close to hitting the main point we were looking for. We posted that the 3Ds can be summed up as an “understanding” of two words: *PROPER REPAIRS*. This industry is missing the whole point about vehicle repairs – *PERFORMING THEM PROPERLY*. We have been

told we are too critical about following the OEM repair procedures and recommendations on parts and materials usage. But why *not* follow them? Why do so many people in our industry argue about the OEM repair procedures? Why is it that so many people think they know better and that *their* way is correct? Why are so many people against doing repairs properly? We can all agree that today's vehicles are more structurally and electronically advanced than vehicles from 10 years ago, and 10 times more advanced than vehicles from 20 years ago, but many are using equipment and repair methodologies from 20 years ago. It seems that many repairers are picking and choosing which repair procedures to adhere to and which ones to ignore. This is especially true when they incorrectly repair a vehicle and then try to defend the repair process.

A while back, we got involved in a discussion with a shop owner over an issue of a refusal of payment for sublet repairs to a full-frame vehicle. When we inquired about the type of vehicle and repairs involved, we were told it was a Toyota Tundra and that the front suspension was partially separated from their mounting locations. We were told that there were issues installing the used suspension assembly, and that one of the lower control arm mounting tabs was folded flat against the frame. The vehicle was taken to another repair facility, where the tab was heated and bent back to position. We explained how that was not an accepted procedure and that the frame probably needed to be replaced – and that using used suspension components was not a good idea, either. Well, we caught flack from the shop (and some others involved in the discussion) about how they just wanted to get paid for the repairs and that “Toyota *ONLY RECOMMENDS* not heating and using used parts, *NOT REQUIRES*.” (So, besides being a better engineer than Toyota's engineers, this guy is also an English major!) Well, we removed ourselves from the discussion, as we felt it was futile to continue to argue.

Another issue that came up in that case was our recommendation that the vehicle be measured and blueprinted. We were told that it is not realistic to measure vehicles in the real world, that blueprinting can only be accomplished on some vehicles (not all) and that shops are way too busy to waste time measuring and blueprinting vehicles. We explained that we consult for three different-sized facilities that all pre-measure every vehicle and are averaging eight to 12 vehicles per day per two-man team (which is the topic of our next article). Once again, we removed ourselves from that conversation, as we began to feel the 3Ds creeping back.

We were at a meeting a few weeks ago and had a conversation with an owner of a multiple-location owner group. We asked “this owner” how he stays competitive. He said, “My numbers have to be better all around to attract new insurance partners and/or keep my current partners.” We asked, “What numbers?” He said he needs to produce lower cycle time days, higher customer satisfaction indexes and higher used and aftermarket parts usage ratios than his competitors. When we asked about following the OEM repair procedures and parts usage recommendations, he laughed and said, “Come on, get real. Nobody cares about that.” We actually checked with some other MLOs, and some mentioned they do high-quality, proper repairs with used and aftermarket parts. We asked the same group, “What about what is taught in I-CAR classes?” We were told, “Get real. If we followed all the OEM procedures and I-CAR recommendations, everything would total.” We left the meeting with a pit in our stomach due to a bad case of the 3Ds.

All we hear about lately is “numbers, numbers, numbers,” but we hear very little mentioned about proper repairs. Maybe we are not talking to the right people. We are bringing this topic up to you to hopefully inspire you to help us make a change in this way of thinking. We have decided to categorize the collision repair industry into four groups:

- **Fed up and looking to get out**
- **In it just for the money**
- **It is a job and it pays the bills**
- **Want to make a change and be known for doing the right thing**

Once you know which group you are part of, you can do something about it. Know your role. I really hope you all pick the fourth group, but we know not everyone will. Those who did not pick number four, we commend you for your honesty and only ask, do you want to change? Obviously, we are all working for money, but at what cost of consumer safety and quality? Checking with the OEM, pre-measuring the vehicle and asking questions does not take any more time than *not* doing them. We hope you are feeling some (if not all) of the 3Ds and want to change our industry's way of thinking. Vehicles are at their most advanced stage right now; by August of 2013, when the new 2014 models and options are announced, today's technology will be outdated. OEMs are producing new substrates and repair procedures each and every year, and each year it gets more and more advanced and difficult to repair these vehicles. Each year requires new training classes and equipment purchases, but it seems many in our industry do not want to make the investment. We understand people do not like change, but we have to accept and adapt to those changes.

We hope you now feel as *disgusted*, *disappointed* and *disenchanted* as we do about our industry, and we want you to channel those feelings into inspiration to help us make a difference. Lives are at stake, and the general driving public is relying on us to ensure their vehicles are repaired properly. We would recommend you make a conscious decision to ensure that your technicians are following all OEM procedures and requirements and that you yourself are holding your technicians accountable for their repair quality.

continued on page 31

Ask yourself: Knowing what you know now, of all the vehicles you and/or your facility have ever repaired, how many would pass an independent third-party, post-repair inspection such as those conducted by Tech-ITR, P&L Consultants, VeriFacts and/or another shop?

We hope this article has helped the industry to understand the 3Ds and how to keep those feelings and thoughts out of our industry. Feel free to contact us if you have any questions.



Executive Director's Thoughts

I agree with Larry and Jeff that everyone feels the "3Ds" daily in our industry, especially at the shop level. Those of you who categorized yourself (honestly) will still feel them at some point in the day. What I would reiterate is that if you are in an audit situation or in court, those OEM procedures (and whether or not you followed them) are going to get brought up. The repairer is always the one 100-percent responsible for the continued safety of the repaired vehicle.

- Jordan Hendler

Larry Montanez, CDA is co-owner of P&L Consultants with Peter Pratti Jr. P&L Consultants works with collision repair shops on estimating, production and proper repair procedures. P&L conducts repair workshops on MIG & Resistance Welding, Measuring for Estimating and Advanced Estimating Skills. P&L also conducts investigations for insurers and repair shops for improper repairs, collision reparability and estimating issues. P&L can be reached by contacting Larry at (718) 891-4018 (office), (917) 860-3588 (cell), (718) 646-2733 (fax) or via email at info@PnLEstimolgy.com. The P&L website is www.PnLEstimology.com.

Jeff Lange, PE is president of Lange Technical Services, Ltd. of Deer Park, New York. (www.LangeTech.net). Jeff is a Licensed New York State Professional Engineer who specializes in investigating vehicle and component failures. Lange Technical Services, Ltd. is an investigative engineering firm performing forensic vehicle examinations and analysis for accident reconstruction, products liability and insurance issues. Jeff can be reached at (631) 667-6128 or by email at Jeff.Lange@LangeTech.net.

WHOLESALE PARTS



SAFFORD FIAT OF TYSONS



- ✓ Same-Day Parts Delivery
- ✓ Area's Largest Selection of Fiat Parts
- ✓ Competitive Pricing

8448 Leesburg Pike, Vienna, Virginia 22182

SAFFORDOFTYSONS.COM • 571-421-8245

RADLEY — Acura

DELIVERS MEMORABLE EXPERIENCES

**DIRECT WHOLESALE
PARTS LINE
800-550-5035**



**WE'VE MADE A
STRONG COMMITMENT
TO YOU, OUR VALUED
CUSTOMER.**

**WE'D LIKE AN
OPPORTUNITY TO
EARN YOUR
BUSINESS.**

- We increased our discount structure to make YOU more profitable;
- Started a new, quick and hassle-free return policy;
- Expanded to eight trucks to serve YOU faster!

1 in region in ACURA wholesale parts sales!

• Associate member of WMABA • Macro approved dealer • OE Connection approved dealer



PARTS DIRECT: (703) 824-5785 • FAX ORDERS: (703) 379-7238
5823 Columbia Pike, Bailey's Crossroads, VA 22041



VA DLR