



TECHNICAL FEATURE

Nuts and bolts, tips and tricks from our resident industry experts.

BY LARRY MONTANEZ III, CDA
& JEFF LANGE, PE

DIGITAL ESTIMATES?

In this digital, social and advanced media age, a time when everyone owns a mobile device that can take photos similar to those taken by expensive DSLR cameras, it is no surprise that somebody would try to use this technology to save money and time. Maybe you have heard about insurance companies attempting to have insureds (and/or claimants) take photos of their vehicle damage using a mobile app? These photographs are submitted to the insurance company so they can then write an estimate and send out a check immediately. It sounds so good, I almost can't wait to get into an accident just to try it out!

Unfortunately, this could be problematic and also quite dangerous. Most collision-damaged vehicles are not safe to drive, though they may be "drivable." In this article, we will look into the issues with digital estimates and why this concept is flawed.

A few years ago, we saw multiple online bidding sites for estimating damage repair. That process was eventually proven to be a disaster. Vehicles were severely underwritten, mostly due to hidden damage. Let's look at the issues of using a digital estimating app.

Pictures do not always represent damage accurately.

Depending on who is taking the photos, their skill level and even the type of camera he or she is using can affect the quality of the photos and what is being depicted in those photos. Photos often do not accurately reflect the extent of damage; they can underrepresent the severity of dents and scratches, while some dents cannot be clearly seen. Based on the photos, an insurance company desk reviewer may interpret that a deformity can be removed using paintless dent repair techniques, or under/overestimate the amount of time to use dent-removal techniques - when, in fact, the panel may not be repairable due to the type of substrate. A scratch that appears like it could be buffed out may actually be too deep and require refinishing or may not even be seen in the photos at all. Additionally, without disassembly (which no consumer is going to attempt), no photograph will show hidden damage unless someone has an X-ray app.

Another issue is that photos cannot accurately determine if a vehicle is safe to drive. As many of us know, there is often structural misalignment, suspension damage and deformed structural components that cannot be seen without disassembly and/or measuring. Operating the vehicle in this condition could put the vehicle operator, passenger and other vehicle on the roadway in a dangerous situation. We should also mention that many times, a bumper fascia (cover), bumper reinforcement and front uni-rail can become damaged, but



the fascia could show little to no damage, as the ductile part may have returned to its original shape. Another issue would be operating the vehicle with an airbag lamp on, indicating a problem with the system.

Many vehicles will set a Malfunction Indicator Lamp (MIL) for the Supplement Restraint System (SRS) just because the vehicle was involved in a collision event and now the passenger Occupant Weight System/Occupant Presence System requires reweighing and sensitivity testing. Otherwise, the passenger airbag may not deploy when intended or may deploy when *not* intended.

Delays in repair time

If the initial repair estimate from the insurance company is incomplete, a second estimate or supplemental estimate will have to be written once the additional damage is discovered. In some cases, this will require an adjuster from the insurance company to come out and review the supplement (as they cannot approve anything). This will add considerable time to the collision repair and extend the original rental. Conversely, if the vehicle went to a professional, well-trained repair facility with an educated, trained damage assessor, the vehicle can be inspected, triaged, blueprinted and pre-measured. After this, a thorough and complete final invoice could be generated. This will result in lower overall repair time and rental times and ultimately eliminate expensive supplements. This in turn would also reduce the cycle time and return the vehicle to the consumer faster.

So who is gaining an advantage in this process by saving time and money? The consumer, you...or the insurance company?

Well, consumers sometimes believe whatever they hear. Do regulations support complete truth in advertising? Unfortunately, no. Until a claim is issued, they can say whatever sounds good on television and in print advertisement. Once in the hands of claims personnel, however, things can change. By using a photo estimating app, the insurance companies are relying on many people to just

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keep the money and never repair their vehicle, on some shops that will do the repairs for whatever price they pay and/or counting on the consumer not believing the repair facility when the shop says it needs a supplement.

Look at it this way: The insurance company saves time and money using a repair estimate app because they don't have to pay an adjuster to come out and look at your vehicle. If you (or the consumer) accept their estimate and choose not to repair the vehicle, they will avoid having to pay for any hidden or additional damage. If you do choose to repair your vehicle and there is hidden or forgotten damage, then there will be a supplement, which will cause a delay in the repair process. So where is your advantage? Your best interests are served by getting your car properly restored to its pre-loss condition by a professional repair facility.

Now, I'm not saying that these collision repair estimate apps have no value. If you are involved in a collision event, they could be used to take on-scene photos of the vehicle(s) involved. We would recommend the following steps for using such an app:

1. If you are involved in a collision event, ensure everyone is uninjured and you are safe.
2. If anyone is injured, call 911 for an ambulance; if not, call the police department.
3. Use your app to take photos of the involved vehicle(s).
4. After your vehicle is taken to a repair facility and you are calling in to report the claim, tell the claims handler that you have scene photos.

We hope this article has helped the industry to better understand the changes in – and, in some cases, the dangers of – collision estimating photo apps. Feel free to contact us if you have any questions. **H&D**

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 repairability 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 larrygoju@aol.com. The P&L website is www.PnLEstimology.com.

Jeff Lange, PE is president of Lange Technical Services, Ltd. of Deer Park, NY (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.

Executive Director's Thoughts

Consumer education on this type of claims process is key. An informed consumer, or someone without complete trust of the insurance claim process, will get a second opinion. That second opinion is the collision repair professional who would know exactly what it takes to repair the vehicle properly and safely. Settling a claim without another opinion is what the insurance company banks on. - Jordan Hendler



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P&L'S MISSION Our training programs will assist the collision and insurance industries to work together during all stages of a physical damage claim in a spirit of fairness, intelligence, cooperation and accuracy. This helps to ultimately serve both parties' mutual customer - the vehicle owner - with fast, safe, pre-loss condition repairs that are fiscally reasonable and industry-accepted.

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Phone: 718.891.4018

Cell: 917.860.3588

E-mail: larrygoju@aol.com

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