

FOR IMMEDIATE RELEASE: September 8, 2015

FOR MORE INFORMATION: John Yoswick, jyoswick@spiritone.com, (503) 335-0393

## New survey results show 'who pays for what' in terms of frame/mechanical procedures

Just under 61 percent of shops surveyed said they are paid "always" or "most of the time" for removing coatings from pinchwelds prior to mounting the vehicle on a frame machine when it is required for the repair.

But industry trainer and consultant Mike Anderson said that percentage, from the latest "Who Pays for What?" survey results available now, isn't high enough.

"In my opinion, that 61 percent should be 100 percent," said Anderson, president of Collision Advice and creator of the survey.

Anderson noted that some automakers do not approve mounting or anchoring in the pinchweld area at all, and said shops should always follow manufacturers recommendations. But when mounting using the pinchwelds, he said, removal of the coatings is a must.

"I have not found any vehicle manufacturer or any frame equipment company that says it's okay to secure a fixture clamp to pinchwelds without first removing all undercoating and seam sealer," he said. "If this isn't done, it increases the likelihood that the vehicle can slip when you are pulling it, causing further damage or adversely impacting the accuracy of the measurements. So those coatings need to be removed in order to perform a proper and safe repair."

The pinchweld information is just one of hundreds of findings revealed in the second quarterly "Who Pays For What?" survey report <u>available here</u> (<a href="http://www.collisionadvice.com/survey">http://www.collisionadvice.com/survey</a>). This latest survey examines how often shops

are charging – and being paid – for 20 different "not-included" repair procedures related to structural/frame and mechanical operations. (The first survey focused on refinish-related "not-included" operations.) Nearly 700 shops responded to the national survey.

The survey also found that State Farm and USAA appear to understand the need for removing coatings from pinchwelds better than other insurers; more than 80 percent of their DRP shops report being paid "always" or "most of the time" to perform the procedure, compared to less than 55 percent of Progressive and Geico DRP shops.

DRP	Always	Most of the time	Some of the time	Never	Never asked	Total Responses
Allstate	52.5%	11.5%	19.7%	16.4%	23.8%	80
Farmers	47.5%	25.4%	20.3%	6.8%	23.4%	77
Geico	39.5%	13.2%	23.7%	23.7%	19.1%	47
Liberty Mutual	46.6%	17.8%	23.3%	12.3%	23.2%	95
Nationwide	47.6%	23.8%	15.9%	12.7%	17.1%	76
Progressive	35.0%	20.0%	20.0%	25.0%	25.0%	80
State Farm	61.4%	20.0%	11.7%	6.9%	19.0%	179
USAA	59.1%	27.3%	6.8%	6.8%	21.4%	112
Non-DRP						
Allstate	34.0%	24.1%	26.6%	15.2%	19.7%	351
Farmers	32.6%	22.3%	25.4%	19.7%	23.7%	346
Geico	32.2%	25.9%	26.2%	15.6%	21.6%	384
Liberty Mutual	34.3%	25.2%	26.0%	14.5%	22.7%	313
Nationwide	35.0%	21.4%	27.4%	16.2%	26.9%	320
Progressive	33.7%	22.3%	28.4%	15.6%	20.1%	353
State Farm	41.0%	28.8%	21.2%	9.0%	16.9%	255
USAA	31.8%	25.1%	31.4%	11.7%	23.4%	312

Remove coatings from pinch-welds, and repair after clamp removal

"I would encourage anyone who is not being paid for this to research it through the OEMs, I-CAR or any frame equipment companies to ask if it is okay to mount a fixture clamp over a pinchweld covered with undercoating or seam sealer," Anderson said. "They will find that the answer is a clear, 'No.' Shops need to understand that their technicians must be doing this."

Anderson said the quarterly surveys help raise awareness of not-included items and operations that shops may be doing but not itemizing on estimates.

"The surveys will help shops understand what these operations are, and whether other shops seek and receive compensation for them – or if they truly are 'the only one,'" Anderson said

The 51-page report of the second survey findings on frame and mechanical operations is now available by <u>clicking here</u> (<u>http://www.collisionadvice.com/survey</u>). Also available

is a 62-page report on the first survey results released earlier this year for refinish-related not-included procedures.

Shops can also visit that website to sign up to take the next quarterly survey, which opens in October.

Collision Advice (<a href="www.CollisionAdvice.com">www.CollisionAdvice.com</a>) is an independent training and consulting firm featuring some of the most respected and experienced experts in the collision repair industry. Mike Anderson and his team offer real-world, cutting edge training and guidance both in the classroom and one-on-one in the shop.

###