October 18, 2017

**For Immediate Release**

To: Collision Repair Industry

From: Gregory Coccaro, Jr.,

 North State Custom

 Bedford Hills, NY

**Re: Mercedes-Benz Dealership Repair Practices**

Today, Gregory Coccaro, Jr., and North State Custom in Bedford Hills, New York filed a lawsuit in New York State Supreme Court against Mercedes-Benz USA and Celebrity Auto of Westchester, LLC, a subsidiary of the Celebrity Auto Group of New Jersey which could have a significant impact on the collision repair industry and the manner in which dealerships attempt to intervene in and control the collision repair process.

The 73 page Complaint alleges that the Mercedes Benz Dealership owned and operated by Celebrity conspired to demand “kick-backs” and other concessions from North State in exchange for re-certifying North State as a Certified Mercedes-Benz Collision Repair Facility. The Complaint alleges that Mercedes-Benz USA failed to re-certify North State based solely upon Celebrity’s request for and after being advised of Celebrity’s demand for “kick-backs” and other concessions.

North State’s owners Gregory Coccaro Jr., and Frank Masella, allege that following a routine re-certification audit by Mercedes-Benz in which North State received a favorable review, they were told by Celebrity as the sponsoring Dealership that unless North State allowed Celebrity to hold itself out as the repairer of its customers vehicles, agreed to allow the Celebrity to set the manner and price of the repair and paid a set percentage of its labor costs to Celebrity as a “kick back”, Celebrity would withhold its sponsorship of North State in the Mercedes-Benz Certification Program.

According to Mr. Coccaro and the lawsuit, the dealership’s demands constitute serious violations of New York State’s Repair Regulations which require that only a licensed collision repair facility may negotiate a repair price with an insurance company and only a licensed collision repair facility may sign the State mandated Certification of Repair which validates the repair for the consumer.

North State and its legal counsel believe that the defendant’s actions constitute interference with contract and violations of the business laws of the State of New York and are seeking damages in the millions of dollars. The lawsuit is a case of first impression in New York and will likely have ramifications throughout the industry as it moves forward.

North State is being represented by Robert Strassberg, Esq., in New York City and Anthony J. Mamo, Jr., Esq., of Sleepy Hollow, New York.