



Parts and Materials
Committee

Montreal, October 2004

Parts Committee Mandate

- To be an ongoing voice for the Parts component of the professional collision repair business.
- To present a **balanced** message on all issues to all industry stakeholders.

CCIF Aftermarket Parts Committee

Victor Pasnyk - Allstate

Merv Hefferman – Quinte Bumper and Fender

Colleen McKenzie – Automotive Retailers
Association of British Columbia

Sharon Wells- General Manager – Collision Clinic – St. Johns, NL

Dana Alexander – Dana’s Collision Center NB

John Antonioni – ADP Claims Solution Group

Larry Jefferies- CARSTAR Canada

Roy Boyle – AXA Insurance

Julio Bruno – Glenn Merritt Collision – St. Catherines, Ont

Brian Kelleher – Mitchell International

Phillipe Fugere – Le Cavalier

Ed MacDonald - Maritime Auto Salvage

CCIF Parts Committee

Background 2000 to 2004

- 1. Best Practices Guidelines for Estimating the Body Material Costs developed and distributed
- 2. Aftermarket Parts
- 3. Shared information on activity on Direct Parts issues from other countries and possible impact in Canada
- 4. Look beyond Aftermarket parts – OE & recycled – improve understanding of opportunities and challenges within these segments

CCIF Parts Committee

Background 2000 to 2004

- 5. Focus on recycled parts – influence current situation – conduct parts review in Moncton – demonstrated opportunities for consistency at all levels of procurement.
- 6. Organized the Recyclers Forum – “bring all stakeholders together” – Hamilton – objective-key objectives set.

CCIF Parts Committee Background 2000 to 2004

- 6. Halifax – brought together the information providers to the Recyclers....shared thoughts and ideas

CCIF Parts Committee Recyclers Forum

There is growing energy and interest in ensuring we understand all the facts and challenges in relation to all aspects of the purchase, use, and distribution of recycled parts in Canada. The perception of and usage of recycled parts varies across Canada today. One thing is clear. Both insurers and collision repairers need them.

The mission the committee has accepted is to make a difference in what you get, help you understand why things are as they are, and what we can do about it.

CCIF Parts Committee Recyclers Forum

Key areas of focus

1. Increased use of automated systems between partners.
2. Usage of original data (appraisal & photos)
3. Standardization of parts condition
4. Returned Parts
5. Value for all stakeholders.
6. Provincial regulations (things we can't easily impact)

CCIF Parts Committee

Recycled Parts

Today's agenda:

1. Present the facts of the e-survey conducted over the last 60 days.
2. Provide a preliminary overview of those results.
3. Next steps

Survey Results

Respondent Information / Renseignements Personnels

Collision Repairer / Carrossier	124	48%
Insurance Company / Assureur	29	11%
Recycler / Recycleur	58	22%
Information Provider / Fournisseur de donnees	15	6%
Industry Supplier / Fournisseur	17	7%
Other / Autre(s) (specifiez)	17	7%
Total	260	100%

Recycler Questions / Questions Recycleurs

	<u>Yes</u>	<u>No</u>
Do you inventory your parts using ARA standards? / Accomplissez-vous votre inventaire ... l'aide des standards ARA?	27	18
Do you agree with a common Best Practices guide for all recyclers to follow? / Seriez-vous d'accord pour que les recycleurs adoptent l'utilisation d'un guide des standards ARA?	43	2
Do you feel the current ARA Standards meet the needs of all stakeholders? / Pensez-vous que les standards ARA actuels comblent les besoins de toutes les parties prenantes?	30	11

Recycler Questions

What factors would influence you to adopt an industry approved Best Practices?

Increased cooperation amongst participants and the potential to increase business

One that would incorporate service, quality (A, B and C), one that would have enough teeth to have an impact on a recycler who chooses to ignore the best practices guidelines (a watch dog / recycler police).

recommendation by the industry

A MAJORITY OF RECYCLERS TO ADOPT AS WELL

Anything that helps all stakeholders to better understand each other needs to be adopted.

Feedback from the repair industry that it would be useful to them. Standards need to be meaningful and consistent
simple - non-redundant - efficient

A COMPUTER PROGRAM ON A LAPTOP SUITED FOR USE OUTSIDE WITH A TOUCH SCREEN THAT YOU SIMPLY TOUCH & IDENTIFY THE DAMAGE TO SPEED UP THE INVENTORY PROCESS.

That all insurance companies permit all suppliers to meet these standards and supply product to the industry

Ease of use. Universal commonality

standardization of all environmental laws to all recycling companies new and existing

Recycler Questions

What factors would influence you to adopt an industry approved Best Practices?

Potential to increase business

Sufficiently empowered compliance watchdog

Recommendation by the industry

Adoption by a majority of recyclers - Increased cooperation amongst participants

Ease of Use - simple - non-redundant – efficient

Appropriate technology tools

That all insurance companies permit all suppliers to meet these standards and supply product to the industry

Standard are meaningful, consistent and universal

Standardization of all environmental laws to all recyclers

General Questions

	<u>Yes</u>	<u>No</u>	<u>Not Applicable or Don't Know</u>
Are you aware of current Automotive Recyclers Association (ARA) standards which provide detailed parts descriptions? / Connaissez-vous les standards actuels de l'Automotive Recyclers Association (ARA) qui incluent la description d,taille des piŠces?	120	74	0
When searching for or purchasing recycled parts, does the recycler you most often use subscribe to the ARA standards? / Lorsque vous cherchez ou achetez une piŠce recycl,e, utilisez-vous plus fr,qument les services d'un fournisseur qui se conforme aux s	75	66	41
Do you feel that utilizing Best Practices, such as ARA Standards, would improve the quality of parts available to all collision industry stakeholders? / Croyez-vous que le suivi d'un guide de standards, (ex. : les standards ARA), pourrait am,liorer la qua	156	8	28
Current standards defined by the ARA describe, cut lines, damage description, location of damages and minimum part inclusions. Would you change your purchasing decision based on a facility that subscribes to ARA Standards versus a facility that does not?	128	31	29

General Questions

Which of the following items is most important to you when selecting a recycled part? (please rank the priority of all items, with 1 being the most important) / Quelle est l'importance des facteurs suivants dans votre choix d'une pièce recyclée? (Veuillez	
the condition of the part / Coût de la pièce	most important
the description matches the part upon delivery / État de la pièce	
the delivery time of the part / Délai de livraison de la pièce	
cost of the part / À sa réception, conformité de la pièce ... sa description	
service provided by the recycler / Connaissance de la provenance de la pièce	
ease of ordering parts / Garantie de la pièce	
part guarantee / Disponibilité d'une photo	
knowing where the part is coming from / Service fourni par le centre de recyclage	
photo availability / Facilité de commande des pièces	least important

General Questions

My preferred choice of information on Best Practices is / Parmi les choix suivants, ma source d'information favorite portant sur les standards :	
CCiF Web Site / Le site Web du CCiF	38
Recyclers Web Site / Le site Web des centres de recyclage	28
I-CAR	42
Information Providers / Les fournisseurs d'information (FI)	27
Don't Know / Je ne sais pas	64
Other / Autre(s) (sp,cifiez)	17

General Questions

What should a Best Practices Guide include / Selon vous, qu'est-ce qu'un guide des standards devrait inclure (cochez tous les choix pertinents)?:	# of times chosen
Part damage description / Description des dommages aux piŠces	171
Damage Location / Emplacement des dommages	150
Damage repair time / D,lai de r,paration des dommages	130
Vehicle year(s) / Age des v,hicules	149
Guarantee / Garantie	122
Delivery Time / D,lai de livraison	144
Grading (e.g. Insurance Quality) / Őchelle d',valuation (ex. : assurance qualit,)	131
Location of Part / Emplacement de la piŠce	80
Cut Lines / Types de coupe	115
Minimum inclusions / PiŠces incluses dans l'assembl,	70
Condition of attachments / Condition de l'assembl,	84
Colour of part(s) / Couleur de la / des piŠce(s)	36
Return policy / Couleur de la / des piŠce(s)	68
Hold time / D,lai d'attente	27
Other / Autre (s)	1