
Purpose of ACRA: To have a more profitable and better managed collision repair business through education.



Arkansas Collision Repair Association

April 2011

MARCH MEETING

ELECTION: Election of ACRA Officers for 2011 was held at the March meeting. Larry Golden of Little Rock was elected President. Phil Plyler of Little Rock was elected Vice President and Adam Reiter of Hot Springs was re-elected as Treasurer. Members at Large are C.J. Bell of Des Arc, C. J. Huber of Pine Bluff, and Jody Gatchell of Conway.

EDUCATIONAL PROGRAM: The March Educational Program was presented by Robert O'Neal of Martin Senior. Robert was accompanied by Eric Higgins, General Manager of the Forbing Road NAPA Warehouse and Chris Reider, District Sales Manager for NAPA.

Mr. O'Neal addressed the CynCast program, which is a data based business that has joined with NAPA. The program is free and deals with crash hard parts only [i.e. radiators]. CynCast has developed a solution designed to provide a shop user with real time NAPA parts availability through email. Quote responses can include one quoted part for each part listed on the Estimate. CynCast will generate the Quote emails once a Price Availability Response is received from NAPA. From the email, a user can click on the hyperlink that will guide them to the Ordering page.

One the data pump as been installed at your facility, and your company has been properly configured with CynCast, generating an automated quote is as easy as exporting EMS files from your estimating system. Exporting the EMS files varies from estimating system to estimating system. CCC Pathways exports estimates whenever the claim status reaches a configured "extract point". Typical extract point include saving the initial estimate, and locking the estimate. A user can also manually EMS extract an estimate by right clicking on the estimate from the list, and selecting "EMS Extract". Mitchell Ultramate exports EMS files every time the estimate is saved. ADP exports estimates whenever the claim status reaches a configured "extract point". Typical extract points include saving the initial estimate and locking the estimate. A user can also manually EMS extract an estimate by selecting the file from the estimate list, and selecting "Export files" from the File Menu.

The estimating system numbers and CynCast numbers are cross-referenced and an email is generated in about 30 seconds that gives the

price of each item and the local availability at your local NAPA store. If a part is not immediately available at the local NAPA store, the email will tell you how long it will take to get that part to your local NAPA store or to your shop.

The program will show both remanufactured parts and new parts for the same item. Also, we all know manufactures of automobiles often change parts during production. Isn't it frustrating to order a part for a 2010 'Whatever' and get the wrong part because there was a change in design – and you car is the 'new-and-improved-version'? With the CynCast program you can use the VIN and CynCast will check for specific parts for that car.

One of the questions asked after the presentation concerned how the shop account/terminal was to be configured. This program can be set up so that each estimator in a shop can get their own estimate/quote OR set up on a Shop Manager system. If the estimator is authorized to make purchases then the individual estimator system may be best for your shop. However, if you micromanage and all purchases have to be authorized by a single manager, then the Shop Manager program will be best for your shop.

I'm certain everyone reading this newsletter is familiar with National Auto Parts Association or NAPA as it is more commonly called. It was started in 1925 and is nationwide. That means if a NAPA radiator you put on in Arkansas spring a leak in California next week, it is covered by a NAPA store in California. This is a BIG advantage to individual body shops here in Arkansas. Also, the majority of the NAPA stores are individually owned. You are not usually dealing with a 'corporate giant', but a guy who live in or close to your town who is the OWNER of the NAPA store.

Robert O'Neal can be reached at Robert.F.ONeal@sherwin.com or by phone at 501-204-9015. Eric Higgins can be reached at eric_higgins@genpt.com or 501-562-8695 and Chris Reider can be reached at christopher_reider@genpt.com or 501-941-9797.

OTHER: It was a pleasure to have Rick Simons, owner of Rick's Auto Body & Paint of Gravel Ridge, Arkansas and his technicians visit the March ACRA meeting.

FROM JACOB STANDLEY, INSTRUCTOR, PULASKI TECHNICAL COLLEGE

The Skills USA AR. division will be having their completion in Hot Springs April 18-19-20. These are the top students in their field from across AR. competing to go to the National level. I encourage those of you that can attend the completion's on Tuesday the 19 to attend most of the categories take place from 9:00am until 3:00pm there are so many areas to watch, it's like a three ring circus. The web site link is <http://www.skillsusa-arkansas.org/>

ACRA Plans to have a presence at this competition. ACRA will also present two scholarships: \$250.00 to the overall winner of the college level collision repair winner and \$250.00 to the overall winner of the college level refinishing winner.

WELCOME NEW EDUCATOR MEMBERS

ACRA would like to welcome three new ACRA Members who joined under the new Educator Membership classification. They are Jacob Standley of Pulaski Technical College in Little Rock, James Blanchard of Metropolitan Career Technical Center in Little Rock, and Mark Wadkins of North Arkansas College in Harrison.

APRIL ACRA MEETING

The Educational Program for the April 12th meeting will be Mr. Bill Lacey, Attorney, Arkansas Insurance Department. He will give ACRA an update on bills that passed the 2011 General Assembly that affect collision repair and related services. The meeting starts at 6:00 PM with a free meal [who says there is no free lunch], followed by administrative updates and the Educational Program. The address is 13000 Interstate 30, Little Rock – in the Body Shop Department of Pulaski Technical College.

SHOW AND SHINE

The Show and Shine Car Show will be held on April 23 at Pulaski Technical College, 13000 I-30, Little Rock, AR, from 8:00 am until 4:30 pm. There will be vendors, cub scouts with 2 large Pinewood Derby tracks, a Bake Sale, Model Competition, and more. There will be tours of the Transportation Technology Classrooms and Work Areas. If you have not yet seen the new Body Shop Department you owe it to yourself to see this state-of-the-art shop.

THE RISE OF GENERATION C *(an editorial observation)*

I read an article titled “How to prepare for the Connected Generation’s transformation of the consumer and business landscape” by Roman Friedrich, Michael Peterson, and Alex Koster. It was a fictional story written in 2010 about 20 year old Colin in the year 2020. Colin is a member of Generation C [for Connected]. It talked about his PPD [Primary Digital Device] with which he is connected to almost everyone in the world. His father and mother live in different cities. He attends class in his London apartment via his PPD and takes his examinations on his PPD. Colin grew up under the influence of Harry Potter, Barack Obama, and iEverything.

The story tells of his attempt to surprise his mother by dropping in unannounced on her birthday and how it was foiled because the GPS portion of his PPD alerted his mother’s PPD that he was nearby. [remember the ACRA article about the digital photos you post and embedded GPS]. It tells of twitter, facebook, itunes, google, and YouTube. It tells of the whole world becoming smaller due to Colin’s ability to be connected and the changes in the world due to communication.

It occurred to me that the future is here, NOW. In late 2010 a fruit vender in Tunisia had his scales confiscated by a woman who was a municipal official because he had not paid a tax. His scale cost about \$100 and he made about \$10 a day selling fruits and other things from a cart on the streets. How do I know this you ask – the internet – you can get news articles you local and national news serves do not publish. To protest a tax and governmental control he felt unfair he purchased a can of gasoline, went to the City Hall, and set himself on fire. He lived several days and died in December of 2010.

The Tunisian Facebook, twitter, and other social networks spread the word and the rest is history. Other citizens felt their government was suppressing them and Tunisia fell. But wait, there’s more. The kids in Egypt also had computers. Egypt fell. Libya is under civil war at

the writing of this article – which will be published and sent by ‘snail mail’. [Did the No-Fly Zone come to pass?] People all over the middle east are raising questions – about government, religion, economic, and everything else.

I went to a memorial service for a family member last weekend and the contrast jumped at me. I have two cousins born in the 1950’s, as was I. I had grown up with these girls but not seen either in about 9 years. Cherie is a couple of years older than I am. She does not have a computer and I have to write her with pen and paper. She reads the paper and listens to the news. She is very ‘old school’. Camille is a couple of years younger than me and is Generation C. Her husband was an automotive engineer in Detroit – but now works as an automotive engineer in China. Camille speaks a little Chinese and stays connected via the internet. She says China has always been restrictive on information exchanged on the internet, but they have really restricted the internet since the Tunisia Revolution. Their kids are really computer savvy. Too much information could lead to a new form of government for China.

So how does this relate to our body shop? If you live in a college town, ripe with inexperience and over-confident young drivers, you can bet they are connected. If their parents [old school] have them bring the car back to the hometown for repairs the shop that get the job will do so based on past performance and word-of-mouth. If the student [new school] has the car repaired how do you think they will select a body shop? Do you have a web page? Even word-of-mouth will most likely be digital in new school. Do you twitter? Does your web page let this student view photos and read a description of the work done on their car at the end of each day? How many friends do you have on Facebook? The average 65-year-old currently spends just two to three hours online in a typical week. The average 16- to 24-year-old currently spends more than 13 hours online weekly.

"The Rise of Generation C" continued from page 2

While visiting body shops last summer I stopped at the last body shop in a Southeast Arkansas town. The owner was the only employee and was about to retire. All other body shops in town had been gone for years. He said most of the young people move to larger towns because of the lack of opportunity. He is not worried about a web site. How do you plan to spread the word to Colin that you can repair his wrecked car? Please drop me an email and let me know, Jay Scott, jaysdjservice@aristotle.net.

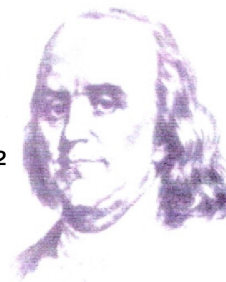
FROM AARON SCHULENGURG, SCRS:

I saw this in AutoBody News. So if the OEM paint comes at a premium cost, and you are fixing a car for say a Gecko, and they drive in with a 7 series, does that mean that your hourly paint and materials is higher, or do you just absorb the difference?

How about this...what happens when we start having to source Insurance Carrier brand paint?

"The problem with getting information from the Internet is that is often inaccurate"

**-George Washington
at Iwo Jima, March 1862**



Wednesday, 23 February 2011

CA Paint Jobber NDI Sues BMW North America After the Automaker Implemented its own BMW Paint Line

Nicolosi Distributing Inc. (NDI), a paint jobber in the San Francisco bay area, filed a lawsuit against BMW of North America earlier this year alleging intentional interference with a contract with a BMW-certified shop. NDI accuses BMW of North America of interfering with a contract the jobber had with a BMW-certified shop for paint supplies. The suit pertains to a contract signed between NDI and German Motor Collision Center, a BMW-certified collision center connected to the BMW of San Francisco dealership in May of 2005. The contract was a multi-year agreement that BMW of North America was aware of before German Motors Collision Center signed it.

NDI contends that "BMW intentionally interfered with NDI's contractual relationship with German Motors Collision Center... by the following conduct: BMW has decided to product its own paint line ... BMW requires auto body shops painting a BMW automobile to only use BMW paint. BMW forced German Motors Collision Center to enter into a written agreement ... which requires German Motors to use BMW paint on any BMW car painted at German Motors."

"BMW North America told German Motors that they had to buy from them under this new program, no matter what other contracts they had, or else they would lose their certification" said NDI's owner, Tony Nicolosi. German Motors Collision Center's contract with NDI stated: "All paint materials, DPC products and supplies will be purchased exclusively through Nicolosi Distributing Inc. Materials purchased by BMW of San Francisco will not be bought through any other vendor." Under this new program BMW North America does not allow any of their certified body shops or dealerships to paint BMW vehicles with any other paints, blocking jobbers across the country out of the market of selling paint supplies to these places. Nicolosi said that NDI sells DuPont paints, and the BMW paint is also made by DuPont. "A lot of jobbers across the country lost a lot of business because of this," said Nicolosi.

NDI is also accusing BMW North America of interfering with a prospective economic advantage, violation of California's Anti-Competition Act, Business and Professions Code Section 17200 and violation of Business and Professions Code Section 16727 in which a business's actions lessen competition and create a monopoly on a trade

or line of commerce. Nicolosi is asking for damages of \$75,000 for the first and second claim, exemplary damages from Federal Court, injunctive relief from the third and fourth claims, attorneys fees, other relief from the Business and Professions Code violations, court costs and other relief as judged by the court.

On February 7, 2011, BMW of North America filed a motion for judgment on the pleadings, which sought to dismiss the entire action. The Court Denied the motion in part, and granted the motion in part. US District Judge Susan Illston ruled that the intentional interference with a contract, interference with a prospective economic advantage and unfair competition complaints would go ahead to court, while the claim for an unlawful tying agreement was dismissed with leave to refile, which Nicolosi will do on February 25, according to NDI's lawyer Herman Franck.

According to Franck, NDI will amend the complaint to describe the particulars of an illegal tying arrangement whereby BMW of North America coerces body shops into purchasing BMW branded pain products by withdrawing BMW certification unless they purchase BMW branded paint products. This issue applies only to BMW automobiles, and does not apply to non-BMW automobiles. Franck went on to say that the coercion in the industry is that it is "unthinkable not to have that (BMW) certification" according to German Motors Collision Center, so the BMW certification is really tied to using BMW-certified paint. When asked about the litigation by Autobody News, BMW North America's legal representative Stephen Bledsoe said, "It is BMW's policy not to comment on any pending litigation."

The trial date is set for October 24, 2011 at 8:30 a.m. Nicolosi is expecting other jobbers who feel they have lost business because of this program to come forward and join the lawsuit.

Nicolosi Distributing Inc.

San Jose location: (408) 573-7146 (408) 573-7146
San Carlos location: (650) 413-0150 (650) 413-0150
Email: NicolosiCo@aol.com

Stephen Bledsoe- representing BMW
(816) 561-7007 (816) 561-7007

2011 EDUCATIONAL PROGRAMS:

January 11, 2011 cancelled due to SNOW!!
February 8, 2011 Ken Leslie on academic and practitioner interaction
March 8, 2011 Robert O'Neal of Martin Senior on Hard Parts
April 12, 2011 Pending Legislative Update
May 10, 2011 Pending
June 2011 I-CAR Class
December 2011 There will be no meeting.

ACRA meets the second Tuesday of each month [EXCEPT DECEMBER] at 6:00 PM at the new Pulaski Technical College campus, 13,000 Interstate 30, Little Rock, Arkansas. The meeting is an open meeting with meal served at 6:00 PM and Educational Program immediately following. If there is a program or topic that you would like presented as an ACRA Educational Program please contact Jay Scott at (501) 351-0171.

ACRA OFFICERS

President Larry Golden, Little Rock
larry@goldencollisioncenter.com
Vice President Phil Plyler, Little Rock
rivercityauto@sbcglrbal.net
Treasurer Adam Reiter, Hot Springs
adamreiter@cablelynx.com
Members at Large: C.J. Bell, Des Arc
carbell@centurytel.net Jody Gatchell, Conway
jody@ajcollisionrepair.com
C.J. Huber, Pine Bluff

ACRA Sponsors:

ALLDATA  **CollisionConnect**SM



PREFERRED AUTO
& TRUCK PARTS

CALL PREFERRED
AT 401-327-7024

2011 ACRA MEMBERSHIP DUES

2011 ACRA Membership Fee is DUE NOW. Please support your Collision Repair Association by mailing you Membership Fee of \$150.00 to ACRA, 109 Airway Drive, Hot Springs, AR 71913.

Name of Collision Repair Member: _____

Address: _____

Office Telephone: _____

FAX Telephone: _____

Web Site: _____

E-mail Address: _____

ACRA
109 Airway Drive
Hot Springs, AR 71913