

ABAC NEWS

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The Official Newsletter of the Auto Body Association of Connecticut

Team ABAC Creates Tremendous Resolve at State Capital

A group of 30+ ABAC members, shop owners, their employees and supporters met in the Legislative Office Building at the CT. State Capital to show their opposition for **CT H.B. 5729** which was introduced by the **Insurance and Real Estate Committee** on Tuesday, March 14, 2006.

Shop owners sacrificed their valuable time (not to mention potential lost revenue for their business) to attend this important hearing. Please, let's keep in mind that these professional men and women are not doing this for their own personal reasons. Rather, they are doing this to better the future of the Collision Repair Industry. Remember, **YOU** benefit from the sacrifices of these people. Involvement from all members is critical and we stress **CRITICAL** for the future success of **YOUR** industry.

We gathered outside the doors of the hearing room to make sure we all had our ABAC nameplates to show our unison support. We waited most of the day as this Bill was conveniently placed near the end of the day's hearings on all Bills. We ended up being the last Bill to be heard for the day but it didn't matter, **no one from our group was discouraged and it only solidified our resolve.** We heard much testimony on many of the Bills being heard that day which proved to be somewhat interesting.

Once it was our time to be heard the list of speakers was as follows:

- **Bill Denya** from Denya's Auto Body. Bill expressed his views on the wording of the House Bill concerning licensed appraisers and his opposition.
- **Tony Lombardozzi** of the Coalition for Collision Repair Excellence (CCRE) who expressed his views and opposition

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- **Erica Eversman**, Chief Counsel for Vehicle Information Services who said that employing an Insurance Department Licensed Appraiser would be very problematic when thinking that a claim would be negotiated fairly.
- **Mike Walsh** from T&J Auto Body who suggested having accountants and/or economists look into these issues
- **Vin DiLauro** from Columbus Auto Body who said that he, as a shop owner, represents the owner of the vehicle. This House Bill changes that by a directive that makes his shop work for the insurance company.

At this point in the hearing Representative Stephen Dargan stated that he was openly opposed to this House Bill and was greeted by quite an ovation. (Representative O'Connor claimed that the ovation was probably the first of that magnitude ever heard in a hearing!)

- **Susan Jacalone** and **Bob Kenman** from the IAC (**the opposition!**) gave their opinions on the IAC's support of the House Bill. Jacalone's body language made it quite evident that the testimony heard thus far against the House Bill was having an effect. She seemed very animated and at times several supporters noticed her hands shaking.
- **Christina Baldwin** from PCI of America (more opposition!) voiced her support of the House Bill
- ABAC President **Tom Bivona** joined **Michael London** from London & Associates in giving the final testimony of the day.

Representative O'Connor then thanked everyone for his or her testimony and closed the meeting for the day.

Thanks to the efforts of all those involved, House Bill 5729 has been withdrawn.

Next time you ask the question, "What has the ABAC done for me?" please remember that **you, as an ABAC member, have a hand in answering that question.** As an **INVOLVED** member you can offer your valued input to help obtain the desired results. **If you do NOTHING then you have no right to complain!**

Help make the changes that affect YOUR business.

SPEAK UP!

GET INVOLVED!





A Message from ABAC President Tom Bivona

What is the ABAC doing for you? This question is asked frequently by members who may not have attended quarterly meetings or did not pay attention to the numerous memos faxed and emailed throughout the year. For the benefit of all, listed below is a brief summary of the efforts, goals and perseverance to help create better success for our members.

- *ABAC members continue to receive a special discount rate when attending I-Car classes.*
- *ABAC members are offered very competitive rates on insurance plans through our allied member, Security First Insurance Group.*
- *Our officers, directors, lobbyists, and media consultant continue to work with state legislators who are receptive to our industry concerns. We continue to work toward creating positive changes both short and long term.*
- *ABAC has developed a systematic approach to creating a permanent solution (long term) to the shortage of qualified collision repair technicians coming in to our industry. This includes complete resources offered to the nine State Technical schools offering collision repair programs. This includes securing funding necessary to upgrade equipment and education technique to current specifications and standards. In addition, a creative marketing plan is already in process to encourage young men and women to enter the collision repair profession. Lobbyist Ken Przybysz, media consultant Michael London, Directors Bob Skrip, and Michael Wilkowski are working as a team to get our auto body student education programs turned in the right direction.*
- *Attorney Allan Neigher is pursuing an investigation with the D.M.V. to obtain resolutions and rulings on a key group of issues that affect our industry.*
- *The massive effort put forth to defeat House Bill 5729, which if allowed to go forward for passage, would have produced a devastating negative impact on our industry.*

These are just a few of the highlights. The total time, efforts and resources put forth on a yearly basis is more than one could imagine.

All of these efforts require a major component: \$ FUNDING \$ Guess where a major portion of that funding comes from? **THE ABAC NEWS SUPPORTING ADVERTISERS LISTED IN THIS NEWSLETTER!!!** These vendors show tremendous **FINANCIAL** support to all of us.

It is about time that we show our appreciation back to them by purchasing our products and supplies from these valuable supporting advertisers. I recommend that all of you take a hard look at who you are purchasing from and give your vendors the opportunity to become a supporting advertiser. If they refuse, then maybe it's time for you to start purchasing from a vendor who does support you! When you do purchase products from a supporting advertiser, make sure that you express your gratitude for their support. I am calling on all members to take this seriously and do the right thing.

**SUPPORT THOSE WHO SUPPORT YOU.
DON'T TALK ABOUT IT.
ACT AND GET IT DONE!**

Sincerely,
Tom Bivona

March 14th Quarterly Meeting Generates Profitable Opportunities for Members

Approximately 100 people were in attendance to benefit from efficient and profitable business ideas covering 3 different areas of the collision repair industry.

Dave Fogarty (Lorenson Auto Group, Wholesale Director) and ABAC Director Bill Romaniello (Richard Chevrolet) co-hosted the event. Bill Romaniello briefed the audience on the details and results of important activities that commenced earlier in the day regarding house bill 5729. Romaniello explained that, if this bill was allowed to go forward, every body shop owner would have a sign on his building stating, *“Once profitable body shop, now controlled by insurance industry, for sale. No reasonable offer refused.”* He was happy to announce that, based on expert planning and testimony put in place by the ABAC, house bill 5729 stood dead in its tracks. This news received a thunderous applause. Romaniello explained, however, that this was only one small victory in a long line of battles that would be fought in the future. He stressed the fact that all members need to continue to involve themselves when the outcome can be vital to their collision repair business.

Dave Fogarty then thanked the evening’s sponsors, which included **PPG, Painter’s Edge, Kent Automotive, Techzone and the Hertz Corporation**. Fogarty then introduced the directors from **Kent Automotive; Larry Rosetti and Bob Cohn**. Rosetti gave a complete overview of how, for more than 60 years, Kent Automotive has helped thousands of body shops become more profitable. Different product systems, in-shop clinics, inventory management system, product reimbursement programs and their unique charge-out invoice software were covered. It appears that Kent Automotive definitely has come to the forefront, both in support and program. Attendees learned a lot and were very interested.

The next speaker was **Dennis Beardsley from PPG**. Beardsley covered all areas of the paint and materials business industry and how it affects the collision repair owner in either a positive or negative fashion. He demonstrated the many things that shop owners are overlooking on a daily basis and broke them down into different areas. He detailed specific techniques and rules, advising that they be established in every body shop owner’s paint room. **“Initial profitability starts in the paint room,”** stated Beardsley. He next unveiled the correct way of charging out paint and materials for proper reimbursement. He gave a detailed explanation of the software program that PPG offers, which will allow body shop owners to create a specific paint and materials invoice for every job, rather than estimating a general price. **This system is very effective, as it is a precise invoice and is accepted by insurance appraisers with very little resistance.**

The next speakers were **Bill Murphy and Doug Hansen from Techzone (Airbag and Interior Specialists)**. Murphy and Hansen gave the audience a clear depiction of the advantages that Techzone has to offer to the body shop owner. They specialize in diagnosing and clearing airbag lights at your shop. You no longer need to transport cars to the dealership. Dealer-level service is brought to you from a mobile platform of professionals. They specialize in all aspects of interior repair, and theft-related repairs. Until now, this had been a cumbersome problem for shop owners. Members in attendance were very receptive to the ideas of Techzone.

The evening’s events were concluded by a vast array of door prizes awarded to members with the lucky numbers. **However, all attendees came away as winners of profitable information!**

The CT Transfer Act – Keeping the End in Mind

(Part 2 of a 2 part series)

Robert J. Carr, P.E., LEP

In the first part of this article, I discussed what the Transfer Act is, and described some of the investigation components related to the Act. Now, we'll discuss some ways you can reduce your liabilities associated with the Act to allow a smoother transition when you decide its time to sell your business.

Recycle, Recycle, Recycle – Most shops are already doing this, but if you're not, look to have used chemicals recycled as much as possible. Whether it's an internal reuse program, or having a vendor service pick up your used chemicals or rags on an as-needed basis, it will not only answer important disposal questions during an environmental assessment, it will also save you money in material and disposal costs.

Save Relevant Documentation – Important documentation including recycling bills of lading, disposal manifests, tank removal records (and any sampling results), and facility upgrades (i.e. Floor drains, septic system removal, expansions, etc.) should be saved indefinitely. This item falls under "Don't pay for the same things twice". Having sampling results from a removed used-oil UST that occurred five years ago will prevent an environmental professional from collecting samples now to confirm the former tank area is clean. In the site assessment process, if there is no documentation, then it's unknown and further work will be required.

Conduct a Preassessment 'Audit' - Have a licensed environmental professional (LEP) conduct an assessment audit. The best time to do this is well before you decide to sell your business so tight deadlines don't become an issue and you have time to conduct any follow-up work that may be required. An audit should include a site inspection and review of internal records, and may also include review of local and state files as well. The goal of the audit is to reveal any potential environmental areas of concern, if any, that would require additional investigation (i.e. soil and groundwater sampling) with the time to conduct the investigation in a phased manner. The LEP should discuss with you the potential environmental issues raised in the audit and work with you to resolve these issues.

Address Environmental Issues in a Phased Approach – A schedule and task list should be prepared to address environmental issues revealed in the internal audit. An LEP can assist you in the preparation of the scope of work and task schedule.

For example, perhaps confirmation samples were not collected when a floor drain system and onsite septic system were removed years ago. A possible schedule can include collecting soil samples from the floor drain area in one year, and then collecting samples from the former septic system in the next year. The sampling results would indicate whether or not soil was impacted and what follow-up activities may be required. If sampling results indicated no evidence of a release, then the results would be kept in a file as proof of clean closure.

Following these tips will help prevent delays in selling your property, when the time comes, and will make it more difficult for a potential buyer to leverage a reduction in the price of your business.

Robert J. Carr, P.E., LEP is the principal of Red Hawk Consulting, LLC, a Connecticut-based environmental consulting and management firm. If you have any questions, he can be reached either by phone at 860-568-2924 or by e-mail at Rcarr@red-hawkconsulting.com.

NOTICES & BULLETINS

The ABAC would like to extend a big “welcome back” to **Painter’s Edge**, a **PPG Platinum Distributor** from Waterbury, CT. **Owner & President Jerry D’Amico** has stepped up to the plate in every way possible to support the ABAC members by renewing membership, sponsoring our March 14th Quarterly Meeting, and becoming a supporting advertiser in the ABAC News! Now that is support! We wish Jerry great business success and hope all ABAC shop owners will appreciate this type of support.

The ABAC News Supporting Advertisers Directory will be growing once again in the immediate future. We have received numerous calls from prospective vendors who are interested in becoming supporting advertisers. Hopefully the next edition of ABAC News will consist of an additional page dedicated to the addition of new vendors.

Insurance Complaints: Many members are in the process of filing insurance complaints on companies and their employees who continue to violate CT. Insurance laws. **Violations include blatant steering, possible breach of contract with an insured policy holder, diminished value, and in general severe unfair claims settlement practices too numerous to mention!** Copies of each complaint will be forwarded to numerous state agencies including the **CT. Insurance Dept., Attorney General Richard Blumenthal, Senators, Members of the House of Representatives, and even Governor Jodie Rell!** Many insurance carriers continue to break the laws with total arrogance! It is very possible that in the near future, these violators may be in for a big surprise! Stay tuned.

INDUSTRY TECH TIP

An Important Tech Tip from Honda

Install Wheel Bearings Correctly to Prevent ABS Errors

When you replace a front wheel bearing in most 2003 and up Honda vehicles including Accord, CRV, Civic, and Element, make sure you install it correctly, or the ABS light will come on. The brown dust shield for the wheel bearing also doubles as a magnetic encoder for the ABS. Before you install the wheel bearing, make sure the encoder is clean and free of metal particles, then install it so the encoder is toward the inside of the knuckle. Install the encoder carefully so you don’t damage its surface. **Failure to follow these instructions may result in the purchase of an additional wheel bearing from your Honda dealer.**

*Sincere Thanks to the following sponsors of
our March 14th Quarterly meeting
Their generous financial support helped make
this event a big success!*

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ABAC NEWS

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