



Ethical or Not Ethical, You Decide: A Survey for the Industry

Presentation by the
Ethics Committee

07/25/2007



Committee Members

Chairman

Chuck Sulkala

Acme Body and Paint

chucksulkala@msn.com

Vice Chairman

Ron Reichen

Precision Body & Paint

ronr@precisionfirst.com



Committee Members

Chris Colo

Tom Colo

Ron Enlow

George Eliades

Bill Garoutte

Keith Manich

Rick Menze

Jeanne Silver

Bob Smith

Marcy Tieger

Gary Wano

Mark Woirol

Dave Woodcock

Andy Val



Mission Statement

The mission of the Ethics Committee is to review, consider and invite analysis of common (rather than exceptional) scenarios impacting all constituents in the collision repair process, in which reasonable minds have often differed, and attempt to build consensus in order to answer the question: “Is it ethical or not?”



Approach

- The list provided by the membership was distilled and duplicates were deleted
- Scenarios that were *obviously* unethical were removed from the list
- The focus was identification of scenarios where facts, laws, and/or agreements can be, and often are, manipulated or rationalized to serve the interests of a constituent in the repair process, often time to the detriment of another constituent



Questions

Ethics Questions, answer:

- Ethical
- Unethical
- Depends on the situation
- I don't know



Ethical or unethical, you decide:

- Knowingly present an estimate without disclosing that it lacks necessary operations (underwritten estimates)?
- Knowingly underestimate cycle times?
- Infer that the vehicle owner cannot be put into a rental car until parts have been ordered?



Ethical or unethical, you decide:

- Failure to disclose to the consumer that a DRP agreement may dictate certain repair procedures that are contrary to what the manufacturer or repair professional deem necessary to perform a quality repair?
- Failure to disclose the use of alternative parts?



Ethical or unethical, you decide:

- Providing commentary either positive or negative regarding the shop choice the vehicle owner has made?
- Specify the use of a certified part and substitute a non certified part, and fail to disclose to the consumer?



Ethical or unethical, you decide:

- Knowingly charge for labor times or parts that are incorrect, but argue entitlement based on the information listed in the database?
- Infer that the vehicle owner will have to pay additional costs at their choice of shop?



Ethical or unethical, you decide:

- Refusal to honor prevailing rates and markups and demanding parts discounts?
- Charge for certain procedures even though that specific procedure is not going to be used in the repair?
- Total a vehicle that is repairable to avoid having to negotiate with a particular shop?



Ethical or unethical, you decide:

- Refusal to release a vehicle to collect additional fees, i.e. moving the vehicle to a different location, refusal to let appraiser see the vehicle etc?
- Total the vehicle using non-repair coverages as part of the total loss calculation (i.e. car rental, stereo, towing etc. for which the consumer has paid a separate premium, all end loss cost versus physical damage only cost)?



Ethical or unethical, you decide:

- Require proof of purchase (invoices) in order to issue payment for repairs?
- Convert part replacement to labor without reflecting the change in the final paperwork?
- Refusal to pay for certain materials used, or operations performed, citing company policy as the reason?



Ethical or unethical, you decide:

- Absorbing deductibles?
- Discounting deductibles?
- Allow only partial refinish and/or partial repair procedure on repair panels regardless of what the situation actually requires?



Ethical or unethical, you decide:

- Change database times or ignore p-page logic?
- Cover the cost of unpaid repairs from one operation or job to another (cost shifting)?
- Order a new part to get an invoice, use an alternative part or method of repair, and provide the new part invoice for billing purposes?



Ethical or unethical, you decide:

- Charge for a time or procedure citing “manufacturer requirement” when it isn’t?
- Adjust repair times based on a photograph?



Ethical or unethical, you decide:

Results will be tallied and presented to the body of CIC at the end of the day. Thank you for your contribution!