

CIC Cycle Time Task Force

Boston, MA
October 2003

A decorative graphic consisting of several sets of concentric circles in shades of blue, located in the bottom right quadrant of the slide.

Parts and Cycle Time

How is cycle time impacted by the usage of various categories of parts?

- OEM
- Aftermarket: Certified
- Aftermarket: Non-Certified
- Remanufactured/Reconditioned
- Salvage

OEM Parts

Ordering & Delivery:

- Fill rates of 95% - 98%
 - Same day/24 hours in many metros
 - 2nd or 3rd day when deferred to another depo
 - 1 to 5 weeks when on national back order
- Part filters by VIN available, does improve correct parts delivery
- Damage rates low due to high quality of packaging
 - 1% – 3% damage rate on metro deliveries
 - 3% - 5% damage rate on parts shipped

OEM Parts

Returns:

- Credit given w/o question/billing monthly
- Credit given on damaged parts or shop is reimbursed for repairs
- Some restocking fees on totals

Fit:

- Excellent fit, finish, weight, corrosion protection

Customer Satisfaction and Shop Satisfaction:

- 99.9%

OEM Parts

Cycle time implications...

OEM parts are:

- The most readily available;
- The most likely to be delivered accurately and without damage; and
- The most likely to fit properly.

Usage of OEM parts results in improved cycle times.

Aftermarket: Certified

Ordering & Delivery:

- Locating more difficult than OEM; requires cross-referencing of OEM numbers to find part number
- Fill rates of less than 80%
 - Next day in many metros
 - 2 to 5 days in smaller markets
 - 20% or more delivered are non-certified
- Damage rates of 10% to 20% on metro deliveries
 - lower quality packaging than OEM
 - Likely to be re-packaged, perhaps incorrectly, after another shop returns the part
- Belief that someone will buy the part if they deliver it often enough

Aftermarket: Certified

Returns:

- Policies vary by supplier and often require more effort on shop personnel than OEM returns
- Often unable to issue repair credits due to low cost of parts

Fit:

- More frequent issues with fit problems! Require initial fitting and adjusting effort is often standard practice before a part is refinished. This is not required on OEM.

Customer Satisfaction:

- 50% - 70%

Aftermarket: Certified

Cycle time implications...

Aftermarket certified parts are:

- often available;
- more likely to be delivered inaccurately (e.g., non-certified) and with damage than OEM;
- frequently have fit problems.

Cycle time is lengthened over OEM part usage due to:

- Longer delivery time for ordered part
- Relocating, reordering, and transportation of part
- Time spent to fit parts
- Initial fit and adjust and then removal of part for paint is not required on OE
- May require customer authorization signed by customer in many states

Aftermarket: Non-Certified

Ordering & Delivery:

- Locating and delivery similar to aftermarket certified parts
- Often delivered by the same suppliers of aftermarket certified parts
- Damage rates similar to aftermarket certified parts
- Could be fraud if substituted for certified
- Require written consumer approval signed in many states
- Headlights – look for DOT molded on all parts (front and rear)

Aftermarket: Non-Certified

Returns:

- Policies similar to aftermarket certified parts
- More likely to be difficult to receive credits

Fit:

- More frequent problems than aftermarket certified.

Customer Satisfaction:

- Lower than aftermarket certified.

Aftermarket: Non-Certified

Cycle time implications...

Cycle time is lengthened over aftermarket certified part usage due to:

- Increased fit difficulties
- Parts are not crash tested
- Fraud and liability issues when substituted for certified parts.

Aftermarket Note

Whether certified or non-certified parts are used, no vehicle can be repaired solely with aftermarket parts. OEM parts such as nuts, bolts, clips, hinges, decals, etc. are needed.

This requires the shop to order and receive parts from multiple vendors. This increases the workload on the shop and potentially lengthens cycle time.

Remanufactured/Reconditioned

➤ Alloy Wheels

- Ordering and Receiving
 - Some companies have exchange with next day delivery (may require core return or core charge)
 - When picked up, repaired, and returned, 3 to 5 days.
 - Order using OEM or Hollander part number
 - Damage is not a significant problem
- Finish
 - Imperfections in paint or powder coatings
 - Color may not match other wheels
- Satisfaction
 - 70% to 80%

Remanufactured/Reconditioned

➤ Headlights

- Ordering and Receiving
 - Exchanges are not readily available/some companies only sell and ship from stock.
 - Normally picked up, repaired, and returned, 3 to 5 days.
- Durability
 - Glued tabs prone to breakage when installed
 - Aiming may be difficult if tabs not positioned properly
- Satisfaction
 - Low as repairs are obvious, even to consumers

Remanufactured/Reconditioned

➤ Bumpers

- Ordering and Receiving
 - Ordered like OEM
 - Delivery or exchange is generally 1 day in metro areas.
 - When picked up, repaired, and returned, 3 to 5 days.
- Quality
 - Depending upon bumper material used by manufacturer, repairs are relatively easy or impossible.
 - Repairs may look good, but most will split when impacted in the same area.
 - Requires more prep time than OEM bumper and primer must be compatible to paint system used. Otherwise paint may peel.
- Satisfaction
 - Varied.

Remanufactured/Reconditioned

- Cycle time implications...
 - Turn around time is difficult to predict at onset
 - Quality varies and may result in cycle time delays
 - Some materials are more repair friendly
 - Disclosure should be written and signed to eliminate issues at delivery

Salvage

➤ Ordering and Receiving

- Difficult to locate because inventory systems not compatible and/or use Hollander part numbers.
- Delivery within 24 to 48 hours in metro areas.
- Recyclers may be willing to search for parts to complete an order. (some even carry after market parts)

➤ Returns

- Credits available with liberal return policies

Salvage

➤ Satisfaction

- Consumers may accept them on older vehicles
- 'Green' consumers may prefer their use

Salvage

Cycle Time Implications...

- Judgement times for repairs (**) lead to down-time for negotiations and possible returns
- Avoiding excessive build-up on refinish may require extensive stripping and multiple R&Is
- Similar parts, different makes (e.g., Taurus and Sable)
- Rust
- Color change (is labor intensive)

Contact Us

Gene Hamilton

geneh@mindspring.com

Kent Carlson

kent@collisionresourcesinc.com

Toby Chess

David Merrell

David Pickels

Tim Waldren

John McKnight

Dick Munding

Jeanne Silver

Angela Woirol