



Parts Committee Interim Report

**Washington, DC
June 10th, 2004**

Parts Committee Co-Chairs



- **Jeanne Silver**

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- **Rod Enlow**

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Your CIC Parts Committee

(Alphabetical Listing)



- **Tom Adams – OE Connection**
- **Chris Dameron – Tru2Form Collision**
- **Karen Fierst – KerenOr Consultants**
- **Bob Jones – R Jones Collision Center**
- **Herb Lieberman – LKQ Corporation**
- **Mary Lou Lubrano – CCC Information Services**
- **Spence Price – Southeast Toyota Distributors, LLC**
- **Nick Scheid – API**
- **Bob Smith – Storm Appraisal**
- **Doug Stein – Toyota Motor Sales, USA**
- **Kelly Swenson – Carty's Collision Center, President CAA**
- **James Watson – ARA**
- **Kevin Weidinger – OE Connection**



Nashville Parts Distribution Survey



Survey Review

- **Difficulties plague repairers for all part types**
- **The top issues for the four part types surveyed are:**
 - ◆ **Parts delivered damaged**
 - ◆ **Ill fitting parts**
 - ◆ **Receipt of previously rejected parts**
 - ◆ **Poor quality**
 - ◆ **Non-certified parts received in place of certified**



Survey Review

- **The surveys, taken in Nashville, represented 40 repair facilities ranging from 7,500 to 120,000 square feet**
- **70% suburban locations**
- **10% rural**
- **20% urban**



Survey Review

- Many Insurers are forcing discounts through DRP agreements
- In some cases there is a question regarding if parts discounts are legal
- If the repairer chooses to use an alternative part that costs more, they must “eat” the difference in cost
- 75% of repairers answering the survey feel that they are losing their right to choose their vendors



Survey Review

- **The ability of vendors/distributors to deliver parts ranges from poor and untimely to excellent and very timely**
- **All repairers surveyed indicated that part transport, delivery and care have a significant impact on repair cycle time**



Survey Recap and Conclusions

- **The intention of the survey was to identify issues that are becoming more problematic for repairers**
- **The initial survey identified distributors and jobbers (dealers) as critical points at which problems could be significantly reduced**



Refine and Continue Survey

- **The committee has determined the need for questions addressing issues regarding delivery accuracy and care provided by parts distributors, jobbers and dealers**
- **These questions will pertain to all issues identified by repairers in the Nashville Survey**
- **Committee will report on the results during the Las Vegas CIC meeting**



Distributor Jobber Dealer Survey

- **Will address:**
 - ◆ **Part quality**
 - ◆ **Delivery**
 - ◆ **Care**
 - ◆ **Return and credit issues**
 - ◆ **Compensation for problems or warranties**
 - ◆ **Redelivery issues**
 - ◆ **Process improvement measurements**



Parts Committee Remaining Activities for 2004

- **August Meeting – Reconditioned part findings**
 - ◆ **Remanufactured wheels - their structural integrity and potential safety issues after repair**
- **November Meeting – Panel discussion with the topic – Parts Ordering, Distribution Efficiency and the Impact on Cycle Time**



Please Allow Us to Help You by Providing Feedback

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Thank You For Your Participation!



**God Bless Our Troops and God
Bless America**