



COLLISION INDUSTRY

C O N F E R E N C E



Open Industry Data Access and Sharing Task Force

Presented by:
Co Chairs:

Mark Algie: 3M

Rick Palmer: ComputerLogic

Dan Risley: Automotive Service Association (ASA)

Task Force Participants



Greg Horn (Hartford Inc)	Frank Laviola (Paul Davis)	Jack Rozint (Mitchell Int'l)
Keith Bell (Akzo Nobel)	Tom McGarry (Axalta)	Aaron Schulenberg (SCRS)
Scott Biggs (APN)	Don Mikrut (Audatex)	Fred Iantorno (CIECA)
Dave Braun (Nexsys)	Robb Young (10 Point Complete)	Chris Andreoli (Progressive Ins)
Rob Cooper (Parts Trader)	Frank Terlep (asTech)	Rick Tuuri (CIC Past Chairman Mentor)
Dean Ricciardulli (AllData)	Mike Gilliland (Auto House)	Daniel Friedman (EHI)
Chad Sulkala (Allstate Insurance)	Bill Lopez (OE Connection)	Jim Keller (ICollision)
Bert Kollinger (Kollinger Auto Body)	John Vito (Hertz)	Steve Seissman (Vehicle Owners Guide)
Vince Romans (The Romans Group)	Jeff Schroder (Car-Part.com)	Tom Julius (Car-Part.com)
Pat Blech (OE Connection)	Aimee Getty (Nexsys)	Bernie Allen (Nexsys)



CIC Mission Statement



A forum where collision industry stakeholders come together to discuss issues, enhance understanding, find common ground and communicate possible solutions to the industry.



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Anti Trust Statement



- Present today is attorney Patrick McGuire
- Patrick volunteered his time and expertise and attended the Task Force meeting with CCC at their HQ and oversaw the CIC meeting in Chicago. THANK YOU PATRICK!

It is understood that in today's session, we will not discuss any issues, which would violate antitrust guidelines.

Avoiding violations of the antitrust laws is the responsibility and legal obligation of the business owner and those in attendance. Any discussion of current prices or discounts with a competitor should be avoided. In our industry, this includes discounts, time, hourly rates charged to insurance companies, individuals, fleet owners, dealers or other shops for repairing vehicles.

Surveys of prices, discounts and costs are permissible, but only under strict guidelines and only if they are not part of a conspiracy to fix prices or to otherwise restrain trade. Cost studies, which may lead to price-fixing or price-stabilizing agreements, violate the antitrust laws. Agreements as to whether to do business, or not to do business, with certain suppliers or other companies, violate the antitrust laws.

Remember, the prices charged must be calculated and determined by the business owner alone. These prices should take into account the cost of doing business and include allowances for reasonable profit.

AGENDA – TWO HOURS PLUS OVERTIME ?



- **5 min Task Force Update, review of position statements and agenda**
- **30 min panel “Industry BMS Solutions”**
 - **Mitchell, Solera Audatex, NuGen, Assured Performance**
- **20 min Questions from the audience**
- **10 min CCC Update and current status**
- ~~**30 min panel “What is the impact of Secure Share on 3rd part providers and their customers”**~~
 - **25 min Questions from the audience**



How Did We Get Here?



- **September 2016, CCC announces the following:**
 - They will migrate to the BMS collision repair data protocol
 - The EMS data standard will be sunset in April 2018

Task Force Position Statement



The Database Task Force supports the choice to migrate from EMS to BMS. BMS provides repairers greater control over the data being shared with their strategic partners. Moreover, the Task Force supports the continuation of the unobstructed flow of data amongst all the industry stakeholders. CIECA and other industry stakeholders have established a precedent that facilitates bi-directional data exchange in a free and open marketplace.

Any 3rd party that restricts or prevents industry stakeholders from accessing or using the data generated and permitted by the collision repair facility and industry stakeholders will adversely impact the industry. In addition, it will inhibit advancements in technology, restrict competition and adds cost into the marketplace. Technological advances should enable sophisticated, secure, and more collaborative data usage, not impede industry progress.

Task Force Vision Statement



Collision Repair businesses are entitled to have direct access to an electronic, un-encrypted copy of, and full rights to use the data generated by, and contained within, any software or cloud-based application they may elect to utilize. The data must be readily accessible by the end user and separate from the original application (e.g., estimating, parts procurement, and management systems).

The repair facility is entitled to and must have the freedom and flexibility to utilize the data as they deem appropriate; this includes but is not limited to, the ability to copy or export the data to separate servers, trading partners or online data warehousing services, without approval from a third party.

It is the responsibility of the collision repair facility, as well as any industry stakeholder that is using or managing data, to protect the privacy of and proper use of that data.

CIECA Statement



CIECA News Release

April 19, 2017

CIECA - Standards and Business Models

Pittsburgh, PA, April 19, 2017 - The Collision Industry Electronic Commerce Association (CIECA) would like to state its position based on recent industry discussions of CIECA Standards and member implementations.

In recent months CIECA has been asked to comment on the business model of one of its members. CIECA does not comment on the business model of any of its members. However, it is important to remember that the CIECA Standards and the choice of business models are two very different things.

CIECA remains committed to its mission to develop electronic communication standards that allow the collision industry to be more efficient. It is inappropriate to identify the CIECA Standards as the reason for business model changes.

For the past 23 years, CIECA has achieved exceptional success in delivering standards for the collision industry.

Quick Links

[Faces of CIECA](#)

[BMS for the Industry](#)

[Join CIECA](#)

[New: Understanding the BMS](#)

CIECA

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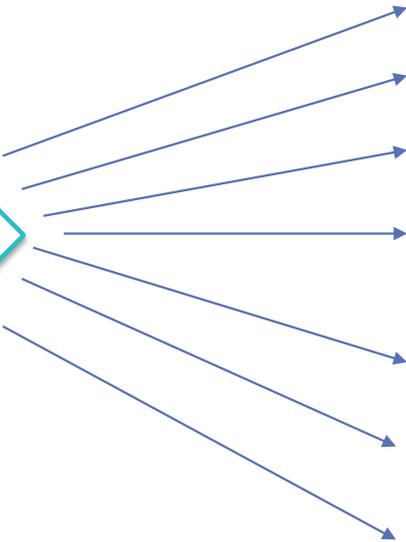


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Current EMS Process Flow



**35,000
Collision
Repairers**



- Shop management systems
- Parts procurement systems
- Marketing systems
- Data warehouse and reporting
- CSI companies
- Paint companies
- Refinish calculators
- Equipment companies
- Insurance companies
- Repair info companies
- Online review companies
- Email companies
- Social media companies
- Rental car companies
- Repair status
- Claims management
- Material control
- Inventory management
- Information providers
- Estimate scrubbers
- OEM's



Future EMS/BMS Process Flow



**35,000
Collision
Repairers**



- Shop management systems
- Parts procurement systems
- Marketing systems
- Data warehouse and reporting
- CSI companies
- Paint companies
- Refinish calculators
- Equipment companies
- Insurance companies
- Repair info companies
- Online review companies
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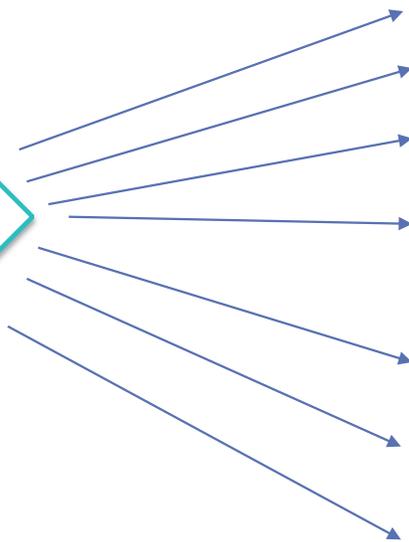


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Future BMS Process Flow



**Mitchell International
Solera Audatex
Collision Repair Customers**



- Shop management systems
- Parts procurement systems
- Marketing systems
- Data warehouse and reporting
- CSI companies
- Paint companies
- Refinish calculators
- Equipment companies
- Insurance companies
- Repair info companies
- Online review companies
- Email companies
- Social media companies
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- Claims management
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- OEM's



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CCC Secure Share / BMS Process Flow

22,000 CCC One
Collision Repair Customers



- Shop management systems
- Parts procurement systems
- Marketing systems
- Data warehouse and reporting
- CSI companies
- Paint companies
- Refinish calculators
- Equipment companies
- Insurance companies
- Repair info companies
- Online review companies
- Email companies
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Industry BMS Solutions



PANEL DISCUSSION: WELCOME

Jack Rozint – Mitchell International
– Solera Audatex

Pete Tagliapietra – NuGen IT

Scott Biggs – Assured Performance



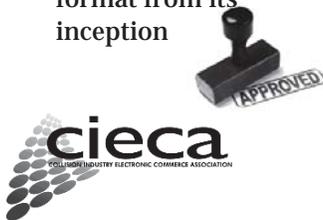
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Mitchell Position: Open, No-Cost Data Platform



Mitchell has been using BMS for the past 12 years

- BMS is a superior technology
- BMS offers more flexibility and security
- Mitchell along with CEICA has been a proponent of the format from its inception



Mitchell will continue to support the EMS format

- Many apps and services still use EMS
- Apps are slowly moving to BMS
- Mitchell is committed to eliminating disruption during this process



Mitchell will implement BMS without tolls

- Users will be able to maintain their data at no charge
- Users will be able to share their data with their chosen trading partners without restriction



Mitchell's Position: Today's Announcement



Today Mitchell announced the launch of **Program Freedom**, its complete claims and repair platform that offers an open-systems alternative to platforms that restrict data exchange and extract toll fees.

The collision repair and auto claims industries have benefitted from more than 20 years of open data exchange using CIECA standards. Following recent announcements of new closed and proprietary data strategies, Mitchell will be delivering an industry alternative on December 1, 2017. Using Mitchell Freedom, industry participants will have an option to continue to transact with their choice of business partners while benefitting from open and secure data exchange.

The industry will require choice, and certainly not a return to rekeying data. **Program Freedom** provides an alternative open system for industry participants to facilitate the important business transactions needed to operate today and in the future.

Mitchell will host a session to demonstrate **Program Freedom** on January 17 in Palm Springs

Mitchell's Position: Today's Announcement



Industry BMS Solutions: Assured Performance



Assured Performance, holds that it is the repair business' responsibility to maintain the privacy, safe keeping, and proper use of their customer and repair data generated in the course of the repair of the vehicle. Certification standards demand data transparency and verifiable documentation of repair activities to sustain network analytics and achieve Consumer Protection objectives. Therefore, the Certified Collision Repair business must always have unrestricted, cost-free access to an electronic, unencrypted copy of such data with full rights to use it as they determine. The data must be accessible, separate and apart from the original application (i.e. estimating, parts procurement, and management systems), and the shop must be able to use their data as they see fit including being able to copy that data to separate servers or online data warehousing services, or with application programs of their choice, and to report any and all analytics as they may desire to publish.

This statement is the sole position of Assured Performance Network, Inc, and not necessarily that of any of any of the individual companies with which we are associated."

Industry BMS Solutions: NuGen IT Statement



NuGen IT Inc. Position Statement on the Implementation of the CIECA Business Message Suite (BMS)

As a long-standing member of the Collision Industry Electronic Commerce Association (CIECA) and the implementation of its published standards, NuGen IT Inc. supports an orderly transition from the EMS to the BMS Standard. NuGen IT also endorses the Collision Industry Conference (CIC) Task Force Position Statement which states that CIC *“supports the continuation of the unobstructed flow of data amongst all the industry stakeholders. CIECA and other industry stakeholders have established a precedent that facilitates bi-directional data exchange in a free and open marketplace.”*

The NuGen IT Collision Data Exchange (CDX) product suite currently incorporates the legacy EMS as well the BMS Standard. The following statements apply to the CDX offering:

- **The CIECA BMS implementation is currently available to all industry stakeholders –** BMS is already implemented with a high degree of success for the various industry market segments. It has proven to be successful by connecting disparate systems



Industry BMS Solutions: NuGen IT Statement



- **The estimate data is controlled by the author** – CDX is architected to provide control of the estimate and estimate data to the author. (i.e. if a shop writes the estimate it is the owner of the estimate and can securely distribute it to whomever it deems necessary to effectuate a high quality and timely repair)
- **The shop or shop organization retains a copy of the estimate data** – the shop may store or designate a third party to store and aggregate the data for its business needs
- **CDX is agnostic to the three P-page logic estimating systems** – the CDX product suite incorporates the EMS and BMS Standard for the three prominent estimating systems that are utilized in the industry today
- **All data transfers are secure** – CDX incorporates state of the art data encryption standards both at rest and during transmission between industry stakeholders.
- **CDX supports the principle of “least privilege”** – Only the necessary data is transmitted to the receiving party to achieve its legitimate purpose.
- **CDX does not require or support the use of data pumps**
- **CDX does not disrupt the current shop to insurance company workflows**
- **The implementation of BMS into the NuGen IT CDX product suite does not have any financial implication to industry stakeholders**

For further information on CDX and the integration of the CIECA BMS Standard please contact NuGen IT at salesadmin@nugenit.com or call Pete Tagliapietra at 913 904 2848.



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Industry BMS Solutions



QUESTIONS AND ANSWERS
FROM THE CIC BODY



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CCC Update



- Secure Share will go live in April 2018
- Fees (.50 per transaction)
 - Multiple uses of the data amongst apps within one company only pay one transaction fee.
 - There is no charge for parts data sent from shop management systems to parts suppliers.
 - CCC has made a decision on transaction fees for financial (i.e. QuickBooks) and HR systems. CCC to make announcement before year end.
- CCC One – Collision repairers can export estimate data to Excel or a PDF
- Audatex and Mitchell estimates are not impacted. The process flow of the EMS will be the same and no transaction fee.
- There are 14 data fields that are currently available to the industry. These fields will continue to be available to the industry without a transaction fee.

CCC Update



- CCC has created a Secure Share Advisory Panel that consists primarily of CIC Task Force members. The purpose of the panel is to review changes to the CCC Secure Share program and provide feedback on those changes as well as provide input for future enhancements that can be made to the CCC Secure Share platform. The first meeting of the Secure Share Advisory Panel will be held shortly following SEMA.
- CCC has created and distributed for review updated language to the termination clause contained in the app provider registration agreement. This language will also be reviewed by the Secure Share Advisory Panel.
- CCC has created updated language to address the use of derivative CCC ONE data with financial systems. This language will be reviewed by the Secure Share Advisory Panel.
- There are now 9 apps in the Secure Share Marketplace which repairers are actively using
- CCC Secure share now has over 55 application providers that have registered their companies.
- CCC has added an additional message to support vehicle diagnostic service providers like CDS (Astech) and AirPro Diagnostics.
- CCC Secure Share now supports 18 application types to provide repairers with the flexibility and security to only send the appropriate information to their desired application providers.

CCC Update



18 Application Types

Each application type is permitted to receive specific EMS data.

- Body Shop Management
- CSI
- Detail Reporting
- Inventory Management
- OEM Certification Reporting
- OEM Procedures
- Paint Mixers
- Paint / Material Calculator
- Parts Procurement
- PDR
- QC Checklist
- Rental Management
- Repair Status
- Schedule Management
- Shop Equipment
- Summary Reporting
- Vehicle Diagnostics
- Vehicle Diagnostic Reporting



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What is the impact of Secure Share on 3rd party providers and their customers?



~~PANEL DISCUSSION~~

~~WELCOME~~

Companies committed, de-committed, re-committed and de-committed



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What is the impact of Secure Share on 3rd party providers and their customers?



- Why did they de-commit or decline participation?
 - Legal department interceded
 - It isn't impacting my business (yet)
 - Ongoing negotiations
 - We do a lot of business with CCC and although we aren't happy, we have no choice
 - I don't want to answer questions from the audience
 - Too many things are undecided internally so it's premature to share anything

FINAL THOUGHT



Which of the following is the primary issue expressed by industry stakeholders regarding CCC's Secure Share?!



- Contractual language
- Cybersecurity
- Development costs to app providers
- Not all of my partners are adopting Secure Share
- Restraint of trade
- Transaction fee
- One gatekeeper to the industry's data
- Interruption of existing process flow



Contractual Language



- **Concerns/Feedback from Industry Stakeholders**
 - Ability to approve 3rd party app providers
 - Ability to terminate 3rd party app providers



Cybersecurity



- **Concerns/Feedback from Industry Stakeholders**
 - Data security is not only an industry issue but worldwide
 - We have yet to experience a breach
 - Doesn't other information providers have the same concern?
 - ✦ Why haven't they implemented a "Secure Share" model?
 - All of our data is already encrypted
 - If CCC Secure Share is breached, a large percentage of the industry would be shut down
 - Some companies are using the EMS/BMS data for more than their stated use and monetizing it. Repairers need to know where their data goes



Development Cost to App Providers



- **Concerns/Feedback from Industry Stakeholders**
 - Smaller companies may not make the investment
 - Stifles competition
 - Reduces innovation
 - Thwarts technology advancement as BMS is already outdated



Not All of My Partners are Adopting Secure Share



- **Concerns/Feedback from Industry Stakeholders**
 - Interruption of existing process flow
 - Adds layers of time, money and resources to implement work arounds if all of my partners don't adopt Secure Share



Restraint of Trade



- **Concerns/Feedback from Industry Stakeholders**
 - CCC's competitors outside of estimating (CCC One) will incur additional expense in transactional fees.
 - Potentially inhibits competition from developing products that compete directly with CCC's NON estimating products.

Transaction Fee/Cost to industry



- **Concerns/Feedback from Industry Stakeholders**
 - Millions of dollars of expense being added to companies
 - Hundreds of millions of expense being added to the industry
 - IDC. It will all trickle down to the consumer
 - Free enterprise
 - Cost of doing business
 - Don't be mad because they can

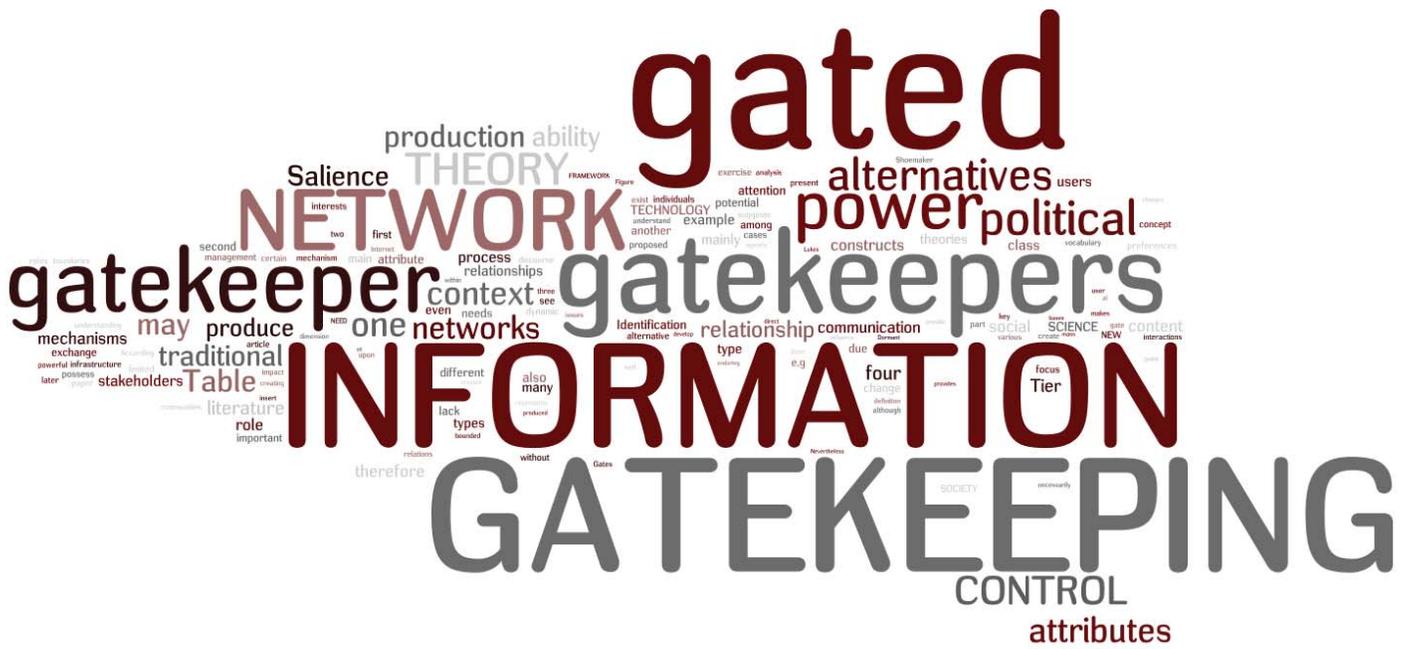
1 Gatekeeper to the Industry's Data



- **Concerns/Feedback from Industry Stakeholders**
 - CCC doesn't own the data
 - Future data needs of the industry are unrealized and one company should not own the data. (i.e. Car health report)
 - Provides a competitive advantage as their competing products aren't incurring the transaction fee
 - Why should they decide who gets what data?
 - Gives one industry stakeholder control of the majority of the industries data
 - Is CCC bound to the same rules? Can't they package and sell the data they are prohibiting competitors from accessing?



1 Gatekeeper to the Industry's Data



OPEN MIC: COMMENTS FROM THE CIC BODY



CIC MISSION STATEMENT

A forum where collision industry stakeholders come together to discuss issues, enhance understanding, find common ground and communicate possible solutions to the industry.



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McGuire's Musings and FTC Reminders



Future Plans. The disclosure of a company's future plans can raise antitrust concerns. For instance, here is a quote from the FTC's website related to trade associations:

“Information about future plans should be closely guarded; disclosing future plans outside the company could alter competitors' decisions and raise antitrust concerns. In addition, employees should be careful when sharing information they could not otherwise share with competitors through intermediaries such as a financial analyst or even a supplier. If the consultant were to share that specific information with the company's competitors, resulting in a change in their pricing strategy, such indirect communications could be seen as facilitating an agreement if other evidence points to a coordinated strategy.”

McGuire's Musings and FTC Reminders



Be cautious about any statements during the meeting that could be construed as an agreement to boycott. For instance, “Why don’t we all just refuse to deal with X vendor”. Here is what the FTC has to say about the subject:

“Any company may, on its own, refuse to do business with another firm, but an agreement among competitors not to do business with targeted individuals or businesses may be an illegal boycott, especially if the group of competitors working together has market power.

Accordingly, steps should be taken to prevent anyone from making such statements, let alone pursuing such a conspiracy. Such a statement should be grounds for expelling the offender and possibly disbanding the meeting for everyone’s protection.”

Potential Interruption of Existing Process Flow



- Does your company have formal position or statement as to the migration/adoption of BMS
 - Does your company have a formal position or statement relative to Open Industry Data Access.
 - What companies have PUBLICLY SHARED WITH THE INDUSTRY OR THEIR CUSTOMERS their position specific to their participation with CCC's Secure Share?
 - ✦ YES, NO, UNDECIDED
 - ✦ **If you answered no, what impact (positive, no change, negative), should your customers expect as of April 2018 relative to process flow?**
- CSI companies
 - Insurance companies
 - OEM's
 - Parts procurement systems
 - Rental car companies
 - Data warehouses
 - Information providers
 - Material & refinish calculators
 - Marketing systems
 - Shop management systems
 - Paint companies
 - Equipment companies
 - Repair info companies
 - Online review companies
 - Email companies
 - Social media companies
 - Repair status
 - Claims management
 - Material control
 - Inventory management
 - Estimate scrubber



THANK YOU



- Task Force Members
- Mark Fincher - CCC Information Services
- Patrick McGuire
- Guy Bargnes
- All of you

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