

Get Paid for Paint and Materials

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Management
Conference 2015
Business-building strategies for collision repair shops

The Beginning

- Mental Walk Through
- Where are paint products used in the repair process?
- Where are allied products used in the repair process?

STOP Using the word estimate

- Meticulous disassembly of the vehicle
- Analyze the damage
- Create a repair plan

Refinish Operations

- You are “selling” paint and materials
- Know your operations and materials used
- Use your procedure pages

Refinish Operations - *Are you capturing this?*

- Weld-on panels
- Spot-burn of adjacent panels
- Underside of trunk floor – inside of quarter panels

Mike Anderson Estimating - 101

- How many additional operations above
- flat-rate procedures to refinish a new quarter panel?

30

➤ **Sometimes over 30 additional operations**

Refinish Statistics

- 2005-2013
- Paint material costs increased 50.5%
- Repairer compensation increased 23.9%
- 27% Variance

You Can't Manage What You Don't Measure

- Measure liquid cost per r.o. vs. flat rate
- Exact costs based on exact materials per r.o.
- Use your paint scale for exact' measurements

Produce a Material Invoice

- Include “all” liquid products used
 - Sealer, primer, reducer, catalyst basecoat, clear

- Validation increases negotiation power

- All paint manufacturers have programs to generate material invoices

- Independent software is also available

Allied Products

- Measure allied products per r.o.
- Do not use a “one size fits all” charge per job
- Use an itemized material usage system
- Fair to repairer and insurer

Material Tracking System Example

- Pass out copies of tracking system to audience

Completion of Repair/Final Billing

- Calculate itemized allied products
- Add your refinish invoice
- Submit with your final bill for reimbursement

NO PROMISES

If you don't ask—you surely will
not get paid

Allstate CEO Tom Wilson:

“As costs go up, any business would raise rates.”

May 6, 2015, Insurance Market Trends

“We are reacting to what is normal in any marketplace and any business, which is as you have your costs go up, you work to make sure that you’re maintaining the returns where you want to be.”

Wilson on an investor conference call following the earnings release in May

Thank You!



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