



The Community-Focused Body Shop

with Domenico Nigro

Domenico Nigro is the president of Nigro's Auto Body, a very progressive shop for their community in Philadelphia. In addition to many productivity innovations, Nigro's installs equipment for disabled drivers, has developed several phone Applications, and represents products which directly support charities such as United Way and the National Breast Cancer Foundation. Contact him at: nigroautobody@comcast.net.

Feather, Sand and Fill: Paint Operations Body Shops Perform But Don't Get Paid For

How much money are you losing each year by not charging for Feather, Sand and Fill (aka Feather, Prime and Block)? If you're charging nothing, I can guarantee you \$5,000 more in yearly profits if you follow this advice and start getting compensated for the necessary work you've always been doing.

Feather, Sand and Fill is a non-included procedure that takes the surface from 150-grit level smoothness to the condition of a new, undamaged panel that can then begin the refinishing process. The labor and supplies used with feather, prime and block may fluctuate based on the nature of the repair area and should be considered when deciding which work needs to be performed. I will address the issues many shop owners have in getting insurance companies to pay for this procedure, the laws involved, and possible solutions to consider.

In 2006, the Collision Industry Conference Estimating Committee defined feather, prime and block as "non-included refinishing operations that complete the process from 150 grit to the condition of a new, undamaged panel... The body/paint labor and materials necessary to prepare the repaired area from 150 grit to the condition of a new undamaged part is a valid and required step in the process. The labor and material allowances for these operations requires an on-the-spot evaluation of the specific vehicle and damage."

Despite this clarification, shops are still having trouble claiming this process and being paid for the work and materials. Some insurance companies say that Feather, Sand and Fill is included in the repair process, which simply isn't true. In addition, often times, on many insurance company estimates, they state that feather,

sand and fill is included in the repair process, which directly contradicts the law, the P-Pages, and the logic of our business. Of course, the insurance companies don't want to pay for this costly operation because they've haven't had to pay for it for years.

An even stronger argument can be made using the language in the federal regulations imposed through the EPA's 6H rule. "On January 9, 2008, the EPA accepted a new standard known as the HAPs 6H rule to reduce the public's health exposure to Hazardous Air Pollutants (HAPs). The agency's main objective is to significantly lessen the amount of HAPs released into the environment during paint stripping or surface coating operations.

During such work practices, the most dangerous chemicals, namely, methylene chloride (MeCl), cadmium, chromium, lead, manganese and nickel compounds, represent significant risk to employee health if proper engineering and administrative controls are not in place."

The 6H rule requires that this portion of the process needs to be done by the paint department, in an enclosed space, and is therefore a refinishing procedure, not a body repair process. This rule helps solidify Feather, Sand and Fill as a refinishing process by definition of the law, but it still isn't properly compensated for by the Insurance Companies.

This means that any application of primer that is sprayed through a HVLP spray gun must be done by a certified painter, inside an enclosed spraybooth and billed as a paint procedure.

But how should your shop charge and get paid for it?

It is a judgment call that must be negotiated on the spot. The repair process only takes you up to the 150

grit level, but I have to get the panels to pre-loss condition before the refinishing process can take place. I am faced with this issue on almost every single job and I approach it by talking with the adjuster directly. I say "If the P-Pages state that this is a necessary process to repair a job and bring it back to pre-loss condition, then why would it not be covered?" So, first I prove my point that it's a necessary part of repairing the vehicle. I cite The 6H rule that supports claiming it as a refinishing process. At this point, some insurance companies will pay for the operation, while others simply will not pay. In this case, the insurance companies are forcing auto body shops to break the law by not listing the procedure as a refinishing process and therefore admitting to violating the 6H rule. Failure to comply to the 6H rule can result in hefty, daily fines and even jail time. If your shop doesn't report or charge for it, you are in a way admitting to breaking the law.

Another typical response is that charging for feather, sand and fill is not competitive in the market, and because other body shops are allowing the insurance agencies to take advantage of them, they claim that all shops should follow suit. I also hear "you're the only shop that charges for this process," which simply isn't true. So the insurance company is literally telling us that because other shops aren't recouping these costs, we should all lose the revenue and break the law.

So how do you calculate the costs of FSF (or FPB)?

A simple formula that I've come up with over the years in the business, and doing my own time studies is as follows: I use .3 per repair hour to calculate FSF. The example we'll use is a 2 hour repair. $2 \times .3 = .6$, Refinish

labor rate = $\$48 \times .6 = \28.80 , Paint and Materials = $\$27 \times .6 = \16.20 .

Total costs associated with Feather Sand and Fill on a 2 hour job is \$45.

If a shop performs two of these each week, there is a yearly loss of \$4680 a year. In addition, at a sales tax rate of 8%, the state is losing \$375 a year for each shop not being paid for this process.

If you simply use the formula above, your painter's efficiency goes up and you're no longer supplying these materials for free.

Determine your repair times first, state this is only a repair process, first negotiate your body repair time and specify that this is only for the repairs, not for refinishing.

Once that is established then you negotiate your time and costs for Feather, Sand and Fill by using my formula. This will increase your painter's efficiency, it will increase the profitability of your paint supplies and it will add to your overall business success and bottom line.

If you try these methods and they don't work, you should show the adjuster the P-Pages, even reference this article. Ask the adjuster to prove to you that you don't have to do this step which is required by all three estimating systems and established as an industry standard. What do they say? If you're still not being compensated, have them call me.

Write us, let us know if you're charging for this operation. The only way for justice and fair compensation from insurers is through cooperation and unity among shop owners. Allowing the insurers to strong arm your bottom line is costing us thousands each year. A standard formula can be applied to all jobs that account for these costs in a fair and transparent manner.

22 West Virginia Vocational Schools to Integrate I-CAR Professional Development Program into Curriculum

The West Virginia Department of Education/Division of Career and Technical Education will integrate the industry recognized I-CAR® Professional Development Program™—Education Edition into the curriculum of all 22 secondary and vocational schools in the state of West Virginia.

This marks two firsts for I-CAR. West Virginia's initiative marks the

first time I-CAR training will be used at a statewide level within a school system's curriculum and West Virginia will be the first publicly announced adopter of the I-CAR® Professional Development Program™—Education Edition.

I-CAR, the Inter-Industry Conference on Auto Collision Repair, provides training for several areas of

the collision industry, including career and technical schools. Students that receive this training will have the opportunity to benefit from a dynamic, role-relevant education that directly aligns with I-CAR's industry-recognized training program and a solid foundation to work from as they begin their collision industry careers.

Kathy D'Antoni, West Virginia Assistant State Superintendent of Schools said, "Our vision is to grow a highly skilled and quality driven workforce that leads the way for a better tomorrow. The Business and Education segment must work together to make sure the curriculum being taught in our career technical centers satisfies industry needs."