

# AGRR<sup>TM</sup>

## The Only Magazine for the AGRR Industry

May/June 2014

Volume 16 • Issue 3



## THE GUIDE TO NEW PRODUCTS & SERVICES

- Solera Buys LYNX Services
- U.K. Business in Focus
- Retailers Adopt Technology



**PILKINGTON**



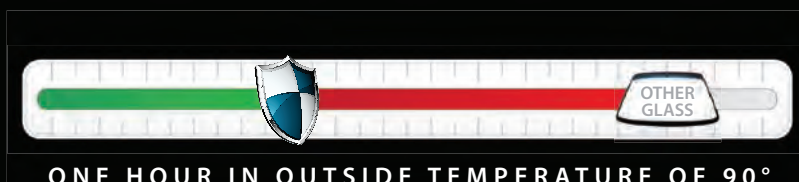
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**GGG 501 PAD**  
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**GGG 502 PAD**  
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**GGG 503 PAD**  
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# AGRR<sup>TM</sup>

The Only Magazine Devoted Exclusively to the Auto Glass Industry

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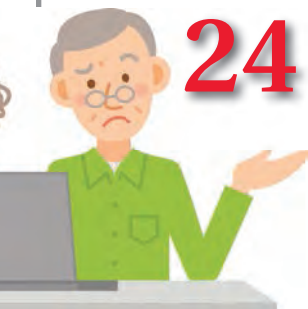
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## Field of Vision from the editor

# Who Turned Up the Heat?

by Jenna Reed

## HOT AND EDUCATIONAL.

These are the two words that come to mind about my ride along with John McAuley, owner of SuperGlass Windshield Repair of the Florida Gulf Coast in St. Petersburg, Fla. McAuley has been a SuperGlass franchisee for about five years and has spent more than 30 years in the auto industry as a dealer, used car manager, new car manager and more.

His mobile truck serves as a traveling office. From notebooks to drink and snacks, just about everything you might need each day is squirreled away inside. It's one thing to imagine working in the elements day-in and day-out, but it quite another to have the experience of this first hand, if only for a day. It brings me a newfound respect for what you do in the field. I learned you must be prepared for all kinds of weather. I was not lacking in respect to begin with, but boy was it hot. Watching John shrug off the hot Florida sun to work on repairing a chip was amazing—and it isn't even the hottest part of the year in Florida yet. One of the positives of working in Florida, though, has got to be the lack of snow. John describes it as living in "paradise."

The hottest part of the day was walking the lot of a dealership checking the vehicle glass for chips or cracks. We found one that needed repaired and got approval. John does this quite a bit for his dealer customers. This helps them ensure their cars are in tip top shape. He also does some headlight restoration if needed, too.

Another treat of visiting John was getting to see what is possible with 3-D printing technology. I've talked with David Casey, president of the Super-



John McAuley vacuums the air out of a chip under the scorching Florida sun.

Glass Windshield Repair franchise, about the tools his company is producing for franchisees to purchase, but he's keeping the tools under wraps for propriety reasons. And all I can say is cool. It's amazing to see what this technology can do up close and in person. Though the printers are expensive, this seems like it could be a great way to experiment with creating different tools that can then be tested in the field. And if they work well enough, perhaps these products can be manufactured for a wider market. As to what John was using that day in St. Petersburg, my lips are sealed.

Do you have tips for surviving the heat while installing automotive glass? If so, please share them by emailing jreed@glass.com. I'd love to share them with our readers. My immediate instinct is to say drink Gatorade. Lots and lots of Gatorade. Stay cool and stay tuned for the July/August AGRR™ magazine, which will include a feature on John. ■

Jenna Reed is the editor of AGRR™ magazine/glassBYTES.com™. Connect with her on LinkedIn, follow her on Twitter @agrrmagazine and like AGRR magazine on Facebook to receive the latest updates.



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## Customer Service

tips for quality service

tompkins.carl@sikacorp.com

# The First and Last Thing on Their Mind

by Carl Tompkins

**A** S I QUICKLY APPROACH MY 15<sup>th</sup> year writing for AGRR™ magazine, most readers realize by now that there is no business subject more important to me than customer service.

There is a lot of opportunity for improvement in the area of customer service. I'm most confident that the reason customer service is lacking in so many businesses is that management fails to understand the amount of money that can be won or lost as a result of customer service levels. Management, instead, continues to believe that customer service pertains strictly to the aspect of being nice to customers and that the mannerisms of their own employees are good enough to get by.

I would strongly encourage you to manage what I call, "The first and last thing on their mind."

## A Lasting First Impression

The first mistake companies make is thinking that customers care only about price. This attitude eliminates any attention to the idea of giving customers the opportunity to care about something more than the lowest price. Given the right kind of attention and education, customers will consider much more than price in making a buying decision. Be careful in

considering where first impressions begin. When I ask this very question, so many people respond with "the quote," "when the phone rings," and "the technician arrival."

Actually, first impressions can and usually begin a lot earlier in the customer service cycle. Think about your advertising, whether it is by Yellow Pages, the web, radio or television. Are you creating an image that is attractive and do you deliver what is promised?

The final aspect of first impressions management pertains to training. So often, those employees closest to the customer early on in the business transaction don't have the required skills to deliver a favorable experience. Training must cover more than the technical aspects of selling products and services. More important is employees' ability to communicate well with customers, which includes connecting skills, use of good questions, listening, confirming, problem solving and summarizing.

that includes contact information, a sincere invitation to call if there is a future need of service and, finally, a sincere thank you on behalf of the company.

For extra credit, design and deliver a process of follow up on every job, first alerting the customer that a phone call will be made within the following week to check in on how everything is operating.

My final thought on last impressions, please remember that on a scale of one-to-ten, you must have customers rating you a nine or a ten when it comes to recommending your

company to another potential customer. Any rating less than this results in your current customer becoming a "detractor" of your company. A detractor is defined as a person who will do their part in creating an unfavorable first impression with an average of 11 potential customers.

When you start with taking care of customers in this manner, the money follows. Concentrate on first and last impressions and you'll be on solid ground of an effective customer service strategy. ■

**Carl Tompkins is the global marketing resources manager for Sika Corp. in Madison Heights, Mich., and the author of Winning at Business. He is based in Spokane, Wash.**



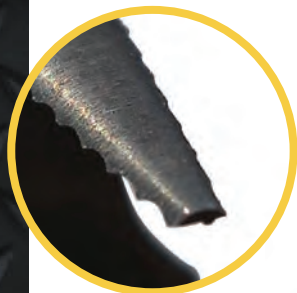
## Leave Them Smiling

For a good last impression, it is imperative that the customer finishes his experience on a real high. In accomplishing this task, it takes much

more than a "thanks for the business," or "come back again!" In wrapping up any transaction, customers should be provided a professional review of the job done, the provision of a well-defined warranty



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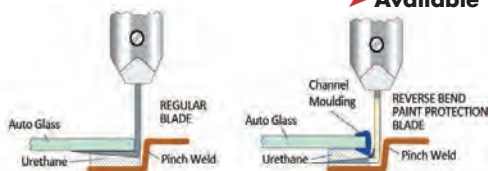


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## The Cutting Edge

new car installations

# 2010-2014 Lexus GX460

by Jamie Browning

### 2014-2010 Lexus GX460

FW3229-FW3228

**NAGS labor hours:** 4.5

**Wiper Nut Torque:** 25Nm (18 lb-ft)

#### Parts needed:

Rivets (10) Toyota part # 75547-51021

Clips (10) Toyota part # 75545-53011

**Side mouldings:** Toyota part #

(R) 75535-60020, (L) 75536-60010



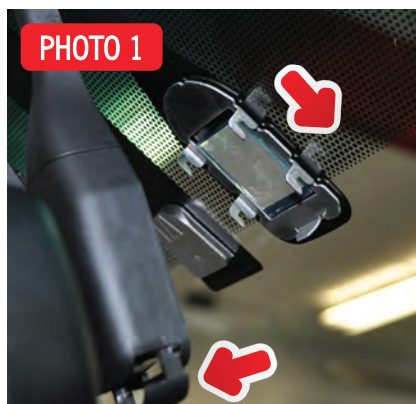
## 1 GETTING STARTED

Start on the inside of the vehicle and remove the rearview mirror first. Detach the two claws at the headliner and slide the cover toward the mirror. Next detach the four claws holding the entire cover as-

sembly and set aside. Disconnect the harness being careful not to damage the connector. Use a T-20 screwdriver and loosen the mounting screw at the base of the mirror on the mounting bracket. Slide the mirror up off of the bracket being careful to not touch the camera lens if the vehicle is equipped with one. To remove the rain sensor, use a small screwdriver or pry tool to disengage the retaining latch at the bottom (*see photo 1*). Slide the assembly down and away

from the windshield. The gel pad can be reused as long as it does not have any dirt or debris on it.

Moving to the outside of the vehicle, use a plastic pry tool to remove the left and right fender to cowl seals on each end of the cowl (*see photo 2*). Use a chrome moulding removal tool to disengage the clips that hold the fingers on the side mouldings running along the sides of the windshield (*see photo 2*). If the clips attached to the body break during removal, use a 5 mm drill bit to drill out the old rivets and remove the clips. Use new rivets (Toyota part # 75547-51021) to attach the new clips (Toyota part # 75545-53011) to the A-



Insert a small pry tool here to disengage the retaining latch (*See Arrow*). Slide the sensor down toward the dash to remove (*See Arrow*).

### SPECIAL NOTES:

- You might notice a new look to this column. We are providing for a more detailed report on windshield installations and I hope you find the new Cutting Edge more informative and helpful with your installations.
- This vehicle has a Technical Service Bulletin (TSB) # L-TCI-3280 on "creaking, rattling, and ticking" noise. The gravity stops located at the top of the windshield can sometimes cause noise and should be removed if necessary.
- It is important that the steps taken during the installation of any fixed piece of automotive glass follow the AGRSS Standard™ established by the Auto Glass Safety Council (AGSC). More information can be found at [www.agsc.org](http://www.agsc.org).
- Lexus recommends removing the negative battery cable and waiting six minutes before starting the removal process. It is important to test the heated wiper park area, rearview mirror and rain sensor before disconnecting the battery.



Gently pry along the edge of the fender to cowl seals to remove.





pillars. Next remove the wiper nut covers and nuts. Remove the wiper arms using a wiper puller if needed. The wipers are marked on the underside to note driver and passenger side.

Under the hood, first remove the left and right panels (*see photo 3 and 4*). Each side is secured with four two-piece push pin retainers. Next, gently press the fingers along the front of the cowl to release them (*see photo 3*) and the two, two-piece push pins located at each end. The cowl panel can now be slid toward the front of the vehicle and removed.

Unplug the heated wiper park area plug located under the cowl panel on the passenger's side. The plug will have three wires which are blue, white and red in color. You are now ready to begin removing the windshield.

## 2 REMOVING THE WINDSHIELD

Use a cold knife cut out the top and sides and a power tool to cut out the bottom. Any removal method that is safe for the technician and the vehicle without damage to the pinchweld is acceptable (cold knife, power tool, wire). Trim the urethane down to 1-2 mm in height and prime any scratches or bare metal areas.

Lexus recommends a urethane bead with a base of 8 mm and a height of 12 mm. Prep the windshield according to adhesive manufacturer's instructions and start the installation.

## 3 FINISHING TOUCHES

Install the cowl, wipers and mirror in reverse order from removal. Be sure to check the rain sensor and wiper operation before returning the vehicle to the

owner. Check for any leaks and be sure to inform the vehicle owner of the safe drive-away time, as according to the adhesive manufacturer. Also be sure to record all lot numbers from the adhesive, VIN number and primers, as well as the DOT number from the windshield.

For more vehicles please visit [www.autoglassjournal.com](http://www.autoglassjournal.com). I look forward to your questions and opinions. ■

**Jamie Browning** is a contributing editor to AGRR™ magazine and was the gold medalist in the 2009 Auto Glass Technician Olympics. He can be reached at [jbrowning@glass.com](mailto:jbrowning@glass.com).



PHOTO 3

Use a chrome tool to disengage the finger clips on the side moldings.

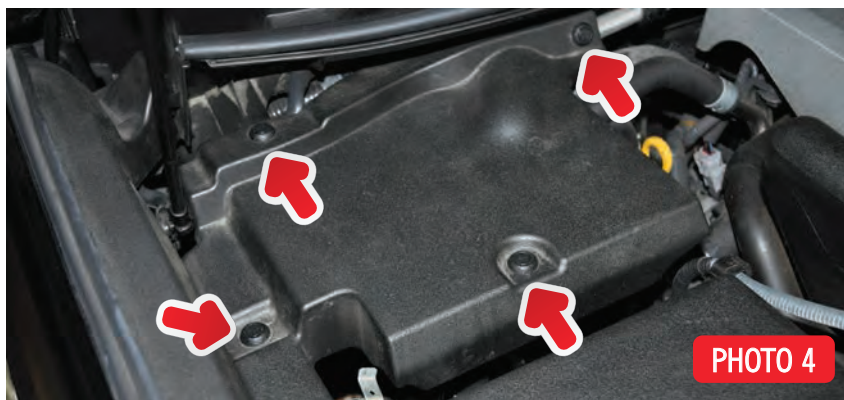


PHOTO 4

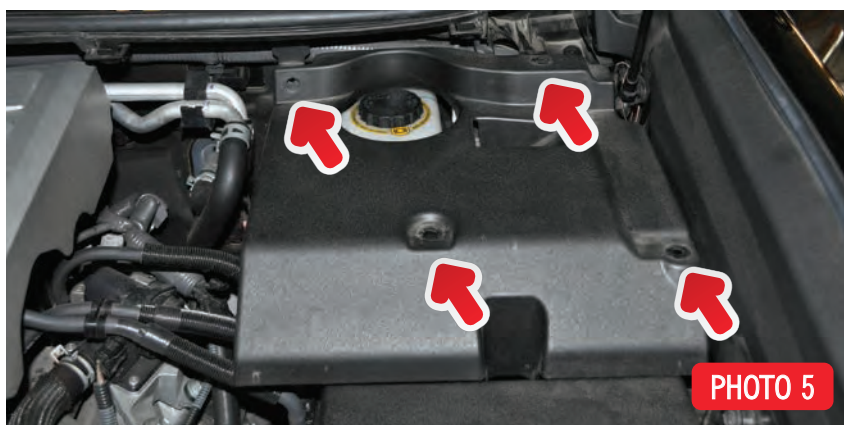


PHOTO 5

Release the four retaining clips to remove the left and right engine panels.

**AGR Reports**  
breaking newspowered by **glassBYTEs.com****COMPANY NEWS**

## Solera Holdings to Purchase LYNX Services, Info Services From PGW

**Tony Aquila,**  
**Solera Holdings**

**P**ITTSBURGH GLASS WORKS (PGW) plans to sell its Insurance and Services Division (I&S), which includes LYNX Services, GTS and Glaxis, along with other information technology services to Solera Holdings (NYSE SLH) of Westlake, Texas.

Solera plans to purchase 100 percent of the operating entities and other assets that comprise I&S' business for approximately \$280 million. The entire purchase price will be paid in cash. For the 12 months ended March 31, 2014, I&S' revenue and adjusted EBITDA were \$58.8 million and \$19.7 million, respectively, according to a release by Solera.

LYNX currently serves ten of the top 20 U.S. property and casualty insurers, according to Solera officials.

"PGW and Solera will collaborate in a long-term strategic relationship to further strengthen the provision of auto glass claims management services and supply to insurance companies and consumers through the I&S ARG Alliance and PGW's North American auto glass fulfillment distribution network," PGW officials point out in a company statement.

"The structure of the acquisition will result in a 15-year tax benefit to Solera with an estimated present value of approximately \$69 million. After adjusting for the estimated value of the tax benefit, the purchase price represents a multiple of 10.7x I&S' adjusted EBITDA," Solera officials write.

Solera provides software and services to the automobile insurance

claims processing and other decision support industries. It is active in more than 65 countries across six continents. The Solera companies include: Audatex in the United States, Canada, and in more than 45 additional countries; Informex in Belgium and Greece; Sidexa in France; ABZ and Market Scan in the Netherlands; HPI and CarWeb in the United Kingdom; Hollander serving the North American recycling market; AUTOonline providing salvage disposition in a number of European and Latin American countries; among others. The company offers some products that compete with Mitchell International.

The company's ties to the automotive glass industry are long-standing. Tony Aquila founded and served as CEO of Ensera, which developed software that streamlined the automotive collision claims workflow for

### NHTSA Issues Final Rule on Rear Visibility

The U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA) has issued a final rule requiring all vehicles under 10,000 pounds, including buses and trucks, manufactured on or after May 1, 2018, to come equipped with rear visibility technology that expands the field of view to enable the driver to detect areas behind the vehicle to reduce death and injury resulting from backover incidents.

The field of view must include a 10-foot by 20-foot zone directly behind the vehicle. The system must also meet other requirements including image size, linger time, response time, durability and deactivation, according to NHTSA.

"Safety is our highest priority, and we are committed to protecting the most vulnerable victims of backover accidents—our children and seniors," says U.S. Transportation Secretary Anthony Foxx. "As a father, I can only imagine how heart wrenching these types of accidents can be for families, but we hope that today's rule will serve as a significant step toward reducing these tragic accidents."

On average, there are 210 fatalities and 15,000 injuries per year caused by backover crashes, NHTSA reports. Children under five years old account for 31 percent of backover fatalities each year, while adults 70 years of age and older account for 26 percent.

**Transportation  
Secretary  
Anthony  
Foxx**



insurance carriers. Ensera was sold in 2001 to Mitchell International, which appointed Aquila as its president and chief operating officer. He left and founded Solera in January 2005 and partnered with GTCR Golder Rauner, a private equity firm, to purchase the Claims Services Group of Automatic Data Processing for \$975 million in April 2006.

Garen Staglin, an investor and director for Solera up until January 2011, was the CEO and chairman of Safelite AutoGlass from 1993 to 1999.

## What Does the Industry Think?

Henry Peralta, sales manager for Stockton Auto Glass in Stockton, Calif., hopes this move will prove fruitful.

"I'm hoping that with Solera Holdings, [LYNX Services] can compete with Safelite Solutions' dominance in the third-party administrator (TPA) [of automotive glass claims] arena," says Peralta.

"Maybe Solera can take insurance companies from Safelite Solutions and take with it the steering that Safelite does. I don't think Solera has an auto-

motive glass replacement division, so it won't have the temptation to steer," Peralta adds.

"I can't see how this [deal] would impact us in the field other than in a positive way," says John McAuley, a SuperGlass Windshield Repair franchisee in St. Petersburg, Fla.

"As with any sale, if the current management stays then the company remains the same. If the management changes then we will see what we will see," says Kerry Soat, owner of Fas-Break in Chandler, Ariz. ■



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**SAFELITE IN THE NEWS**

## Connecticut **Anti-Steering** Case Goes to Court of Appeals

**T**HE LEGAL BATTLE OVER THE CONNECTICUT anti-steering law wages on with Safelite filing a brief in the Second Circuit Court of Appeals, claiming, “When PA 13-67(c)(2) is subject to the appropriate test—that announced in Central Hudson—it becomes clear that Safelite’s First Amendment challenge is likely to succeed and that a preliminary injunction should issue.” Safelite appealed a lower court’s decision to the Appellate Court, seeking to halt enforcement of Connecticut’s anti-steering law.

“The state’s attempts to show a ‘substantial state interest’ are belied by the record showing that the real purpose of the statute was to insulate in-state repair shops from interstate competition,” Safelite’s attorneys write. “And the claim that the measure was designed to protect consumers is belied by the fact that not one consumer had ever complained and the state’s own insurance regulators testified there was no problem in need of a solution.”

The company wants the Appellate Court to halt enforcement of Connecticut’s anti-steering law. But what does the

AGRR industry think of this legal showdown?

“Obviously this case could have a huge impact on the AGRR industry,” says Scott Harkey, president of Windshield Glass in Greensboro, N.C. “I won’t get too excited until it’s a done deal.”

He is in favor of a similar law being passed in North Carolina.

“Our business plan for survival has been diversification into non-automotive glass items,” he adds. “It’s a challenge for us with a name like Windshield Glass. If I live long enough (I’m 52) to see laws on the books in North Carolina that help even the playing field for independent automotive glass shops, that will be just fine with me. But I’m not holding my breath.”

Kerry Soat, owner of Fas-Break in Chandler, Ariz., is also in favor of the Connecticut law.

“State consumer protection laws were written to provide consumers freedom of choice when choosing a repair facility without the direction or interference from the insurance company,” he says. “[C]reating a business arrangement to ‘circumvent’ a consumer protection law

### Sharrah Joins Insurance Claims Management’s Board of Directors of HSG Parent



**Wayne Sharrah**

Insurance Claims Management Inc. (ICM), parent company to HSG and Code-Blue, has appointed **Wayne Sharrah**, retired managing director and chief claims officer at Esurance, to the company’s board of directors. So why did Sharrah decide to join ICM?

“As far as the direction of glass claims, I believe that insurers will begin to seek and recognize a need to foster greater competition,” says Sharrah, looking to the future of the industry. “I have always been a believer in free market and if you are like me and believe in competition, more is better and less is worse. ... My purpose in joining ICM is to help them build an organization that creates tremendous value proposition for insurance companies and their policyholders. Using my 25 years of industry claims experience, I will be able to offer feedback and guidance to help ICM grow.”

“I joined Esurance in 2006 and spent time there as chief claims officer. While with Esurance, we had an opportunity to shop the market for glass providers and we elected to hire HSG because of their exceptional and unique products and the fact they were a true third-party to the transaction. Their independ-

ent role offered greater objectivity,” he explains.

Sharrah said he ultimately chose to join ICM because of his respect for Paul Gross, president and CEO of ICM.

“His passion for what he does is infectious and when we spoke late last year, it became clear that ICM was the place I wanted to be,” he says.

Sharrah says he has spent his career trying to find ways to improve policyholders’ experience with the claims process.

“Wayne has extraordinary industry expertise and vision with respect to high growth organizations and opportunities. He brings a wealth of experience specific to the insurance claims arena, as well as the insights that come from rapidly growing a successful, innovative and industry leading company. He will be a great addition to the ICM board of directors,” says Gross.

Previously Sharrah was also a board member of the Esurance Insurance Underwriting companies. He also held many roles at OneBeacon Insurance, including vice president of commercial lines, vice president of personal lines and vice president of technical auto claims.

“All along, I’ve been keeping my fingers on the pulse of the industry and was looking for ways to still contribute but at the same time be able to spend time with my family,” he says.



should be against the law all by itself in all states and not just Connecticut.

Tom Lee, president of Lee & Cates Glass based in Jacksonville, Fla., hopes the state prevails.

"I hope Connecticut wins and independent glass shops are given a fair shot at the business without steering. It will not solve what I feel is the core issue," Lee explains. "A TPA should be an independent party and not affiliated with any particular automotive glass installation company. ... A win on the part of Safelite, on the surface, would constitute more of a 'business-as-usual' lifestyle moving forward."

Connecticut officials have spoken up as well in a court filing, claiming, "Safelite Solutions has been extraordinarily effective at steering consumers to Safelite AutoGlass."

Safelite's attorneys take particular issue with a small portion of the act—PA-13-67(c)(2), writing, "It prohibits an insurance claims administrator (TPA) from informing policyholders about an affiliated glass repair business unless the administrator simultaneously refers policyholders to a local competitor's glass repair business."

They argue that by requiring the company to name a competitor, "it puts appellants Safelite Group Inc. and Safelite Solutions to a Hobson's choice: Either discontinue wholly truthful speech advising customers about Safelite-owned vehicle glass repair services, or when making such representations, also provide a referral to a competing local glass repair shop. The First Amendment protects against such attempts to commandeer speech—even commercial speech."

Safelite attorneys proposed the state publish its own list of glass repair shops consumers may refer to.

In response, Connecticut's attorneys claim, "The District Court found that '[a]lthough there are over 70 non-affiliated repair shops in Connecticut that are part of Safelite's network, from January 1, 2012 to June 30, 2013, insureds selected Safelite AutoGlass for their repairs approximately 55 percent of the time."

"Against this backdrop, Connecticut determined that existing statutes did not adequately advance its interest in protecting consumer choice in auto glass insurance repair work," they continued.

The court has not issued any new decisions at press time.

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Transportation to and from the world-renowned Woodward Dream Cruise on the 15th will be provided by Mainstreet.

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# AGRR'S<sup>TM</sup> ANNUAL GUIDE TO NEW PRODUCTS AND SERVICES

## OPTIMIZE YOUR BUSINESS WITH THE LATEST INTRODUCTIONS

### MOULDINGS

#### GGG's New Kit Replaces Explorer Mouldings



After hearing reports that A pillar mouldings on Ford Explorers are often destroyed during windshield replacement, GGG came up with the 1843 S Kit to help.

"We know that these [moulding] parts can be problematic and expensive, especially when purchased from a dealer," says Peter Cascio, who is responsible for bringing new products to market for GGG.

The GGG 1843 S Kit contains both the left and right outer mouldings. Clips are also included for the top and bottom to keep the mouldings in place. The mouldings and clips were manufactured to work smoothly and keep the A pillar from being destroyed.

► [www.gggcorp.com](http://www.gggcorp.com)

#### Precision Unveils Four New Mouldings

Four new universal underside mouldings are now avail-

able from Precision Replacement Parts.

The new mouldings are designed to:

- Easily align with the glass edge without the need for any specialty tools;
- Use a premium grade adhesive tape to ensure a tight bond with the glass;
- Remain flexible in the cold;
- Fit tight radius corners without buckling.

They are available in widths of 5 millimeters (mm) and 7 mm foam sponge and 8 mm and 10 mm custom compound PVC.

Precision has designed an integrated alignment guide feature that enables the installer to apply these mouldings to the glass without the need for specialty tools and without creating unnecessary landfill waste from a tear-away alignment strip, according to officials.

► [www.prp.com](http://www.prp.com)

### CLEANERS

#### Get Rid of the Grime



Sika Corp.'s PowerClean Aid has been developed to remove all types of non-traditional contamination, including mold release agents and silicone oils. The product also re-

moves traditional contaminants such as dirt, dust and skin oils.

The foam structure of the PowerClean Aid allows the pad to act as a very fine abrasive, which effectively treats contamination without scratching or otherwise damaging the glass and ceramic substrates, according to officials. This product can ensure that the glass surface is pristine and that Sika's automotive glass replacement system achieves strong adhesion to the replacement parts.

► [www.sikausa.com](http://www.sikausa.com)

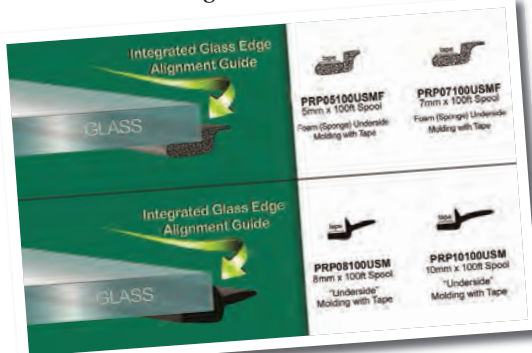
### COATINGS

#### Ultra Bond Offers EdgeGuard Coating



Coating the manufacturing defects around the perimeter of windshields, known as the "weak spot" and the frit, which actually causes more cracks than stone-breaks cracking-out, is "a good idea," says Rich Campfield, president of Ultra Bond.

"For example on a Ford F-150 you can offer the options of the Chinese





Are you in the market to try a new moulding or purchase a new tool for your shop? Are you looking for the latest windshield repair kits? Check out AGRR™ magazine's Fifth Annual Guide to New Products and Services for many of the latest industry offerings.

manufactured XYG windshield with and without the EdgeGuard Coating or the Carlite with and without the EdgeGuard coating," he says.

This spray-on coating lasts for about two to three years on an ungaraged vehicle and can then be reapplied for repeat business.

► [www.ultrabond.com](http://www.ultrabond.com)

## TOOLS

### Equalizer Viper Kit Now on the Market



The Equalizer Viper ratcheting wire removal device is designed for small quarter glass removals, but it can also be used on windshields, backlites and more. The product's compact size and lightweight designs allows a technician to keep the wire closer to the glass surface for less resistance while cutting urethane.

The company is also offering a VIP1124 Kit, which is designed to complement the new Viper.

► [www.equalizer.com](http://www.equalizer.com)

*continued on page 16*

## GOING APP CRAZY

Thanks to technology, many insurance policyholders can now use their smartphones, iPads and tablets to get information about their policies. More than a dozen states even allow customers to turn to their smartphones to show proof of insurance. However, when it comes to reporting an automotive glass claim, a phone call to the insurance company is usually still required.

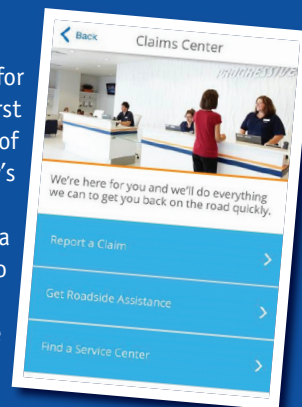
### Progressive Updates Insurance App

Progressive Insurance recently updated its insurance app for iPhones and Android, which allows customers to initiate a first notice of loss. The app allows customers to upload photos of glass damage and more, according to Jeff Sibel, the company's public relations manager.

While customers can begin the claims process via the app, a phone call with a company representative is still necessary to process the claim.

"Customers can now start a claim online with our Progressive app," says Sibel. "A customer can sign in and start a claim for any type of damage, including glass. They can submit photos."

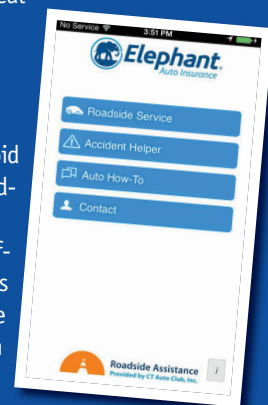
Customers cannot look up automotive glass shops via the app, Sibel points out. To schedule a windshield repair or replacement, the customer must talk with a company representative. When calling the company, customers are dealing directly with Progressive, according to Sibel.



### Elephant Insurance App Offers Customers Help on the Go

Elephant Insurance company offers a simple iPhone and Android app that help its customers collect accident information, get roadside assistance and contact the company to report a claim.

For instance, if a customer gets into an accident, the app offers an online form to collect information on the other person's vehicle and the time and date of the accident. It also asks for the address of the other driver and insurance information. The form has a spot to enter witness information as well.



### Proof of Insurance Available on Geico App

With the Geico app, customers can manage their policy, such as update claims appointments, pay their bill, view coverage and discounts and contact emergency roadside services.

The app provides digital identification cards that can work just like the paper version in some states. Currently, 22 states allow drivers to use this app to offer proof of insurance, according to the company. Customers can also email or print this information from their phone.

### State Farm Customers Can Start a Claim via App

State Farm customers can do a multitude of tasks on the company's mobile app, including submitting a claim, uploading photos and providing an accident description.


Other tasks available for customers include:

- Paying insurance premiums;
- Documenting an accident;
- Submitting a Claim—including photos and accident description;
- Check claim status;
- Locate a State Farm Select Service Repair Facility;
- View insurance card;
- Contact a State Farm agent;
- Locate a State Farm agent; and
- Search for tow trucks, taxis, locksmiths and rental cars.

## AGRR'S<sup>TM</sup> ANNUAL GUIDE TO NEW PRODUCTS AND SERVICES

CONTINUED FROM PAGE 15

### UltraWiz Launches Two New Blades



The new radius serrated blade now has two new parts from UltraWiz, while the reverse bend blade now has a paint protection coating.


The radius serrated blade is ground with a radius on the back instead of original straight angle grind to reduce cutting resistance. The second update to the blade is the

unique serration design that leaves only the points touching the glass to keep most of the blade sharp, according to officials. The blade is available in ¾, 1 and 1½-inch lengths

Many vehicles today have exposed pinchwelds and paint protection blades can help prevent scratching the paint so the company has coated its reverse bend blade. When cutting out a windshield with an encapsulated molding and exposed pinchweld, technicians can cut under the encapsulation and still not worry if the blade comes in contact with the clearcoat, according to officials. These are also available in ¾, and 1½-inch lengths.

► [www.ultrawiztools.com](http://www.ultrawiztools.com)

### Diatech Presents Carbide Drill Bits



South Carolina-based Diatech has introduced a complete line of precision carbide bits for windshield repair. These six-blade carbides offer more than 30 different tip configurations and sizes. The carbide bits are designed to provide precision concentricity and low vibration.

► [www.diatechusa.com](http://www.diatechusa.com)

### Delta Kits Introduces Multi-Bridge System



The limited edition EZ-330D Mobile Pro is being offered by Delta Kits.

It includes both the top-selling B250 windshield repair bridge and the lightweight B15. Also included are the company's most popular tools, resins and enough supplies to complete 100 repairs. This professional double bridge system is designed to allow technicians to complete two repairs simultaneously for improved efficiency, according to company officials.

The product also features a mobile battery system and Delta Kits' 12V UV curing light, as well as the Ignite LED UV curing light.

► [www.deltakits.com](http://www.deltakits.com)

### New Lifting Tool Available

The Auto Glass Installer can help a technician lift glass up to height of 96 inches and carry a load weight of 75 pounds. The technician can position the glass on the tool and the product will carry the weight until the final set, according to officials. The device is portable and can be set up in two minutes. It comes with a height extender, battery pack with charger and a storage rack that can mount in a vehicle.

► [www.theautoglassinstaller.com](http://www.theautoglassinstaller.com)



### Glas Bot Gains New Kits



Northern California-based Nelson Glass Tools has released new kits for the Glas Bot automated glass removal systems.

Kits will now include an Apex Corner Tool that is designed to provide an improved method of aligning the cutting elements for more precision and faster removal times.

► [www.glassbot.net](http://www.glassbot.net)

### Extractor Reveals Three New Tools



Extractor has introduced several new tools, including the Ext-Pro-V120, Ext-Pro-NC18 and Ext-Pro-Mini.

Delivering more than 3,000 strokes per minute, the new EXT-PRO-V120 "lightning" can power its way through even the toughest of automotive glass removals, according to officials.

The Ext-Pro-NC18 "Extractor18" offers the portability of a cordless tool. Powered by a NiCad battery and an 18-volt motor, the "Extractor18" is ready to go to work.

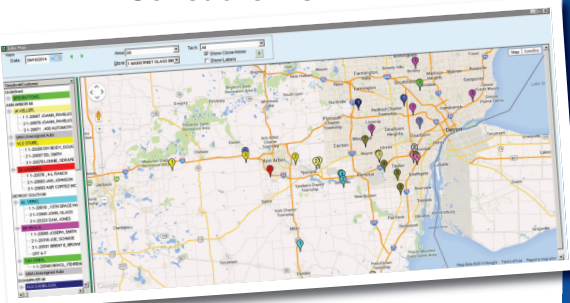
The mini's lightweight design can help reduce operator fatigue. The tool offers variable speed, ranging from 0-3,000 strokes per minute.

► [www.extractortools.com](http://www.extractortools.com)



## COMPUTER PROGRAMS

### Mainstreet Launches SchedulePro



Mainstreet's new SchedulePro module for Glas-Avenue software features options that simplify scheduling jobs, according to officials. The program integrates with Google Maps™ (through a license) to provide accurate routing.

With SchedulePro, each technician can be assigned to a specific service area, defined by ZIP code and more.

► [www.mainstreetcomp.com](http://www.mainstreetcomp.com)

## HANDLING EQUIPMENT

### Glass Technology Introduces Stripper Version 2.0

Glass Technology Inc. has introduced a special 30th Anniversary Edition of its Stripper that includes a free

special quarter glass handle. The new angled handle helps to give technicians more leverage in tight spaces. The anniversary model offers a stainless steel wire/cord tie off and a reduced-

diameter pulley to help reduce the effort it takes to effectively cut through urethane.

► [www.gtglass.com](http://www.gtglass.com)



## GADGETS AND GIZMOS A PLENTY

Automotive glass repair and replacement technicians spend quite a bit of their time on the road if their company offers mobile services, so here are a few technology ideas to consider, in no particular order.

### Water-Proof Smart Phone

This is a great product if you get caught outside when it is raining. Liquipel is a nano coating that surrounds all the tiny little electrical parts in and around your device. This coating is good protection for accidents, according to the company's website.

► [www.liquipel.com](http://www.liquipel.com)

### USB Pens and Watches

While most people have a smartphone—which can provide the time and save information—it never hurts to have a backup of that file, especially when traveling.

USB pens are available from different suppliers, including [www.customusb.com](http://www.customusb.com). The Carbon Fiber USB Pen is just one example available from the site. USB watches are not quite as common as USB pens, but can also be purchased online via retailers such as [www.amazon.com](http://www.amazon.com).



### Charge It

In a world of gadgets, something almost always needs charging. The following ones can help keep the on-the-go technician up and running. This iPhone 5/5s case ([www.hammacher.com](http://www.hammacher.com)) has a built-in plug for convenient charging without a cord. When all of the gadgets need to be powered up—or recharged—at the same time, that's where the portable power bank comes in. The Paick Sleek ([www.coolest-gadgets.com](http://www.coolest-gadgets.com)) comes with an attached micro USB cable and handle for easy portability. It offers 6,000 m Ah that can be channeled to thirsty devices thanks to an attached micro USB/USB cable which is capable of doubling up as a handle to hook it to other items such as pants and bags.

### Steering Wheel Bluetooth Speakerphone

Some states allow hands-free devices when it comes to using your cell while you drive. If your car is not Bluetooth ready or wearing a Bluetooth is uncomfortable, a steering wheel option might be the answer. Hammacher and Schlemmer offers a cordless Bluetooth speakerphone that attaches to a steering wheel. The device connects wirelessly to any Bluetooth compatible phone and incoming calls appear on the digital display for easy viewing, according to the company's site (<http://bit.ly/1nS5Np2>).



### Smartphone Personal Item Locator

If you have a tendency to misplace often-used items such as keys or safety glasses, the smartphone personal item locator might be a solution. Turn your iPhone or any other smartphone into a private detective to track down all those things you typically have trouble finding by downloading the free CobgraTag™ app from your smartphone's app store and attaching the personal item locator "tag" to anything that keeps escaping your radar. When any tagged item gets too far away from your smartphone, the program will kick off an alert and help you track down the item by GPS and alert you to its location.



# Making Business Not So Risky



## Technology Can Improve Customer Service

**S**mall and large AGRR business owners alike know a surefire way to keep the traffic coming in the door—customer service. Many are turning to technology as a way to enhance their customer communication.

### Internet Investments Pay Off

Investing in websites is relatively common, but American Mobile Glass of N.J. takes it a step further by encouraging positive online reviews and management touts their strong approval ratings.

"American Mobile Glass has won

Angie's List coveted Super Service award two years in a row, has more than 50 ratings on Google with a 4.9 out of five-star rating average, and five out of five stars rating average on Yelp," says Patrick McKernan, president of American Mobile Glass of N.J. in Newfoundland, N.J.

His big focus, given the company's strong online feedback, is on Internet advertising.

"Being in business for more than 30 years, we have a lot of repeat customers and wholesale accounts," he says. "But in order to grow, we need new customers as well. What has been working

well for us is Internet advertising."

As for Indianhead Glass in Saint Croix Falls, Wis., the Internet is definitely where it's at for marketing.

"We have added pay-per-click Internet advertising and are involved in many networking groups to keep top mind awareness in our communities," notes Cherie Link, who handles sales and marketing for the company. "Technology should be beneficial to our industry. To be able to capture a photo of a customer's vehicle (rust or dents) and have that uploaded to our file can only help if there are concerns later. Online scheduling is convenient for customers and sending real-time updates to our technicians in the field will only increase productivity."

### glassBYTES.com<sup>TM</sup> readers were asked: "Which technology shows the most promise in the AGRR industry?"



- Technology integrated right into the windshield and lite, such as tinting, controls, etc. (48%)
- Self-healing automotive glass (for minimal damage) (29%)
- Glass sensors on the windshield and lites alerting AGRR companies or insurers to glass damage (14%)
- Text messaging (5%)
- Heads up display (5%)
- Videos, such as YouTube (0%)

(Participants could only select one)

### Texting Possibilities to Explore

"We have embraced technology within our means," says Scott Harkey, president of Windshield Glass in Greensboro, N.C. "We are very proud of our websites, but we probably won't zing you with a solicitation text anytime soon because that is not who we are."

While text messaging is not catching fire, emailing photos is gaining





steam. American Mobile Glass of N.J. is now sending out confirmation emails to customers with a picture of the technician so they know exactly who will be showing up soon at their home or work.

## What about Video? Can it Help?

Though still rare, some companies such as American Mobile Glass of N.J. and City Auto Glass dabble in videos.

"We currently have an advertisement video on our website and will be looking to add several more this year," McKernan explains.

City Auto Glass turns to video to train its technicians, in addition to taping pre-inspections of vehicles.

"We're looking to utilize streaming video of vehicle pre-inspections for customers who cannot be physically present when we arrive to perform the work, as well as for collaboration between technicians when assistance from a more experienced technician is needed," says Mike Schenian of St. Paul, Minn.-based City Auto Glass.

The videos from more experienced technicians can serve as a "how to" for others learning.

McKernan adds, "Technology can help and hurt any business. I think with the auto glass industry, it helps create more efficient routes for our technicians and allows us to have better communications with our customers since every vehicle has GPS of its exact location, and be more organized. We are looking for the need to eliminate the need for paper in a lot of aspects of our business. We hope that either by the end of 2014 or very early 2015, we will be completely paperless."

## Investment Size Doesn't Always Matter

For smaller companies, dishing out the big bucks for technology can sometimes be a challenge, says Joe Estrada of Estrada's Carglass in San Antonio, Texas. But even small investments can have a big impact.

"All my guys have iPhones," he



The technician team at Maple Shade, N.J.-based Ed & Sons works on big replacement.

points out. "We send them a text or picture with list of work needing to be done for each body shop. Our technicians are on a schedule throughout the day and use their iPhones to communicate with us. They tell us how long it'll be from one job to another."

## Looking through the Windshield

The future possibilities of technology seem almost limitless.

McKernan sums up the ongoing goals for AGRR companies succinctly: "Our top focus of 2014 is

going to be about customer service. How can we better service our existing customers? How can we become more efficient in our processes without compromising customer safety or satisfaction? These are a few questions we will be looking to answer throughout the year. And we will keep striving to stay one step ahead of our competition."

Jenna Reed is the editor of AGRR™ magazine/glassBYTEs.com™. Follow her on LinkedIn at Jenna Reed, follow her on Twitter @agrrmagazine and like AGRR magazine on Facebook to receive the latest updates.

## Glazing and Car Tech on the Horizon

In addition to the possible benefits smartphones and texting could bring business, some glazing and car technologies are on the horizon.

Some companies such as Corning and Guardian Automotive are working on switchable glazing. This technology can turn glass from transparent to opaque. Two ways this is being implemented is through suspended particle device and particle device liquid crystals. In the future, with a touch or two to the lite, glass could suddenly be tinted.

Also, more sensors are being employed for rain, infrared cameras and vision cameras, according to Brian Bauer, vice president of sales for Pittsburgh Glass Works.

And what about the possibility of self-healing glass? NanoMarkets forecast a lot of market potential for such a product. This type of automotive glass is in a very early stage of development.

Lane departure cameras, heads up displays and more are not uncommon in today's market, as well, notes Don Michelotti, executive vice president of Carlex. ■

# Fleet Street

## How Two Smaller Companies Compete Successfully Against a U.K. Powerhouse

by Jenna Reed

**“I**t was the best of times, it was the worst of times.” Much like this quote from Charles Dickens’ famous novel, the automotive glass market in the United Kingdom has both its strengths and its weaknesses.

For Smile Windscreens, an automotive glass repair and replacement company nestled in Kent County, U.K., the rainy weather and improving economy is good news for business. This small company thrives even as it lives in the shadow of Belron’s huge Autoglass division.

The U.K. fleet market for companies such as Nationwide Windscreen Services is mature and growth must come through capturing competitor’s market share. But Nationwide Windscreen Services has found a solid demand base and predicts good things to come.

Officials from both companies offer unique perspectives and talk about how they have shined the lights upon themselves amid the long shadow cast by the AGRR glass giant in the U.K.

### Small and Nimble

Working in Belron’s shadow isn’t a bad place to be, according to Tim Morrow, director of Smile Windscreens near Kent County in the U.K.

Established in 1991, Morrow de-



**Nationwide Windscreen Services technician Matt Cassells pays close attention to detail.**

scribes his company as a small “family concern.”

“We have more than 100 regular clients, including accident repair companies, car dealerships, vehicle hire companies, commercial vehicle dealerships and the general public. We have four technicians and two in the office. We work from home,” he says.

“We do very little in the way of insurance work. When we undertake insurance work, we are forced to issue the invoice through a company owned by Belron. Payments are slow, most paperwork is rejected and they undertake audits on most jobs.”

“Belron is being put under real pressure,” he says. “They now have real competition in fitting [installation] and distribution. Many insurance compa-

nies in the fleet market impose high excess charges of \$417 to \$834 USD (£250-£500 in British pounds) on glass or do not cover glass at all.”

As for technology, Morrow says his company, like many other independents, has turned to Autoglaze IT.

“We have a booking and management system called Autoglaze IT. This system is becoming the standard in the independent market,” he says. “It is being used to join independent operators into an ad hoc network.”

Looking back over the last five years, Morrow points to 2014 as the best one yet.

“This has been the wettest year in more than 250 years in the South of the Country and working outside has been difficult. Our road network is looking like the third world in places with the wet weather causing major damage. It should keep us busy,” he explains. He has seen the economy bouncing back.

### Larger and Fleet-Focused

“The parent company to Autoglass, has spent more than 40 years developing its business in the U.K. and, in turn, uses this model to develop its global activity,” points out Phil Homer, network director at one of Belron’s competitors, Nationwide Windscreen Services.



**Fact:** In the summer of 2013, the United Kingdom experienced temperatures of 90-plus degrees Fahrenheit. Autoglass reported a 10-percent year-over-year increase in damaged windshields due to weather.

But Nationwide, with 70 branches that cover the United Kingdom and Ireland, as well as a fleet of 500 repair and replacement mobile vans, is holding its own. His eight-year-old company has a main focus on serving fleets, such as contract hire, leasing, vehicle management companies and rental companies.

Homer says Belron has a “huge footprint” in the insurance sector and a strong brand presence. He notes that pricing is an important factor for insurance companies, but service must be good as well and that is Nationwide’s strength.

“Many of our competitors will ‘buy contracts’ then will not be able to

service them effectively, as low margin work will not always satisfy,” Homer says.

“Over the last three years, the fleet sector has become more of a target area for them, but we feel that our service delivery model is a better fit as it gives better flexibility and fits in with the customers’ high demand, such as offering same day or next day appointments,” Homer explains.

“Autoglass uses a scheduling model to manage jobs and deployment, as do most of our competitor companies in

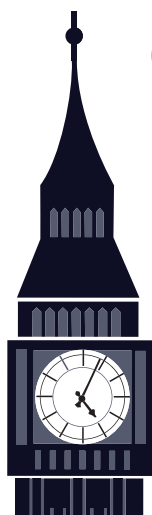
the U.K.,” he continues. “Although slick, this does not allow the user to re-prioritize work by customer demand, e.g. some jobs are scheduled two weeks out from the point of requesting the service.”

Nationwide has a national call center operating 24 hours a day, seven days a week to serve clients. And all mobile units have the ability to repair or replace, depending on a client’s need and the damage, he says. Homer estimates the U.K. fleet glass repair and replacement market is worth more than \$3.3 million USD (£2 million in British pounds).

*continued on page 22*

## U.K. Weather Statistics Summer 2013

### Mean Temperature



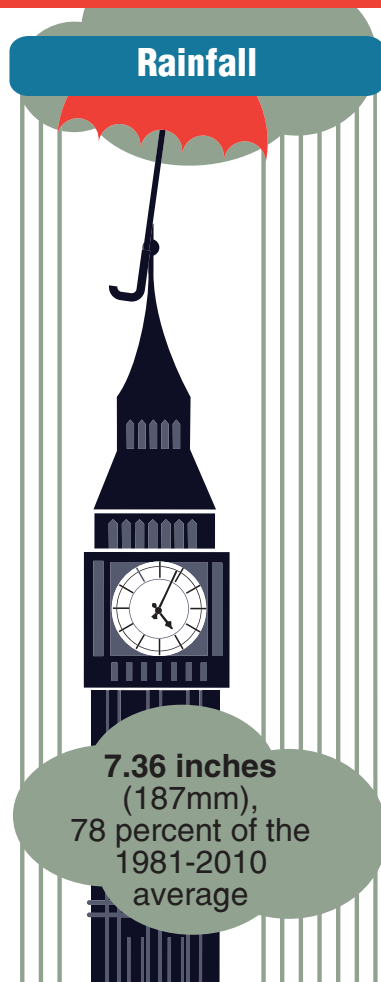
**54° Fahrenheit**  
which is  
**33.5° Fahrenheit**  
above the  
1984-2010 average

### Sunshine



**578 hours,**  
114 percent  
over  
1981-2010  
average

### Rainfall



**7.36 inches**  
(187mm),  
78 percent of the  
1981-2010  
average

Source: the Met Office, which is U.K.’s National Weather Service.

## Fleet Street *continued from page 21*



Mobile van technicians at Smile Windscreens are dealing with the one of the wettest years on record.



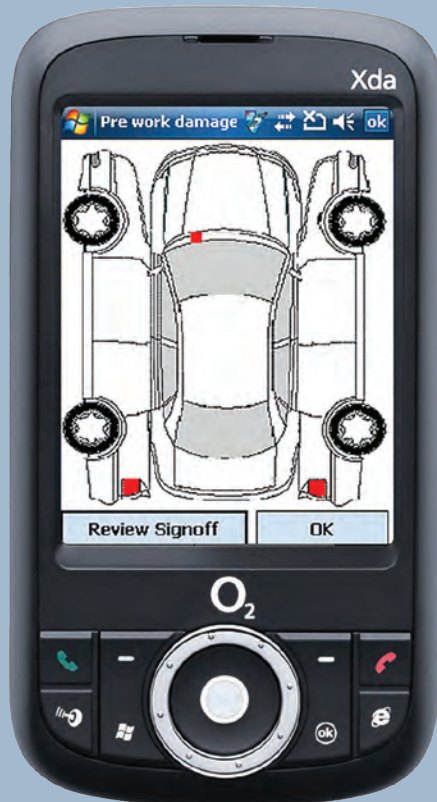
Smile Windscreens turns to a lift to move large glass for trucks.

The company expects all its technicians to achieve a National Vocational Equivalency Level 2 in automotive glazing within 24 months of joining Nationwide.

"This is an industry-recognized standard covering all aspects of the job," says Homer. "We are also looking to continually improve by providing further in-house training and evaluation for time-served technicians so that we can demonstrate their current competences on newer vehicles. We also provide an annual refresher training course on urethane applications, including cold weather applications."

When it comes to repair, Homer says all company technicians are competent and training is provided by Esprit. Nationwide operates on a "repair first" policy and replaces only if needed. The company has embraced hand-held device technology in a big way.

"The hand-held devices [our technicians use] enable us to deploy jobs to technicians directly, reducing paper trails and minimizing data mi-



The technology is in the palm of their hands at Nationwide Windscreen Services.

gration," he explains.

From a larger company perspective, Homer calls the U.K. fleet glass market mature.

"However, we feel we have massive growth potential, which will be at the expense of our competitors' market share as our model works well and is what our customers want. Pricing is key in the insurance or fleet sector, but we feel you need to strike a balance with price versus service," he says.

Both executives look to the future as bright, regardless of the shadow that may be looming over them. ■

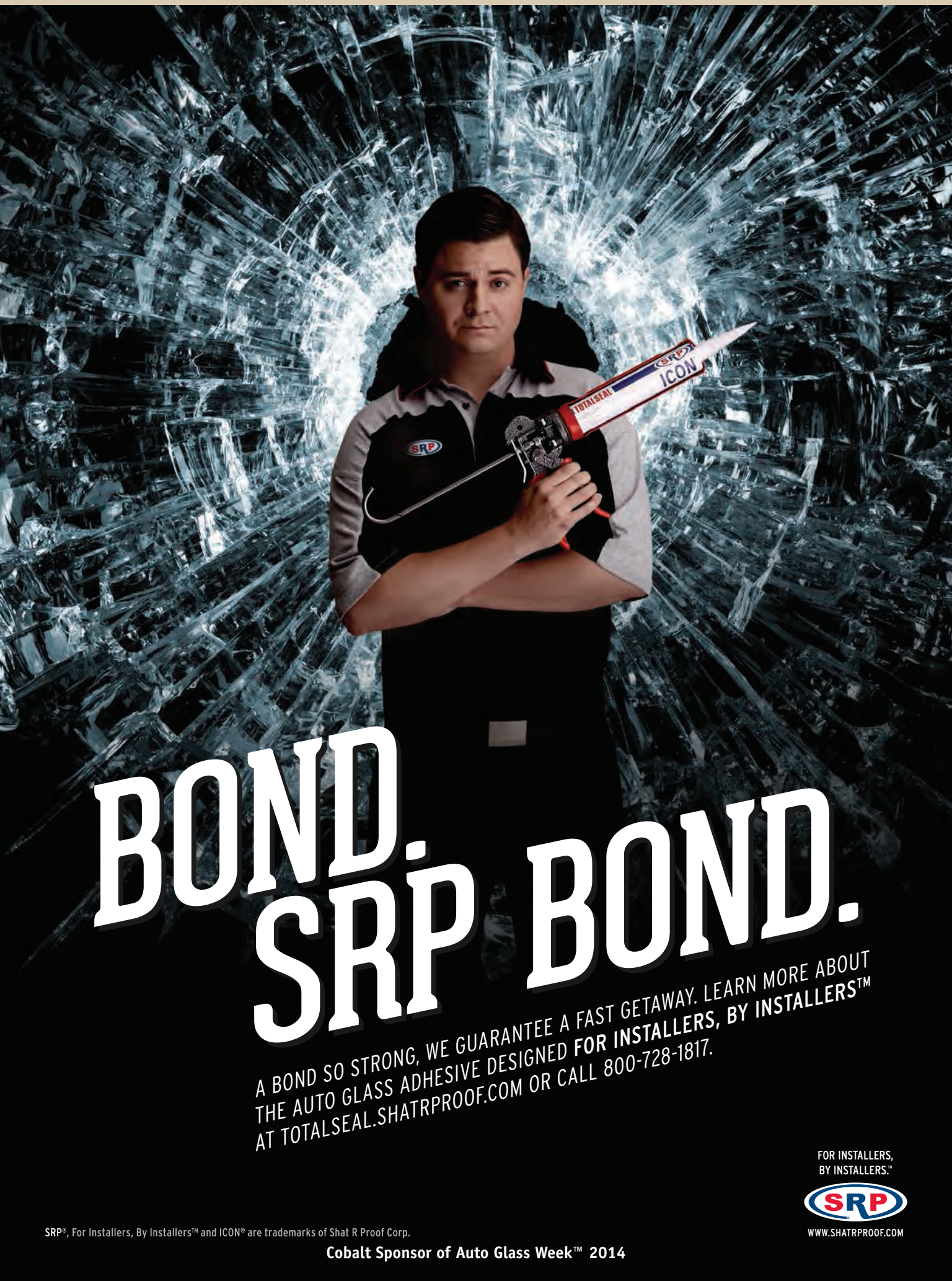
### U.K. Market Share Perspective

What does the market share look like in the United Kingdom? We asked Phil Homer of Nationwide Windscreen Services to break it down for us:

- Autoglass has about 40 percent of the market, mostly consisting of domestic insured vehicles, he says.
- In the fleet sector, National Windscreens has the largest market share, followed by Nationwide Windscreen Services, AA Auto Windshields and Auto Windscreens, according to Homer. Together, these companies have roughly 45 percent of the market.
- The independent sector also has a large presence at 15 percent.

Jenna Reed is the editor of AGRR™ magazine/glassBYTEs.com™. Follow her on LinkedIn at Jenna Reed, follow her on Twitter @agrrmagazine and like AGRR magazine on Facebook to receive the latest updates.





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# Are they Claims Adjusters?

## TPAs Do Some Claims Adjustments, But Whether or Not They are Required to be Licensed Depends on the State

by Stuart Zimmerman

**I**n representing the insurer, the third-party administrator (TPA) may have different ideas on whether to repair or replace, the parts to be used, and the appropriate amount of payment. There may be a series of calls between the different parties in the process. AGRR™ magazine frequently receives reports from

that the glass shop is a third party to the contract of insurance between the insurer and its policyholder. That insurance contract is governed by state law and regulation. Generally the insurance company can determine what it reimburses as long as it is in keeping with the contract, but it is largely up to the policyholder to decide what work

policyholders that option for a fee. The insurer/TPA can, subject to the contract, decide what they will pay.

### Licensed Claims Adjusters?

Who is at the other end of that phone at the TPA? Are they licensed adjusters? How much do they know about automotive glass repair or replacement? Even if they are licensed, such credentials do not necessarily guarantee knowledge of the AGRSS™ or ROLAGS™ standards or any experience in their application. We examined a selection of laws in some key bellwether states. Staff claims adjusters (at insurance companies) often do not need to be licensed. The statutes we have examined seem to require that independent adjusters generally need to be licensed, but the threshold for when someone is an “adjuster” is fairly high.

With some exceptions, the person representing the insurance company who works with the claimant at a TPA does not need to be a licensed adjuster. That person may be employed by the TPA or the insurance company itself. While most states do not have a requirement that TPAs be licensed, the state of New York does. In a July 2005 ruling, the New York Insurance Department stated:

“An adjuster license is required where the TPA exercises discretionary authority in adjusting claims. Opinion of General Counsel No. 01-06-36. ABC Administrators, in certain situations, reviews claims and then decides

**// A repair facility can use OEM or non-OEM parts but the repair has to be of like kind and quality. Similarly, the question of whether to repair or replace would be held to the standard of like kind and quality. If a consumer did not agree with the insurer's determination, he or she can file a complaint. //**

—Jerry Hagins,

Texas Department of Insurance

glass shops, alleging that work has been redirected to a TPA-owned glass shop in the process. There may be significant negotiations between the shop and the TPA as to whether the windshield can be repaired, if it is to be replaced, whether OE or replacement parts are used and the price to be paid for the parts and labor. The TPA may insist on paying a price that the shop finds unacceptable or using parts that the customer finds unacceptable.

One of the underlying problems is

the shop does on the vehicle. As long as they are willing to make up any difference, policyholders can insist on whatever they want to be done to their vehicle subject to any motor vehicle laws in their state.

States have different regulations about those contracts, however. For example, some states limit the contract so that there is “no deductible on automotive glass or windshield damage, such as Massachusetts and Florida, and other states and insurers offer pol-

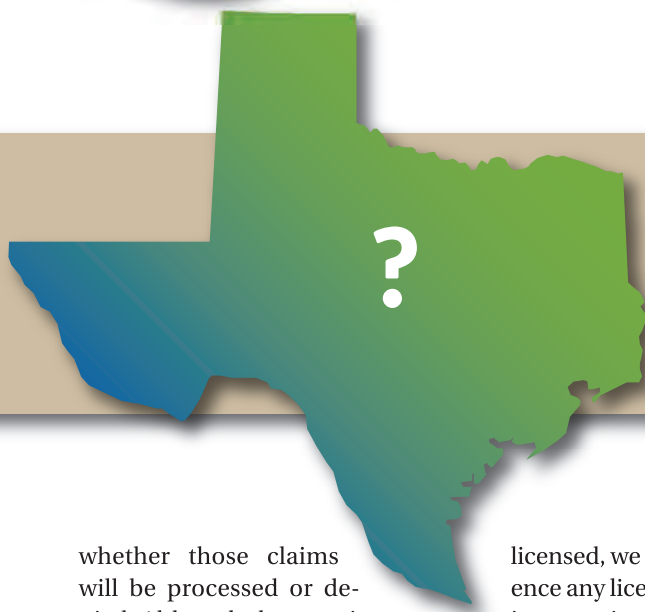




Caleb Buhs from the public information office for the Department of Insurance and Financial Services in Michigan, said there were four complaints submitted about automotive glass to the department in 2012 and none since then.



Ashley Carr, spokesperson for the Florida division of Financial Services, said that in Florida there were 11 complaints in 2012, six in 2013, and four so far this year.



An official with the Texas Department of Insurance said that they don't track insurance complaints about automotive glass separately, but don't remember receiving many.



whether those claims will be processed or denied. Although these reviews are done based on the parameters provided by the insurer, the reviewers eventually decide whether a claim will be processed or denied. Therefore, ABC Administrators and the employees engaged in such activities will need independent adjuster licenses pursuant to § 2108 of the New York Insurance Law." This case was related to dental insurance, but depending on the activities, may be applied to vehicle glass claims.

The Texas Department of Insurance also may require a Managing General Agents (MGA) license. The other states we checked do not generally require TPAs to be licensed. Even in states where a staff adjuster or a TPA must be

licensed, we have been unable to reference any licensing requirement requiring experience in automotive glass per se, or the AGRSS or ROLAGS standards.

As a glass shop, what happens if the TPA, or an adjuster for an insurance company, determines a repair should be made when your experience or standard dictates it should be replaced? What happens if the insurer requires aftermarket replacement glass when your expertise dictates, or your customer prefers, OE glass? What are your options?

### Policyholders' Legal Rights

Since the contract is between the insurance company and the policyholder, the glass shop does not have legal rights, but the policyholder may. Depending on the state and the pol-

icy, the policyholder can opt for a legal proceeding or complain to the regulatory agency. In many situations, as a spokesman for the Florida Department of Financial Services (DFS), Ashley Carr said: "Insurance policies typically include an option for appraisal of the loss. The appraisal process lets each party select an appraiser, and the appraisers select an umpire to help come to agreement."

"A repair facility can use OEM or non-OEM parts but the repair has to be of like kind and quality. Similarly, the question of whether to repair or replace would be held to the standard of like kind and quality. If a consumer did not agree with the insurer's determination, he or she can file a com-

*continued on page 26*

## The TPA Price Challenge

*continued from page 25*

plaint ...," says Jerry Hagins of the public information office for the Texas Department of Insurance.

While possibly subject to limitations in the insurance contract, the policyholder can sue (in small claims court) in most states.

Whether through an appraisal process or a lawsuit—where the amount in dispute is often a few hundred dollars or less—it is the policyholder's prerogative and at his potential expense. This is an unlikely resolution, and not necessarily helpful to the glass shop, though some shops do "batch" all their claims together for legal or arbitration action. The policyholder can also file a complaint with their state's insurance regulator but that resolution is not guaranteed. Even when a complaint or a legal proceeding ends in a decision against the insurer, it is likely to end long after the windshield is fixed and back on the road.

### Talk With the TPA

The glass shop's best opportunity to make a difference is to do the right thing, get fairly compensated and have the most satisfied customer is in dealing with the TPA/insurer. The person at the other end of the line is most likely in a call center. Their job is to handle the claim as quickly as possible spending the least of a company's money while generally satisfying the insured. They obviously have been trained in handling glass claims but don't know as much as a glass shop owner.

The shop in the middle, needs to stay professional, give their best advice to their customer and deal the best they can with TPAs and insurance companies.

The TPA is a specialized customer service operation. How you deal with them can make a big difference. Be respectful, professional and businesslike at all times and carefully

**// Insurance policies typically include an option for appraisal of the loss. The appraisal process lets each party select an appraiser, and the appraisers select an umpire to help come to agreement. //**

—Ashley Carr, Florida Department of Financial Services

state your case. Stay focused on the facts. Just as in any customer service situation, if you don't get a satisfactory response, escalating on the call to an agent's supervisor may prove helpful. If you know you are right, stick to your position and state your facts and be persistent. The representative wants to close the case and move on. Your persistence and professionalism may pay off.

A good example of this was experienced by Linda Rollinson, owner of Superior Auto Glass of Tampa Bay in Port Richey, Fla. A few months ago, Rollinson's technician had to replace the glass on a mint condition 1993 Lexus. The TPA would only approve non-OE glass for the 20-year-old vehicle. Rollinson thought that glass was of lower quality and would impact the value of the "great condition" vehicle. The TPA declined the request to pay six-times more for dealer glass than the aftermarket glass. Under the circumstances Rollinson thought that the TPA was not doing right by her customer. She called the insurer's main office and after much discussion, she eventually prevailed.

If you don't win with the argument, the policyholder, your mutual customer, can make up the difference.

In the end, consumers may understand more about dealing with insurance company claims than you think and have more leverage with their insurance company than glass shops do. Explain the situation. In the end

your customer wants their family to be safe and may be willing to pay the difference between an insurer's approval and your best expertise at fixing their car.

To a large extent, the glass shop and your customers are at the mercy of the person at the other end of the line without enforced standards as to how the claim is resolved. This situation seems unlikely to change very much because there are not many consumer complaints about the process.

On the two states that we were unable to unearth data, there are only a few complaints a year on automotive glass claims. Caleb Buhs from the public information office for the Department of Insurance and Financial Services in Michigan, said there were four complaints submitted about automotive glass to the department in 2012 and none since then. Ashley Carr, spokesperson for the Florida division of Financial Services, said that in Florida there were 11 complaints in 2012, six in 2013, and four so far this year. An official with the Texas Department of Insurance said that they don't track insurance complaints about automotive glass separately, but don't remember receiving many. ■

**Stuart Zimmerman is an occasional journalist and a former attorney/advisor for the U.S. Department of Justice. He currently works as an information technology consultant.**



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# ROLAGS Redux

## Updated Standard Focuses on Resin Performance

focus on REPAIR

**A** REVISED REPAIR OF LAMINATED AUTOMOTIVE Glass Standard™ (ROLAGS) that includes re-designed testing protocols to better evaluate how repaired pieces of laminated glass perform under varying temperature changes, among other changes, has been submitted by its secretariat, the National Windshield Repair Association, and approved by ANSI.

ANSI/NWRA/ROLAGS™ 001-2014 replaces and supercedes the previous ROLAGS Standard, originally published in June 2007.

"The big change is in the addition of the additional thermal cycling test for resins," says Keith Beveridge, a member of the NWRA's board of directors and chair of the ROLAGS Standard Committee. Beveridge also serves as senior vice president of Savage, Minn.-based Novus. "The testing protocols try to replicate real world temperature changes. Say it's a cold day in Minneapolis in September or January and 25 degrees below Fahrenheit. The glass contracts and expands based on temperature and the repair resin performs differently than the glass. If the temperature is 25 below and you turn on vehicle heat, it shocks the system or glass. We want to see what happens when you shock the system and make sure the glass and resin don't crack out. We are looking to duplicate the effect of cold weather with our testing."



**"If the repair passes the test, consumers can be highly confident that their windshield repair will last."**

—Keith Beveridge, ROLAGS Chair

The test involves using a heat gun or heat source to take the glass from 0 to 225 degrees Fahrenheit, he explains.

"The idea is to keep the glass cool and then add hot air, duplicating what will happen in cold climates when the defrosters are turned on," Beveridge says.

While the results of this analysis might not be as significant in Arizona, he says it can be a good indicator of how resin will perform in colder states.

"What will the impact of this sudden warm up be to the resin? Will the resin perform up North? If the repair passes the test, consumers can be highly confident that their windshield repair will last," he adds.

Some of the added ROLAGS recommendations to Appendix C also require re-testing as well to ensure the repair will stand the test of time.

"Some of the tests are the same as what was previously recommended," notes Penny Chatterton, a chemist with Novus and chairperson of the ROLAGS Product Performance Sub-Committee. "In many cases the procedures now contain a required re-test after samples have been accelerated weathering to mimic the effects of a year or two outdoors. We also added new tests to mimic the effects of quick temperature changes on repairs and evaluate the color change in pit repairs after accelerated weathering."

The end goal of ROLAGS is to ensure consumer safety, Beveridge points out.

"With the proper technician, proper repair and the science to back this up, consumers can be sure the job is done right," Beveridge explains. "ROLAGS offers a code of practice for business."

A copy of the new Standard can be found on the ROLAGS website at [www.rolags.com](http://www.rolags.com).

**Jenna Reed** is the editor of AGRR™ magazine/glassBYTES.com™. Follow her on LinkedIn at Jenna Reed, follow her on Twitter @agrrmagazine and like AGRR magazine on Facebook to receive the latest updates.

### New to ROLAGS, Annex E (informative) Typical Portrayal of Windshield Damage

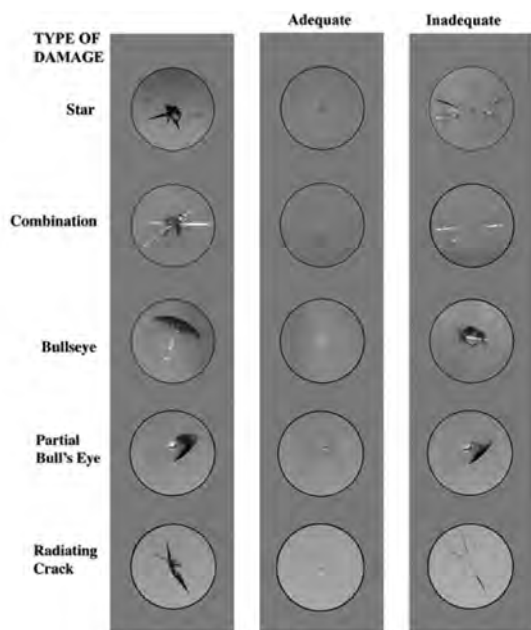


Figure E.1 - Quick Reference of Typical Repairs

Source: Annex E, ROLAGS





## Here are excerpts of the additional ROLAGS language outlining testing protocols for resin:

Annex C (normative)

### Test Protocol for Repair Systems from ANSI/NWRA/ROLAGS 001-2014

#### C.1 Purpose

The purpose of this test protocol is to evaluate, in various ways, repaired pieces of laminated glass with damage as described in clause C.3, Test Samples, in order to make a determination of the suitability for windshield repair, of the resins used to perform those repairs.

#### C.4.5 Resistance to Thermal Cycling

##### C.4.5.1 Samples

###### C.4.5.1.1 Repair Resins

Use three samples of combination break repairs, as specified in C.3.3.1, to evaluate repair resins. The legs of the combination breaks shall extend past the bullseye portion of the break.

###### C.4.5.1.2 Crack Resins

Use three samples of crack repairs, as specified in C.3.3.2.2, to evaluate crack resins, except that the crack length is only to extend about halfway across the sample glass, or about 6 inches (150 mm).

##### C.4.5.2 Method

###### C.4.5.2.1 Apparatus

- Fixture for holding repaired samples over heat gun;
- Heat gun capable of continuous temperature adjustment (such as Makita Model HG1100, or equivalent);
- Freezer;
- Probe- or thermocouple-type thermometer capable of reading at least 0°F (-18°C) to 300°F (150°C).

###### C.4.5.2.2 Procedure

- Before starting the test, position the heat gun within the fixture so that the outlet is 2 inches (50 mm) directly below where the repair will be. Turn on the heat gun and adjust the thermostat until the exiting air temperature is a constant 225°F (107°C) at the spot where the air will impinge the bottom surface of the glass. If the heat-up time is more than 30 seconds, have the heat gun already running and equilibrated before the sample is placed over it.
- Place the first repaired sample in freezer set to 0°F (-18°C) and allow to equilibrate for one hour.
- Remove the sample from the freezer and make a quick check of its repair condition. If this is acceptable, place the sample on the fixture, repair side up. Affix the temperature probe or thermocouple wire to the top of the sample over the center of the repair.
- Allow the heat gun to heat the underside of the glass directly under the repair until the repair side reaches 150°F (66°C). Remove the sample and allow it to cool to 100°F (38°C). As it is cooling, examine it for any of the failure criteria described in C.4.5.3, Expected Results.
- If the sample has not failed, repeat the freezer/heat gun cycling up to two more times
- Repeat steps (a) – (e) on the other two repaired samples.

###### C.4.5.3 Expected Results

In addition to meeting the criteria of clause 9 of this standard, the repair should remain unchanged. The star portion shall not separate from the glass or the PVB. No voids shall appear in the bullseye.

###### C.4.5.4 Retesting

If one test piece fails to conform to C.4.5.3, another set of three like samples shall be tested. This may be repeated for a maximum of three test rounds. If in each round of tests, a sample fails to meet the success criteria, then the resin used is considered not to conform to the requirements of Resistance to Thermal Cycling Test (C.4.5) as regards that type of repair. ■

Visit [www.ROLAGS.com](http://www.ROLAGS.com) to view the entire Standard.

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rich@ultrabond.com

## Repair Round-Up

repair reports

# Your Business Partner—The Frit

by Richard Campfield

focus on REPAIR

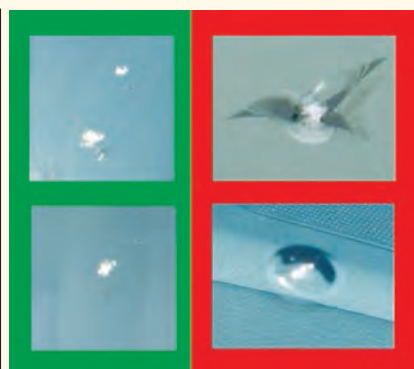
**S**OME FOLKS ARE JUST TOO independent to have a partner. We will take a silent partner any day though, one that drums up business but says nothing and does not even take a paycheck. The silent partner of your automotive glass business is the frit.

## The Quiet Employee

Just what role does the frit play in drumming up business for you? It adds heat and thermal pressure in an area of the windshield that is already stressed with residual and induced stress. Plus, the atoms of glass are farther apart when glass is warm, and the warmer the glass is, the less dense it is and it takes less energy to fracture. In comes the frit heating the glass where there is residual stress, installation stress and now thermal stress, too.

Thermal stress occurs when there is temperature variance in different parts of the glass. Breakage will occur when the ability of the glass to withstand this stress is exceeded. Damage to the glass edge during manufactur-

ing, shipping and handling or during its intended use—installed in a vehicle traveling down a road—is the largest cause of a low stress thermal crack. Absorption of the sun's energy is the cause of this temperature difference. If the stress caused by the temperature difference is greater than the strength of the glass, thermal stress glass breakage will result. A glass fracture can be identified as thermal stress breakage if the start of the crack is 90 degrees to both the edge and face of the glass. A single-line crack is considered a low thermal stress crack and multiple cracks emanating from the beginning of the single-line edge crack is a high-thermal stress crack. What we see is the low, single-line thermal stress crack mostly. It is estimated that for every degree in temperature difference between the edge and the center of the glass around 0.62 megapascal (MPa) of stress is introduced into the glass. Given that in some cases a temperature difference of 20 to 30 degrees Celsius can occur,



**Chips, left, are smaller and more concentrated than cracks, right.**

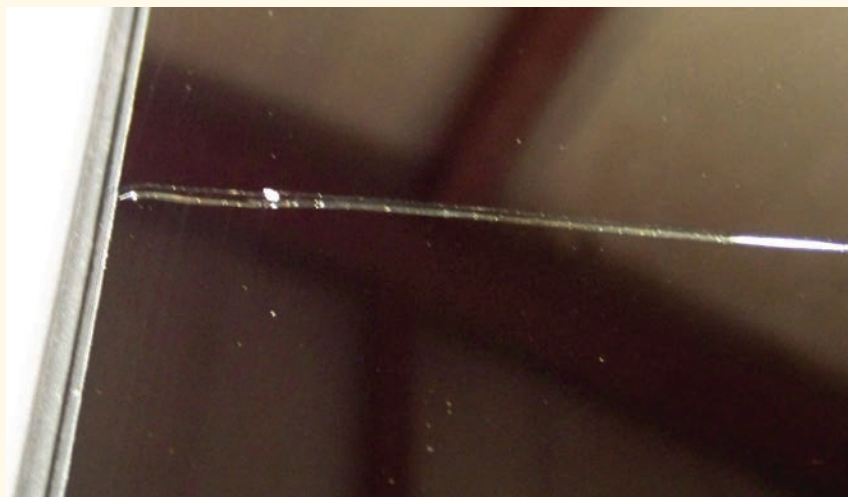
that equates to around 12 to 19 MPa or 1,740 to 2,755 pounds per square inch (psi).

Surface pits in the frit area will also cause an edge crack from heat, installation stress and thermal stress—a pinhead-sized surface chip. We skilled ethical professionals know that more than 50 percent of edge cracks have an impact the size of pinhead or even as small as a grain of sand in the frit area instead of one of the common stone-break types of breaks. This is also much easier to repair then when an impact is a star or combination break. The same tiny little surface pit can cause an edge crack when it is on the frit area.

## Bring on the Heat

So as the summer heat comes, rest assured that your business partner is at work for you out there causing edge cracks from no more of an impact than that from a glorified grain of sand. ■

**Richard Campfield** is the National Windshield Repair Association president, as well as the founder and president of Ultra Bond Inc. in Grand Junction, Colo.



**A typical edge crack begins on the left and spreads across the windshield.**



**COMPANY NEWS**

## Novus' **Growth** Took Center Stage at Biennial Super Session

**T**CG INTERNATIONAL RECENTLY welcomed franchisees to the Novus biennial Super Session in Tucson, Ariz., and the hottest topic of conversation was the company's growth.

"We are the second largest 'network' in this country and we have an amazing reputation for quality and value," said Garry Skidmore, president and chief operating officer of TCG International. "We need to differentiate ourselves. We don't want to repair or replace glass, we want to Novus-



Above: Garry Skidmore, president and chief operating officer of TCG International, told Novus franchisees that they stand out for the quality of their work.



Left: Gary Michaels of Southwestern Consulting leads Novus franchisees in a foot stomping, chair climbing cheer, challenging them to be more enthusiastic about their work.

ize it. And we're doing it right. We are not 'self-certifying.' We are promoting the Auto Glass Safety Council<sup>TM</sup> (AGSC) and its independent third-party validation program. And that's important."

Novus is the only franchise organization that is a collective member of the AGSC. It requires its franchisees be AGSC-Registered Companies.

Garry Skidmore was followed on the stage by his father, Allan, who is chairman and CEO of all the Skidmore companies.

He also talked about how Novus Canada has signed a master franchise agreement with Prime CarCare to develop Novus across Canada. The Minnesota facility of Novus is also being upgraded and Novus has moved into a new building.

Moreover, a new, single application "green" resin is being launched for use by franchisees, Allan Skidmore told attendees.

"This is outstanding and it is exclusive to Novus," he said.

Speakers at the event also included Gary Michaels of Southwestern Consulting, Bill Gibbons and Ben Jarrard of Novus, Tim Glover of Pittsburgh Glass Works, Tom Reid of Safelite Solutions and Debra Levy, representing the Auto Glass Safety Council<sup>TM</sup>.

The winners of the Novus 2013 President's Circle honored during the event

include: Cobblestone Glass; Will and Jodi Brandt; Chris and Jamie Lawson; Mark Pixley; Jamie and Tim Kochakian; Smart Motors; Fix Family; David and Denis Moser; Jeff Fritz; Matt and Lucy Innes; Chet Roberts; Troy Eberhardt; Lindale Koehn; and Shawn Herman.

The winners are invited on a world class fishing trip hosted by Allan Skidmore.

The "Franchise of the Year" award went to Tim and Jamie Kochakian during Novus' anniversary dinner gala, which also celebrated the franchisor's 42<sup>nd</sup> anniversary. ■

### Newscast Goes to the Novus Super Session

For the April edition of the **AGRR**<sup>TM</sup>/glassBYTEs.com<sup>TM</sup> newscast, editors offer an on-site view of the biennial Novus Super Session. Visit <http://bit.ly/1swDeLB> to watch.



## industry insiders

people in the news

### Mainstreet Names New President

David Carnahan, president and founder of Mainstreet, is becoming company CEO making room for



**Bradley Rhoades**

**Bradley Rhoades** to come on board as president. Carnahan's role is "not diminishing and he is not leaving Mainstreet;" the appointment of Rhoades will provide additional

support to Carnahan and help manage the company's growth, according to officials.

Prior to joining Mainstreet, Rhoades was executive vice president of Integrated Supply Chain Solutions LLC for six years. He also spent time with Commodity Sourcing Group and Moore North America.

"We are thrilled to add Brad our team. He joins us with years of experience executing highly successful company strategies that manage and drive growth. He will be a great complement to our Mainstreet team and this additional resource will continue to support our efforts to remain the best in the industry. It will also strengthen our position in supporting our customers," Carnahan says.



**Rich Glover**



**Paul Groves**

### Safelite Group Promotions

Safelite Group has promoted three long-time employees within its supply chain group. **Rich Glover** has been named vice president of manufacturing and distribution; **Paul Groves** has been promoted from director of materials management to assistant vice president, supply chain; and **Reuben Lo** has been promoted from a senior analyst in the finance department to general manager of Service AutoGlass.

#### BRIEFLY ...

Woburn, Mass.-based Windshield Centers has appointed **Neil F. MacLellan III** as president. He was previously executive vice president at Mac-Gray Services.







**Reuben Lo**

In his new role, Glover is responsible for overseeing operations at Safelite's windshield plant in Enfield, N.C., which produces nearly one million windshields annually, as well as Safelite's two distribution centers, which together total 600,000 square feet of supply chain space.

Groves is responsible for Safelite's materials management, inventory and logistics.

Service AutoGlass is Safelite's wholesale distribution business unit. In his expanded role, Lo is responsible for the Service AutoGlass wholesale business including sales management and operations.

## AGSC Names New Board Member

**Peter Brown**, owner of Tiny & Sons Auto Glass in North Pembroke, Mass., has been elected as a new member of the board of directors of the Auto Glass Safety Council<sup>TM</sup>.

"I started in this business with my father in 1971 or 1972 and worked for him in high school," Brown says. "I officially joined his business in 1978. I love this industry because of the technology and the way installations just keep changing. I enjoy keeping up with this and find it interesting and refreshing."

Brown says he learned early the importance of keeping customers vehicles serviced with proper installation techniques that ensure quality and safety.

"My first certification was through Carlite years ago. I learned it's important to make sure customers are properly taken care of. We [my company] were involved with the AGRSS Standard<sup>TM</sup> when it started," Brown says.

His big focus for 2014 is on education and is serving on the AGSC education committee. He is working with other committee members to update the AGSC Automotive Glass Technician Certification test. ■



**Peter Brown**



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### Information Sources

#### ASSOCIATIONS

##### **Auto Glass Safety Council™**

385 Garrisonville Road, Suite 116  
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www.agsc.org

##### **NATIONAL WINDSHIELD REPAIR ASSOCIATION**

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## Price Points

competitive pricing and stats

# Average Price Change of Top 100 in NAGS Spring Calculator is +0.7 Percent

**T**HE SPRING 2014 NATIONAL AUTO GLASS SPECIFICATIONS (NAGS) International Benchmark Calculator has been released and shows the average price change of top 100 most popular parts was a 0.7 percent increase since the last catalogue.

In a comparison from the Winter NAGS Calculator 2014

to the Spring NAGS Calculator 2014, the largest price increase by percentage was on the 2005 Honda Civic windshield (FW02184GGYN), which increased 4.5 percent.

In the same comparison from Winter to Spring, the largest price reduction was on the 2012 Ford Escape windshield (DW01684GTYN), which is down 3.07 percent. ■

## Price Change of the 10 Most Popular Parts:

Part	May '14	Jan '14	Sep '13	May '13	Jan '13	% Change from Winter '14 to Spring '14	% Change from Spring '13 to Spring '14
DW01549GBYN	\$192.95	\$192.65	\$192.60	\$193.10	\$193.30	0.6	-0.2
DW01341GBYN	\$191.95	\$191.65	\$191.75	\$191.65	\$191.75	0.6	0.6
DW01217GBYN	\$197.55	\$197.40	\$197.40	\$197.55	\$197.35	0.08	0
DW01658GBYN	\$222.85	\$221.75	\$223.35	\$223.70	\$222.10	0.5	-0.4
DW01504GBYN	\$248.35	\$248.20	\$248.20	\$248.50	\$248.70	0.06	-0.06
DW01256GBNN	\$247.65	\$246.30	\$250.45	\$258.15	\$258.20	5.3	-4.2
DW01265GBNN	\$247.65	\$247.00	\$247.00	\$242.55	\$240.05	0.3	2.1
DW01168GBNN	\$188.05	\$187.25	\$187.10	\$187.10	\$187.25	0.4	-0.5
DW01317GBYN	\$213.40	\$211.60	\$212..95	\$213.85	\$213.85	0.9	-0.2
DW01303GTNN	\$184.40	\$181.65	\$181.85	\$181.95	\$182.40	1.5	1.3
AVERAGE	\$213.48	\$212.54	\$213.26	\$213.81	\$213.49	1.02	-0.15

## Largest Price Increases by Part Among the Top 100

Part	May 2014 NAGS	Jan 2014 NAGS	Difference	Percentage Change
FW02184GGYN	\$231.15	\$221.20	\$9.95	4.50%
FW02878GTNN	\$329.95	\$317.90	\$12.05	3.79%
DW01257GBYN	\$306.20	\$300.05	\$6.15	2.05%
DW01668GTNN	\$257.80	\$253.15	\$4.65	1.84%
DW01505GBYN	\$230.55	\$226.60	\$3.95	1.74%
DW01297GBNN	\$205.75	\$202.25	\$3.50	1.73%
DW01782GBYN	\$425.25	\$418.10	\$7.15	1.71%
DW01550GBYN	\$236.35	\$232.50	\$3.85	1.66%
DW01732GTNN	\$228.30	\$224.60	\$3.70	1.65%
DW01303GTNN	\$184.40	\$181.65	\$2.75	1.51%

## Largest Price Reductions by Part Among the Top 100

Part	May 2014 NAGS	Jan 2014 NAGS	Difference	Percent Change
DW01684GTYN	\$434.20	\$447.95	-\$13.75	-3.07%
FW03102GBYN	\$451.15	\$461.50	-\$10.35	-2.24%
FW02870GGYN	\$687.40	\$697.60	-\$10.20	-1.46%
DW01746GTYN	\$353.20	\$357.15	-\$3.95	-1.11%
DW01685GTYN	\$558.85	\$564.25	-\$5.40	-0.96%
FW02500GBNN	\$199.85	\$200.60	-\$0.75	-0.37%
DW01818GTNN	\$325.70	\$326.40	-\$0.70	-0.21%





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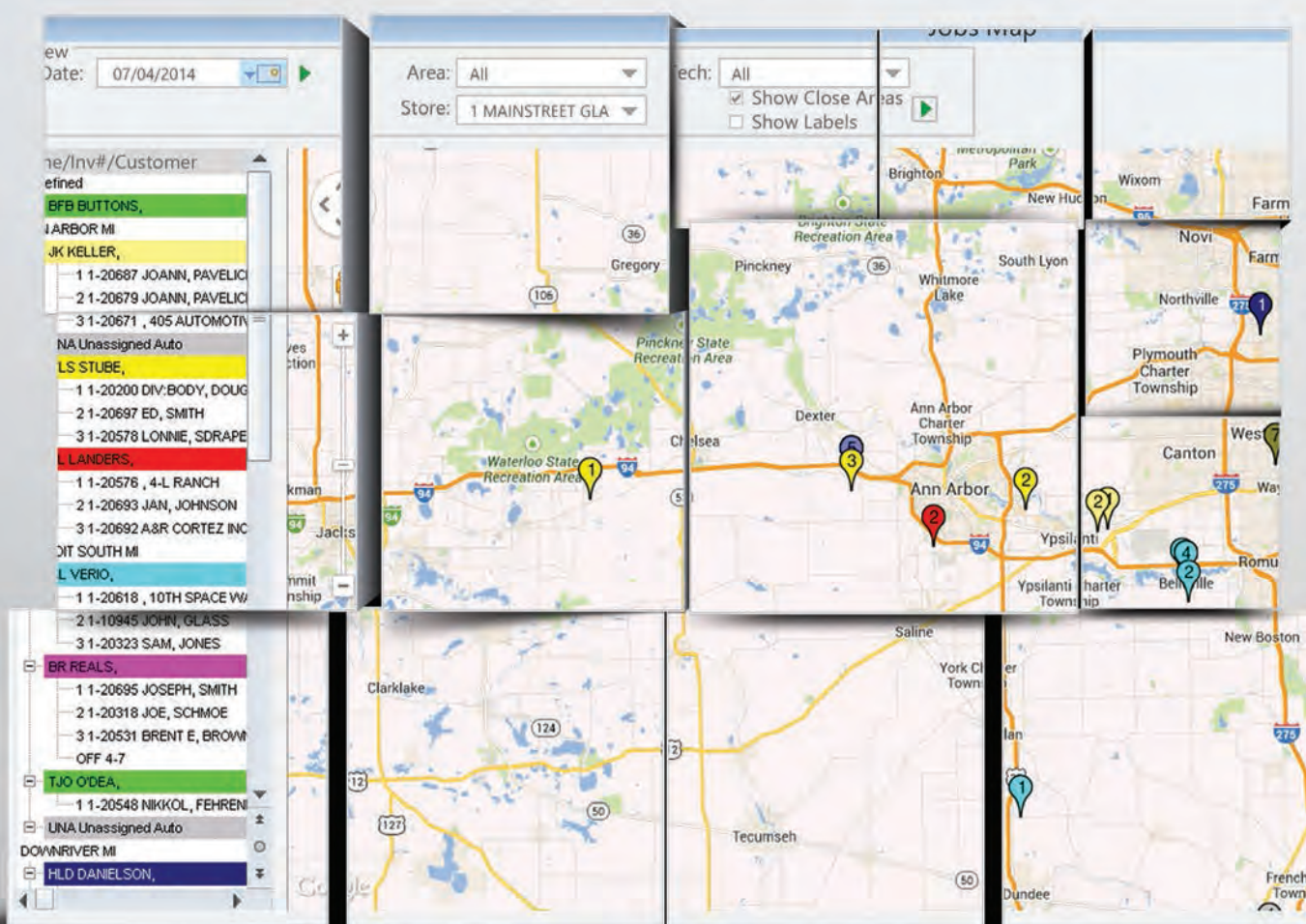
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## FINANCIAL NEWS

# Boyd Group Reports 41 Percent Growth in Quarterly Sales

**BOYD GROUP INCOME FUND**, parent company to U.S.-based Gerber Collision & Glass, Glass America, Hansen Collision and Glass among others, has reported a 41-percent increase in sales to \$183.6 million for the first quarter, compared to sales of \$130.6 million in the same quarter of the prior year. The glass business contributed incremental sales of \$11.5 million, primarily attributable to the acquisition of Glass America, according to officials.

The glass side of the business generates its strongest sales during the spring and summer months, according to Brock Bulbuck, president and CEO.

Gross profit for the period was \$85.7 million, or 46.7 percent of sales, compared to \$58.8 million, or 45 percent of sales in the same period last year.

"The gross margin percentage increased when compared with the prior period due to higher margins in the glass

business and the impact of higher mix of these higher margin glass sales in relation to collision sales, as well as higher back-end paint discounts," according to company documents filed with SEDAR, which is where Canadian organizations file securities-related information..

"All of our stores located in the North and Atlantic region, as far South as North Carolina and Georgia, were affected by the severe weather and poor road conditions prevalent in the first three months of 2014, resulting in double-digit sales growth for many of our Northern markets," Bulbuck said in a company conference call.

"We continue to model six to ten percent growth in single location additions," Bulbuck said, noting that his company looks to add 16 to 26 new locations over the year.

"Looking ahead, we have seen some of the positive impact of the severe winter

weather continue into the second quarter, but we expect that its impact will continue to diminish as the second-quarter progresses. We therefore expect business conditions to return

to more historical norms by the end of the second quarter," Bulbuck said.

Here is an overview of the company's acquisitions, openings and closings, based on the SEDAR filing:

—On January 31, 2014, the company completed the acquisition of Kustom Koachworks Inc., a two-location collision repair business in Phoenix, Ariz.;

—On February 5, 2014, as part of a new start-up, the company commenced operations in a new collision repair facility in Ellicott City, Md.;

—On April 2, 2014, as part of a new start-up, the company commenced operations in a new collision repair facility in Fayetteville, N.C.;

—On April 7, 2014, the company ceased operations in one of its collision repair facilities in Glenview, Ill.

—On April 14, 2014, the company signed a definitive agreement and concurrently closed the acquisition of Dora Holdings Inc. and Collision Revision 13081 Inc., which collectively owned and operated 25 collision repair centers in Illinois, Indiana and Florida under the trade name "Collision Revision." Collision Revision generated sales of approximately \$50 million U.S. for the trailing twelve months ended December 31, 2013;

—On April 30, 2014, the company



**Brock Bulbuck**

### Boyd's Operating Results in Thousands

	2014	% change	2013
Sales - Total	183,642	40.6	130,639
Same-store sales - Total (excluding foreign exchange)	133,311	7.6	123,885
Sales - Canada	20,502	5.9	19,359
Same-store sales - Canada	19,291	0.9	19,126
Sales - U.S.	163,140	46.6	111,280
Same-store sales - U.S. (excluding foreign exchange)	114,020	8.8	104,759
Gross margin %	46.7	3.8	45.0
Operating expense %	38.5	(0.8)	38.8
Adjusted EBITDA (1)	15,042	84.0	8,175
Depreciation and amortization	4,105	38.0	2,975
Finance costs	1,359	(1.7)	1,382
Fair value adjustments	7,396	144.6	3,024
Income tax expense	2,541	532.1	402
Net (loss) earnings	(1,675)	n/a	30



ceased operations in its collision repair facilities in Rockdale and Spring Grove, Ill; and

—On May 1, 2014, the company completed the acquisition of Performance Restorations Inc., a single-location collision repair business in Mundelein, Ill.

## GLOBAL NEWS

### New International Standard Proposed



The International Organization of Standardization Safety Glazing Materials Technical Committee (ISO/TC/SC/11) is drafting a standard to

determine how resistant OE automotive glass is to intruders.

Through the proposed testing, the group looks to assess and classify the intruder resistance properties of automotive glazing. The committee is looking at how much security glazing can prevent break-ins with a blunt or sharp object.

Because the proposal is currently in draft form, it is not available for wide review, but copies may be obtained through the ISO.

Participating countries include Brazil, China, France, Germany, India, Japan, the Republic of Korea, the Russian Federation, the United Kingdom and the United States.

Observing countries include Argentina, Belgium, Croatia, Czech Republic, Egypt, Finland, Hungary, Iran, Ireland, Italy, Mongolia, Poland, Romania, Serbia, Slovakia, South Africa, Spain, Sweden and Switzerland.

Voting on the proposal will end on August 26.

## TRANSPORTATION/TECHNOLOGY NEWS

### Mobile GPS Helps AGRR Shops Combat Gas Prices

American Mobile Glass of N.J. management uses GPS to keep track of its fleet as the national average gas price climbs.

The Newfoundland, N.J.-based company invests in technology as much as feasible to counter high gas prices.

“With our GPS technology, we can pinpoint where every vehicle in our fleet is every second of the day,” says Patrick McKernan, president. “This allows us to better communicate with our customers and let them know a more precise time as to when we will be arriving, as well.”

“The national average for fuel continues to edge higher, although it remains at the low-end of AAA’s forecast to begin the year,” says Avery Ash, manager of AAA’s federal relations. “Each spring refiners must switch to producing summer-blend gasoline by May 1. Leading up to this date, seasonal refinery maintenance and the changeover to new blend increases the chances of disruption to production, which can send prices higher in the area supplied by the impacted facility.”

Joe Estrada of Estrada’s Carglass in San Antonio, Texas, noted that gas prices can really affect the bottom line.

“It’s harder to pass these higher costs onto the consumer,” he explains. “We don’t charge for trips to a customer or dealer. To help us reduce on fuel costs, we bring the customer to our shop. We strongly believe installation would be better done under a controlled environment instead of having to fight the outdoor elements.”

The company has also cut back on mobile jobs and does more work in shop and with local dealers.

Estrada’s team encourages shop visits by explaining the safety benefits of doing windshield replacements in a controlled environment to the customer.

How are you reducing your company’s appetite for gas? Share your feedback my emailing [reed@glass.com](mailto:reed@glass.com).

#### National Average Prices

	Regular	Mid	Premium	Diesel	E85	**E85 MPG/BTU adjusted price
Avg. for 5/15/2014	\$3.641	\$3.824	\$3.994	\$3.939	\$3.012	\$3.963
Avg. for 05/14/2014	\$3.640	\$3.825	\$3.995	\$3.940	\$3.011	\$3.962
Avg. for 05/07/2014	\$3.665	\$3.845	\$4.015	\$3.951	\$3.057	\$4.023
Avg. for 04/15/2014	\$3.643	\$3.820	\$3.987	\$3.958	\$3.179	\$4.184
Avg. for 05/15/2013	\$3.588	\$3.762	\$3.914	\$3.884	\$3.132	\$4.122

#### Highest Recorded Average Price

Regular Unl.	\$4.114	7/17/2008
DSL.	\$4.845	7/17/2008

Source: AAA Daily Fuel Gauge

**Online News**

continued

**COMPANY NEWS**

## Delta Sonic Adds AGRR Services

**D**ELTA SONIC, WHICH HAS 30 locations throughout Western and Central New York, Chicago and Erie, Pa., is adding automotive glass repair and replacement to its services. The company, which specializes in big gas islands that feature a car wash, convenience store, fast food and detail shop, is in the process of rolling out automotive glass replacement services throughout the country.

"We were doing chip repairs for years, but it wasn't really a focus in our operation," says Russell Tabone, general manager of auto repair operations for Delta Sonic, which was founded in 1967 in Niagara Falls, N.Y. "We are trying to solidify the company as a one-stop-shop for our customers. We recently teamed up with Glass Mechanix to increase our focus on

windshield chip repair programs and had an immediate success."

In addition, Chris Smith, formerly of Techna Glass, has been hired as the glass program manager.

"We met up with Chris Smith at Auto Glass Week<sup>TM</sup> last year and started speaking to him about how we wanted to add replacements. It took about eight months of talking with Chris and building our business model," says Tabone.

Smith has moved across the country to Rochester, N.Y. to work at Delta Sonic.

He won the silver medal in the 2013 GlasWeld Windshield Repair Olympics (WRO).

"This is a once in a lifetime opportunity," says Smith. "We started slowly and added AGRR to our Buffalo, N.Y., market. We then expanded into Rochester, N.Y.,

and will add Chicago. We're getting all our proper certifications in line [such as becoming technicians through the Auto Glass Safety Council and becoming an AGSC-Registered Member Company.]

"We're doing it the right way and getting everything in place," he continues. "We want to be a reputable company. We see a lot of cars a day at each location, so marketing will come naturally. As business dictates, we'll add technicians."

Will Smith be back to compete in next Auto Glass Week repair and replacement competitions October 7-9 at the Baltimore Convention Center? He says more than likely.

"We want to do this business right and ensure that any work we put out the door is top quality," Smith says.



Russell Tabone, left, and Chris Smith, right, work together to expand Delta Sonic's AGRR services.



**INSURANCE NEWS**

## Repair Shops in Two States File **Antitrust** Lawsuits Against State Farm

Collision repair shops in both Indiana and Florida have now filed lawsuits against State Farm and dozens of other insurers, alleging the insurers use their direct repair programs to “artificially depress” repair rates and if the shops don’t agree, customers are “improperly steered” away.

Steering has been a hot topic in the AGRR industry for many years now and these cases could have potential implications for the automotive glass industry as well.

In the mid-1980s, the networks came into play in the AGRR industry and the insurance companies began passing automotive glass claims processing duties to third-party administrators (TPAs), which brought claims of steering to the forefront. The most well-known TPAs are Safelite Solutions and LYNX Services.

The days of consumers calling their local insurance agents to report broken windshields are mostly over.

“It used to be insurance companies would do random surveys to arrive at a fair market prices,” says Kerry Soat, owner of Fas-Break in Chandler, Ariz. “Now they do a random survey by getting a number of companies to agree to their rates, which in their eyes now makes it a fair market price for the area. After years of continuing this procedure it has become an accepted practice, which can only lead to abuse by both the shops accepting the rates or the insurance companies arranging the rates.

“Free market decisions have went out the window with these arrangements. Personally, [I believe] every claim should be settled between the insurance company and the client without any third party getting involved,” he adds. “The insurance policy is the legal and binding contract between the insured and the insurance company not with preferred providers. The insurance

claim should only be between the two parties who have the agreement, not third parties such as glass shops, body shops or repair facilities.”

Soat, like many others in the AGRR industry, are keeping a close eye on the cases in Florida and Indiana to see how the court will rule. If the court rules in favor of the repair shops, it could set precedence for similar lawsuits in the automotive glass industry.

For its part, State Farm’s attorneys deny the insurer has violated antitrust laws in their court response to the Florida collision shops. Attorneys representing the shops allege the insurer (and dozens of others) use direct repair programs to “illegally control and depress” repair rates and if the companies don’t comply, customers are steered away.

“State Farm denies that State Farm committed or is liable in any manner, including, but not limited to, for any tort or wrongful act. State Farm further denies that the plaintiffs are entitled to any relief in this action from State Farm, either at law or in equity,” the company’s attorney claim in court documents filed in the U.S. Middle

District of Florida Court, Orlando Division.

The company denies that its “Select Service Program” is a direct repair program, as alleged by the repair shops.

“State Farm admits it maintains an Internet-based business-to-business or B2B portal and that it affords certain body shops use of that portal for submission of prevailing market rate survey data. State Farm further admits that its B2B portal supplanted a previously paper-based prevailing market rate survey method,” the company’s attorneys write.

In response to allegations of price fixing, the company’s attorneys claim, “[S]tate Farm admits the law speaks for itself and that State Farm acts and has acted lawfully.”

Geico is the only other insurer to have responded to the Florida complaint at press time, asking for dismissal.

Following in the footsteps of repair companies in Florida, a group of repair shops in Indiana have filed an almost identical lawsuit against State Farm and dozens of other insurers.

The judge has not issued any decisions at press time.

### Ohio Representatives Propose Bill to Eliminate Preferred Shop Network

Perhaps inspired by the lawsuits in Florida and Indiana, Representatives Matt Lynch (R) and Robert Hagan (D) have introduced HB 526 that would “prohibit auto insurers from requiring, recommending or suggesting that a claimant on a policy have the claimant’s vehicle repaired at a particular repair shop or by a particular person unless the claimant requests a recommendation or suggestion.”

While automotive glass companies are not identified in this bill, third-party administrators (TPAs) of automotive glass claims generally offer a recommendation to a related automotive glass company or an affiliated independent glass shop, meaning this bill could have implications for the AGRR industry if passed.

“A violation of this section is an unfair and deceptive act or practice in the business of insurance under sections 3901.19 and 3901.26 of the Revised Code,” according to the proposed legislation.

The representatives did not respond to a request for comment at press time. ■