



News capsule

Nebraska Autobody Association - Automotive & Business News

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Original equipment parts suppliers will once again set course for Washington D.C. to petition the government for taxpayer-backed financing. Automobile suppliers are faced with historically low cycle of automobile production. Detroit's Big Three automakers closed and/or consolidated nearly 1,000 dealerships last year. Results of a recent survey by the Original Equipment Suppliers Association (OESA) said suppliers predicted to run operations at 60 percent capacity through 2009. The decline in new car manufacturing and other adverse economic conditions are expected to dramatically change the landscape of supplier markets from production cuts, restructuring, consolidations and failures.

The Nebraska Autobody Association is conducting a survey of collision repair facilities to validate fair and reasonable labor rates for shops in, and surrounding, Norfolk. This survey was prompted after an insurance adjuster declared that shops in Area 7 were charging a specific labor rate. NABA maintains the right to conduct labor rate validation surveys at any time and especially so when an insurer, agent, claims processor or adjuster declares a specific rate as being 'customary' in a given geographic area. "Falsification of labor rates charged by other shops in the area by an adjuster is a direct violation of Nebraska laws, which prohibit insurers or adjusters from misrepresenting pertinent facts related to the claim. Nebraska law also requires insurer reimbursements to be reasonable, in accordance with applicable policy provisions, and of an amount that will allow repairs to be made in a skillful manner." Said NABA Director, Norbert Zaenglein. "We have laws that govern the business of insurance and that includes claim payments and any deliberate misrepresentation for the purpose of 'unwarranted gain' meets the definition of insurance fraud." Zaenglein added. The labor rate validation survey will be mailed to Area 7 shops this week. NABA strongly cautions shops to not discuss the survey or answers with any other collision repairer or intermediary. "Antitrust issues only come into play if shops act in collusion with one another and that won't happen." Zaenglein said.

For the first time in its history the Nebraska AutoBody Association will hold a joint convention/expo with the Nebraska chapter of the Automotive Service Association (ASA). The convention has been scheduled for October 9 through 10, 2009 and will be held at the Holiday Inn, 72nd & Grover St. in Omaha. NABA is in the process of scheduling classes and speakers and will make details available shortly. Shops and allied industries are encouraged to mark their calendars to take part in this historic event.

The Nebraska Autobody Association will join legislative efforts with insurers to propose changes to increase compliance with Nebraska financial responsibilities laws, which require drivers to maintain insurance. The magnitude of the uninsured driver problem could worsen due to recessionary pressures on the economy. It is estimated that up to 14 percent of U.S. drivers are uninsured. NABA had sent a request to the Banking, Commerce & Insurance Committee to propose an interim legislative study to strengthen the compliance mechanism. NABA also reviewed nearly 700 pieces of legislation introduced in the Nebraska Unicameral, this year and identified those bills that could be potentially relevant to the collision industry.

Car buffs will not want to miss this five-minute historic video of the Ford Model T assembly line. The Model T (aka Tin Lizzie) was manufactured from 1908 through 1927. Ford paid his workers wages that allow them to purchase his vehicles, thereby creating a ready market for his cars. View this historic video by clicking the following link or copy and paste the link into your browser. <http://www.youtube.com/watch?v=S4KrIMZpwCY>

The Nebraska Autobody Association is sending out final membership dues renewal reminders to shops that have not yet renewed. Please renew your NABA membership. An online member application can be downloaded at <http://www.nebraskaautobody.com/filedownloads/memberap1&2.pdf>

Fight For What's Right Join the Nebraska AutoBody Association

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The information in this news capsule is obtained and condensed from sources believed to be accurate and reliable but readers should consult with an appropriate business professional before acting on information contained herein. Information contained herein does not necessarily reflect the opinions of NABA, its leadership or management. Summary prepared by Norbert Zaenglein.