



News capsule

Nebraska Autobody Association - Automotive & Business News

March 5, 2009



"The National Highway Traffic Safety Administration (NHTSA) recently reported that 1 in every 5 fatal accidents involves a vehicle with a missing airbag. NHTSA's study examined 1,446 fatal accidents that occurred between 2001 and 2006 and found almost 18 percent of involved vehicles lacked functional airbags. NHTSA said that some failures might be attributed to improper installation while others constituted fraud. Either way, a repairer may face criminal charges for unsafe modifications or installations that result in injury or death.

The new [National Motor Vehicle Title Information System](#) (NMVTIS) includes diminished value in its definition of 'Total Loss' as: The cost of repairing such vehicles plus projected supplements, projected diminished resale value and rental reimbursement expense exceeds the cost of buying the damaged motor vehicle at its pre-accident value, minus the proceeds of selling the damaged motor vehicle for salvage. Additional information about NMVTIS can be found on the United States Department of Justice's website at <http://www.nmvtis.gov>.

A body shop owner narrowly avoided a four-year prison sentence after he dumped 100 gallons of solvents onto private property. A judge ordered the offender to pay \$12,000 in clean up fees and sentenced him to 200 hours community service and five-years probation. An accomplice faces sentencing in April.

A report prepared by auditors of Deloitte & Touche raised concerns about the ongoing viability of General Motors, the Associated Press reported today. Like all carmakers, GM has been hit hard by sharp declines in new car sales and has asked for and received federal stimulus funds to provide time to develop a restructuring plan. GM's recovery strategy focuses on the elimination of unprofitable brands, restructuring its debt and negotiating favorable contracts with the United Auto Workers union. Most of all, a turnaround for GM will depend on a turnaround in car sales. GM has until the end of this month to submit its restructuring plan to congress to qualify for additional stimulus funds.

Washington faces new pressures for allocating stimulus funds to auto suppliers who have been hard hit by declines in new car production. Analysts estimate that 3,300 suppliers could be affected beginning this month when payments from automakers are expected to decline. Without government assistance many suppliers may be forced to liquidate because the credit needed to reorganize under bankruptcy will be difficult to obtain.

Repair and crash safety experts are working with Ford's new Paint and Body Technology Center to make cars more damage resistant and less costly to repair. Ford reported that the new 2009 F-150, the first vehicle to go through Ford's new design repair process, had frame repairs that cost a \$2,000 less than previous repairs. Ford's goal is to develop affordable, innovative vehicle designs, replacement parts and repair procedures that lower the cost to fix a damaged vehicle.

The Dow Jones industrial average dipped below 7,000 earlier this week as bad financial news drove stockholders to seek safer investments. The DOW has lost half of its value since peaking at 14,000 in 2007. Nebraska billionaire, Warren Buffett, shared his concerns over the stock market in a letter to shareholders: "The economy will be in shambles throughout 2009," Buffett wrote, "and, for that matter, probably well beyond." Nebraska's retirement plan for state employees has reportedly lost \$2 billion in the stock market meltdown.

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