

Background

MPI permits the use of part assemblies. An assembly refers to any two or more parts fastened together as they would be installed on the vehicle. Assemblies are provided by parts suppliers as a single unit and priced as such.

When one or more parts requiring replacement are available as an assembly from a parts supplier, a shop may determine if the assembly meets the <u>MPI Parts Business Rule</u> requirements by comparing the total cost of the required individual parts to the cost of the assembly.

Rules

- 1. The lowest cost option of the required components or assembly must be selected.
- 2. Assembly labour overlaps must be calculated and subtracted manually.

All requests are subject to audit and part selection reviews.

Examples

A repair shop notes that the recycled parts supplier offers a door assembly (including door shell, regulator, glass, etc.), whereas the original equipment (OE) supplier only offers each component individually. They can see that the recycled assembly has a lower cost compared to the cumulative cost of the required components, so they add the recycled assembly to the estimate.

At a different shop, an estimate includes multiple welded sheet metal components of a pickup cab. The shop has located a recycled cab assembly that is less expensive than the sum of all the required individual damaged parts, so they add the price of the cab to the estimate. The replacement labour time for the cab assembly is not published in Mitchell, so the shop estimates the required labour hours based on prior similar repairs that they've completed. Next, the shop adds the cab R&R time to the estimate, adds an activity note explaining how they determined the labour hours, and submits the estimate to MPI for review.

Parts Autonomy Privileges

Rule 1 does not apply to repair shops with Parts Autonomy privileges unless the part is excluded from the Parts Autonomy program.

Best Practices

Car-Part Pro has a feature that allows the user to switch between 'component' and 'assembly' when performing a part search. Search both options to locate lowest cost part.

Reference

See <u>MPI Parts Business Rules</u>, section 2.1, for pricing by part groups and types.



Revision History

- July 2021 Updated formatting and added new standard sections (background, examples, parts autonomy privileges, best practices).
- June 2022 Removed Mitchell Assembly Time Guide (ATG) rule and procedure and reworded related example.