### Technical and Parts Consultation Committee Minutes Feb 14, 2024 1:00 pm to 3:00 pm

#### **Committee Attendance**

- Tully Gawazuk, Industry
- Ferd Klassen, ATA
- Denis Cloutier, ATA
- Lynsey Wilson, MMDA
- Franca Colosimo, Industry
- Ryan Kehl, Industry

- Waldemar Koos, MPI
- Robert Ferreira, MPI
- Amory Kuypers, MPI
- Gord Froese, MPI
- Cody Sterzer, MPI

**Regrets:** 

Action Items from previous meeting's agenda (Dec 06, 2023):

- 1. MPI to share Parts Autonomy (PA) survey results with the committee members for review prior to the next meeting.
  - Results were shared with the trade on Feb 1 on MPI Partners <u>Manitoba Light</u> <u>Vehicle Repair Industry Survey Results (mpipartners.ca</u>). Participation was positive, with over 115 respondents (some shops provided more than one response)

Ferd suggested the results of the survey indicate that there is a lack of understanding of the PA program in some shops. He asked how MPI plans to address this. Robert explained that the SRAs will be focusing on the following:

- Discussing all RPS-related workflows.
- Engaging with the shops that have experienced staff turnover.
- Addressing concerns listed in the survey through upcoming Shop Talk sessions.

Additional items were discussed, see the Parts Autonomy section below.

#### 2. MPI to finalize plastic repair job aid and send to committee members for feedback.

• The final draft of the job aid was discussed. It will be shared with the committee for awareness and then published to the MPI Partners site.

#### **Action Item**

MPI to publish the plastic repair job aid.



• The committee discussed the upcoming changes to MCE where Mitchell will allow the blend percentage to be edited in the profile settings. MPI advised that the default will remain at 50%. Similarly, ICBC and SGI are also maintaining the 50% default calculation. Mitchell is in the process of creating an Estimate Advisor compliance rule to identify changes to the blend percentage. This will be implemented once available in the next Mitchell update.

#### 4. MPI to reply to rivet/shop material questions.

MANITOBA SOCIÉTÉ D'ASSURANCE PUBLIC INSURANCE PUBLIQUE DU MANITOBA

 Rivets, foams/adhesives, refrigerant and other materials have all been recently discussed. Information provided by the trade was reviewed, and the next steps will be shared with the Programs & Accreditation Committee.

The trade committee members suggested that MPI consider allowing any fasteners with a part number in Mitchell to be paid on the estimate as a part.

#### **Action Item**

• MPI to explore the option of establishing a working group consisting of members of the Tech & Parts committee to explore this topic further.

### New Business:

1. Parts Autonomy

The quarterly performance numbers were shared (see slides 7-9).

The vehicle age calculation change is now captured and represented in Q4. Only one month of data is available in Q4, but we saw a strong start to the quarter.

Despite the data, the trade committee members felt that, despite the data, shops are struggling with RPS targets and have been experiencing erosion of profit margins. Concerns were expressed, including part quality, delivery times, inaccurate Car-Part listings, fewer options for price matching with OEM suppliers, difficulty using part-sourcing software and increasing AM part prices.

In response to the challenges with Car-Part, MPI asked if shops have been using the built-in issues reporting tool. Data shows that this tool is not being used, and as a result, Car-Part and MPI are not being made aware of specific issues that need to be addressed. MPI will pull the issues report for discussion at the next committee meeting and the trade members were asked to compile a list of concerns regarding the usage of the Car-Part software that MPI can review with Car-Part.

Tully expressed that the current RPS requirements are negatively affecting shops to the point where they are struggling to stay open, he suggested that program changes are required soon. Waldemar provided an update on the RPS rebase-lining. Progress has been delayed due to the recent labour interruption and the new target date for this change has been set for summer 2024.

Ryan suggested that estimators consider higher repair hours so that more parts can be repaired. He feels that shops are not given enough hours to make repairing a part profitable enough. MPI is in favor of repair over replace decisions when appropriate. Shops are encouraged to support their requests so that additional labor time can be approved as required.

#### **Action Item**

- MPI to get report on escalated supplier issues through Car-Part and bring the data for discussion at the next committee meeting.
- Trade committee members to collect feedback regarding the challenges using Car-Part, so that they can be discussed at the next meeting and then opportunities for improvement can be shared with Car-Part.

#### 2. Claims Backlog

MPI has added additional resources, and response time on supplements is down to 24 hours turn around. Estimating appointments backlog is being addressed and PDC estimators have been deployed to assist service centers.

Lynsey asked when EAL will revert to normal levels. It was advised that levels will remain the same until further notice. Lynsey also asked if any changes were coming for Direct Repair to allow for more claims (i.e., hail) to go straight to the shops. Rob stated that no changes are planned, and the biggest driving factor is still customer choice. DR selection has been climbing but customers are still only choosing it around 50-60% of the time, this is partially due to challenges that customers are having finding a shop to take their claim right away for an estimate.

#### 3. RPS Best Practices

Rob shared that some shops were overriding OEM prices assuming it would help them achieve their RPS targets. However, this process does not provide RPS credit. Instead, shops should review and follow the <u>Parts Autonomy – Additional Positive RPS Credit</u> job aid, which lists proper steps for increasing RPS, including line discounts and OEM price matching.

#### 4. Estimating Standards Updates

The <u>Vehicle Mobilization</u> criteria was discussed, but there were some misunderstanding regarding the application of allowance. The committee discussed the proper process and concluded the estimating standard should be left as is, specifically rule 1 which states:

1. Vehicle Mobilization may only be requested for vehicles that were towed from MPI to the repair facility.

An extra step will be added to the <u>Betterment/Depreciation</u> standard to address the known Mitchell gap regarding PST application on the betterment line. The ES will be updated soon with new steps and screenshots in the procedure section.

### **Action Item**

• MPI to edit and publish updated Betterment/Depreciation standard.

#### 5. Paintless Dent Repair

A claim scenario was discussed where an hail estimate could not be completed because the car was too dirty. Amory advised that there should be communication from the contact center as well as a follow-up email that is sent prior to the scheduled appointment and advises the customer to attend their appointment with a clean vehicle.

Cody provided an update on the PDR Pilot. The Go-live is scheduled for March 4, when recognized PDR shops will be onboarded to Mitchell Connect and have access to MCE. Additionally, the new integrated Mitchell PDR Calculator will be replacing the MPI hail calculator.

#### Action Item

• MPI to edit and publish the <u>Paintless Dent Repair (PDR) - Hail</u> estimating standard, including steps for using the Mitchel PDR Calculator.

#### Next Meeting

• The next consultation meeting is scheduled for Wednesday, Apr 10, 2024 from 1:00 to 3:00 p.m.

#### Meeting adjourned at 3:12 p.m.

## **Technical & Parts**

## **Consultation Committee**

## Feb 14, 2024





- 1. MPI to share PA survey results with the committee members for review prior to the next meeting.
- 2. Ferd and Gord to finalize plastic repair job aid and send to committee members for review.
- 3. MPI to review and comment on blend report at the next meeting.
- 4. MPI to reply to rivet/shop material concern.

- 1. Parts Autonomy
- 2. Claims backlog
- 3. RPS Best Practices
- 4. Estimating Standards Updates
- 5. Paintless Dent Repair





- 1. MPI to share PA survey results with the committee members for review prior to the next meeting.
- 2. Ferd and Gord to finalize plastic repair job aid and send to committee members for review.
- 3. MPI to review and comment on blend report at the next meeting.
- 4. MPI to reply to rivet/shop material concern.

- 1. Parts Autonomy
- 2. Claims backlog
- 3. RPS Best Practices
- 4. Estimating Standards Updates
- 5. Paintless Dent Repair





- 1. MPI to share PA survey results with the committee members for review prior to the next meeting.
- 2. Ferd and Gord to finalize plastic repair job aid and send to committee members for review.
- 3. MPI to review and comment on blend report at the next meeting.
- 4. MPI to reply to rivet/shop material concern.

- 1. Parts Autonomy
- 2. Claims backlog
- 3. RPS Best Practices
- 4. Estimating Standards Updates
- 5. Paintless Dent Repair





- 1. MPI to share PA survey results with the committee members for review prior to the next meeting.
- 2. Ferd and Gord to finalize plastic repair job aid and send to committee members for review.
- 3. MPI to review and comment on blend report at the next meeting.
- 4. MPI to reply to rivet/shop material concern.

- 1. Parts Autonomy
- 2. Claims backlog
- 3. RPS Best Practices
- 4. Estimating Standards Updates
- 5. Paintless Dent Repair





- 1. MPI to share PA survey results with the committee members for review prior to the next meeting.
- 2. Ferd and Gord to finalize plastic repair job aid and send to committee members for review.
- 3. MPI to review and comment on blend report at the next meeting.
- 4. MPI to reply to rivet/shop material concern.

- 1. Parts Autonomy
- 2. Claims backlog
- 3. RPS Best Practices
- 4. Estimating Standards Updates
- 5. Paintless Dent Repair

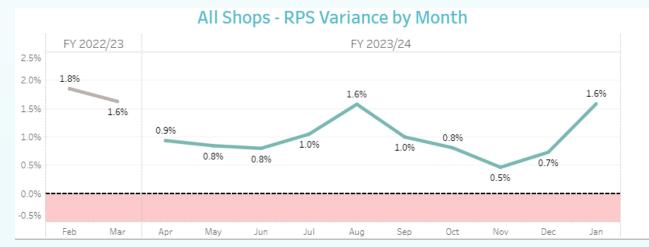


# **Parts Autonomy**

## **RPS Quarterly Performance**

	FY 2023/24			
	Q1	Q2	Q3	Q4
Level 2	30	53	38	63
Level 1	122	114	110	96
Perf. Review	76	62	79	62
Lost PA	1	1	1	1
Success Rate:	66.4%	72.6%	64.9%	71.6%

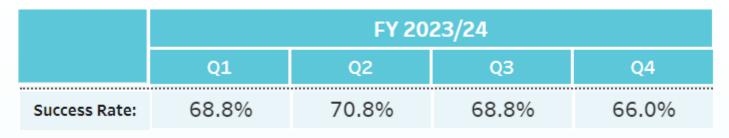
## **RPS Variance by Month**





# **Shop Type Analysis**

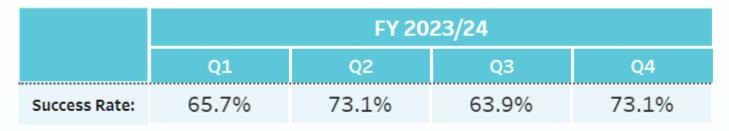
## **Dealer\*** – shop success





# **Shop Type Analysis**

### Independent – shop success







- 1. MPI to share PA survey results with the committee members for review prior to the next meeting.
- 2. Ferd and Gord to finalize plastic repair job aid and send to committee members for review.
- 3. MPI to review and comment on blend report at the next meeting.
- 4. MPI to reply to rivet/shop material concern.

- 1. Parts Autonomy
- 2. Claims backlog
  - Status update
- 3. RPS Best Practices
- 4. Estimating Standards Updates
- 10 5. Paintless Dent Repair





- 1. MPI to share PA survey results with the committee members for review prior to the next meeting.
- 2. Ferd and Gord to finalize plastic repair job aid and send to committee members for review.
- 3. MPI to review and comment on blend report at the next meeting.
- 4. MPI to reply to rivet/shop material concern.

- 1. Parts Autonomy
- 2. Claims backlog
- 3. RPS Best Practices
  - Additional RPS Credit Job Aid
- 4. Estimating Standards Updates
- 11 5. Paintless Dent Repair





- 1. MPI to share PA survey results with the committee members for review prior to the next meeting.
- 2. Ferd and Gord to finalize plastic repair job aid and send to committee members for review.
- 3. MPI to review and comment on blend report at the next meeting.
- 4. MPI to reply to rivet/shop material concern.

- 1. Parts Autonomy
- 2. Claims backlog
- 3. RPS Best Practices
- 4. Estimating Standards Updates
  - Vehicle Mobilization
  - Betterment
- 12 5. Paintless Dent Repair





- 1. MPI to share PA survey results with the committee members for review prior to the next meeting.
- 2. Ferd and Gord to finalize plastic repair job aid and send to committee members for review.
- 3. MPI to review and comment on blend report at the next meeting.
- 4. MPI to reply to rivet/shop material concern.

- 1. Parts Autonomy
- 2. Claims backlog
- 3. RPS Best Practices
- 4. Estimating Standards Updates
- 5. Paintless Dent Repair
  - Pilot Roll Out
- <sup>13</sup> Mitchell PDR Calculator

