



Press Release

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FOR IMMEDIATE RELEASE

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SCRS Continues Efforts to Protect Repairers Data

Prosser, WA, February 12, 2008 — The Society of Collision Repair Specialists (SCRS) Board of Directors recently released a statement regarding the use and ownership of the EMS extract in October 2007. The EMS extract was developed by the Collision Industry Electronic Commerce Association (CIECA) in the 1990's as a means of creating an electronic standard by which estimate information could be seamlessly shared in an effort to improve accuracy and efficiency. It was subsequently adopted by the industry as the standard in which electronic information is shared.

The EMS extract is used by collision repairers for several different purposes, including but not limited to, uploading estimates into their management system and sending information to their vendors or to an insurance company. While all of the aforementioned are valid reasons for sharing data, SCRS has several concerns. The EMS extract is an exact copy of the estimate. Currently, the collision repair facility doesn't have the ability to only send specific pieces of the data. The EMS extract contains everything. As a result, collision repairers may be violating state and/or federal privacy laws. Furthermore, there are companies that are abusing this situation. In a few extreme examples, collision repairers have unknowingly signed contracts which contain language which gives permission to these companies to use, report upon and sell their estimate data.

Immediately after our October press release was issued through the press, SCRS was contacted by several companies offering their support and concern with the system-wide abuse. Coincidentally, the companies that contacted us have written a privacy policy which in effect prohibits them from sharing or selling the data provided by collision repairers to any third party. Unfortunately, not every company provides this type of protection to the repairer. In fact, there are companies that avoid such privacy policies because of the revenue stream they generate from the estimate data.

SCRS is imploring collision repairers to take immediate action to:

1. Read through any contracts you've signed, specifically with companies that you electronically transmit estimate data to. Provide those contracts to your attorney and review them in their entirety to ensure you are not violating any state or federal privacy laws. Furthermore, look for language that provides that company permission to use, sell or report upon your data to a third party.

2. Send a formal request to those companies that you electronically transmit estimate data to and request a copy of their privacy policy and a written response to the following questions below.
 - a. Explain in detail how my data is used, as well as whether or not the data is used outside the collision repairers' intended purpose.
 - b. Explain in detail what specific data elements are used.
 - c. Explain in detail if ANY of my estimate data is shared, sold or reported upon to another party. Then if the answer is yes, provide the company name, their privacy policy and how the data is used.
3. You may want to consider developing your own privacy policy and have those companies you electronically transmit estimate data to sign it.

SCRS recognizes there are companies that are doing the right thing. The SCRS Board of Directors strongly encourages those companies to step forward and illustrate the measures they've taken to ensure privacy and confidentiality. We are pleased to report that several companies have taken the initiative to change the language in their contracts to illustrate their commitment to the industry and to protect collision repairers' data.

The SCRS Board of Directors stands firm on their position that any company that is electronically gathering the EMS extract (estimate data) should provide full disclosure as to how the data is being used, who it is shared with or sold to and should be required to obtain the collision repairers' written consent prior to gathering, using, sharing or selling their information to a third party as this is the sole property of the collision repair facility.

The EMS extract file contains EVERYTHING contained within the estimate. Repairers that utilize the EMS format don't have the ability to send specific pieces of information. For example, if the repair facility only wanted to share parts information, it's not possible; the entire EMS file must be sent. The good news is that the next generation of EMS is available today. The BMS is a modified version of the EMS that allows the end user to select what information is sent. The repairer could send just the parts information for the purposes of soliciting a quote, and no additional information would be sent. Unfortunately, this standard or next generation hasn't been widely adopted. To our knowledge, there are only a select few insurance companies that will accept this format from collision repairers. If you have any information or the names of companies that are known to be selling, sharing or reporting upon the collision repairers estimate data, please contact SCRS Executive Director Dan Risley at 708.598.3384 or e-mail to danrisley@scrs.com

Through its direct members and 34 affiliate associations, SCRS is comprised of 6,000 collision repair businesses and 58,500 specialized professionals who work with consumers and insurance companies to repair collision-damaged vehicles. Additional information about SCRS including other news releases is available at the SCRS web site: www.scrs.com. You can e-mail SCRS at the following address: info@scrs.com.

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