



Press Release

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FOR IMMEDIATE RELEASE

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Reiteration of SCRS' Position on Steering and Deceptive Referrals

Prosser, WA, June 23, 2009 — In a press release distributed to the collision repair industry in October of 2007, the Society of Collision Repair Specialists (SCRS) documented the organization's official position on steering and deceptive referral practices. The position is as follows:

OFFICIAL SCRS POSITION STATEMENT ON STEERING

The Society of Collision Repair Specialists (SCRS) is strictly opposed to any insurer, insurance agent or representative referring a vehicle owner to a particular collision repair facility once the vehicle owner has selected a repair facility. The selection of a collision repair facility should not be interfered with by an insurer, insurance agent or representative unless specifically requested by the vehicle owner. Once the vehicle owner has selected a collision repair facility, any attempt to discourage the vehicle owner from utilizing that collision repair facility for the sole purpose of steering work, should entail significant penalties.

In light of recent events taking place within the industry, both in practice in our members' markets and legislatively across the country, SCRS feels compelled to reiterate our position to the industry, and make known that our convictions on this issue are as firm and resolute today as when the position was initially crafted.

"SCRS strongly supports collision repairers, state organizations, legislators and enforcement agencies that are pursuing solutions which further enforce the end of this type of unacceptable behavior," stated SCRS Chairman, Barry Dorn. "There are some states that have made great headway in protecting the rights of consumers and small businesses from these tactics, and we sincerely applaud those efforts. As an example, the current law in California serves as a positive example of an appropriate position that states and enforcement agencies should be held to. We are sincerely discouraged to see that the insurance lobby is taking such efforts to diminish the consumers' rights in recent proposed legislative efforts."

SCRS opposes attempts at legislation, such as bills like California's A.B. 1200, that are endorsed by the benefactors of minimized enforcement of existing laws that serve to provide the consumer with protection over steering. It is the hope of SCRS that the legislators of this country, who are both insurance and repair consumers themselves, will see the value in maintaining or promoting laws that provide better enforcement to ensure their fellow consumers' decision on where to obtain their collision repair services are not unduly influenced by parties who have a vested interest in the cost of the repair, or the facility that is chosen.

Additionally, SCRS recognizes the inherent challenge and difficulty that can exist in documenting the activity of “steering;” a practice that can range from blatant occurrences to more passive approaches which are built into well-crafted word tracks and are subject to interpretation. Realizing this, it is important for state legislators to recognize the consumer’s right to individual choice in their repair vendor, and we support and commend those states who have actively taken more aggressive attempts to curb practices which inhibit the freedom, or perceived freedom, of choice.

Through its direct members and 35 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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