



Press Release

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FOR IMMEDIATE RELEASE

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SCRS Commentary on Public Hearing in California

Prosser, WA, September 8, 2009 — After concluding a public hearing held on August 25th in California (CA), data shared in testimony by Sherry Mehl, Chief of the Bureau of Automotive Repair (BAR) and Rick Plein, Deputy Commissioner of the Enforcement Branch for the CA Department of Insurance (DOI), plainly illustrated that accounts of fraud in the CA collision repair industry constitute a very small percentage of complaints in the state. Mehl was quoted as stating that the fraud rates in the industry are in fact “probably average to low.” As the leading national association solely representing the collision repair professional, the Board of Directors for the Society of Collision Repair Specialists (SCRS) feels compelled to vocalize our appreciation of the facts presented by the BAR and the DOI.

“SCRS has worked very diligently over the years toward our mission, which in part is to raise the professionalism of our industry,” stated SCRS Chairman Barry Dorn. “It is important for the motoring public to have a strong sense of faith and trust in the professionals who go to work each day to repair their vehicles with the utmost concern for safety and accuracy of the repair. Our industry has had obstacles in overcoming the public perception of our trade, and facts presented such as these validate that we have an industry of hard working men and women who do work tirelessly to repair the public’s damaged vehicles in a safe, honest and professional manner.”

“As an industry association, we fully understand the ramifications that fraudulent activity has to our consumer base and to those of us who have worked hard to uphold the professionalism of the industry,” added SCRS National Director Luis Alonso. “It is however extremely important that the legislature, media, and industry not sensationalize what has been proven to be a very small occurrence in a state such as California. Doing so only fosters an inaccurate public perception of the collision repair trade and minimizes the public’s assurance in their service providers. It is far more important to recognize the great strides that have been made, documented by statistics shared by Chief Mehl, which indicate only 2% of complaints filed through her office’s hotline actually resulted in disciplinary action; coupled with the statement from Deputy Commissioner Plein that indicated less than four tenths of one percent of the DOI’s fraud complaints involve a collision repair facility. Those are tremendous, low percentages that only highlight the high standard of ethics within this industry.”

Despite overwhelming support of the low statistics for fraud, Assemblymember Mary Hayashi, who chairs the Committee on Business and Professions and is the sponsor of a bill (AB1200) intended to

diminish current CA steering laws, expressed the need for the committee to identify further steps to be taken to combat fraud in the auto repair industry.

SCRS appreciates the outcry for common sense, voiced by CA Assemblymember Roger Niello, who concluded with a comment that “it would be a bit of a leap...to condemn an entire industry because of a few bad apples. I have a concern about leaving a public hearing with the information that there is a pervasive problem of dishonesty, lack of ethics and fraud in the autobody repair industry, because I see absolutely no evidence of that based upon the testimony today.”

With an ongoing mission that includes a call to “*raise the professional image of the individual and the industry,*” SCRS encourages all collision industry associations and outlets to ensure that information and activity that increases the consumers’ trust in, and perception of, our industry remain at the top of our priorities. “This is a proud industry of hardworking professionals that fulfill a valuable and needed role for their communities. It is very important to ensure that false assumptions, accusations and allegations of activity do not undermine the vast professionalism and integrity of our industry,” concluded SCRS Executive Director Aaron Schulenburg.

About SCRS: Through its direct members and 33 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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