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The **AUTO BODY** Monthly

from

D&R AUTO PAINT AND SUPPLY

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60 Seconds Between Coats???



15 Minute Bake?????

When used with PPG's Envirobase water base coat system, your painter can go from start to bake in 15 minutes.

Call your supplying D&R Auto Paint and Supply location to learn what fast is all about.

Iowa Association Sponsors Bill to Change Paint Sales Tax

Urged by members of the Iowa Collision Repair Association, Iowa Senator Joe Bolkcom (D- Iowa City) has agreed to sponsor a Senate Study Bill to begin the process of revamping the state's treatment of sales tax on paint and materials. Bolkcom chairs the Senate Ways and Means Committee.

The proposed legislation is written to charge sales tax on the retail price of paint supplies, rather than the wholesale transaction between the shop and jobber. According to the Iowa group, this means that the body shop would no longer pay sales tax on the cost of the supplies resulting in an immediate increase in net profit of 7 percent on materials- a huge number when you look at what is spent per year on supplies.

The association is now assisting in the preparation of the Legislative Fiscal Note that will detail the impact of the legislation to the Iowa General Fund. The bill is SSB3180, exempting from state sales and use taxes the sale of paint and other consumed materials at an auto body shop.

The Iowa association has hired Corporate Strategies Group President R. Scott Weiser and CSG Legislative Affairs Specialist Nicole Woodroffe to lobby for the interests of the association.

Words To Live By

Great things are done by a series of small things brought together.

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How Important Is Customer Contact?

J.D. Power and Associates says based on its survey of 11,700 consumers who'd had an auto claim in the preceding 12 months that proactive contact with the vehicle-owner during and after repairs is a key factor in customer satisfaction. "We asked: Did the customer ever need to initiate any contact with the body shop," Mark Garrett, a senior research manager with J.D. Power said. "Did they have to make calls to find out what was going on during the repair process, or were they being kept informed? We see some companies perform a lot better (at updating customers) than others. Over half the time at top companies they are doing that. On the low end, it only happens about one-third of the time. So there's a lot of room for improvement here." Customers who felt they didn't have to initiate contact had a satisfaction rating of 876 (on a 1,000-point scale); those who said they had to call at least once for updates had a satisfaction level of 774, a significant drop, Garrett said. Just over half of customers in the survey said neither the shop nor insurer followed up with them after they got their repaired vehicle back, and their satisfaction levels also were 100 points lower than those who said they'd heard back from the shop or insurer.



US Traffic Volume Returns to Growth



After four months of continuous improvement, the drop in traffic volume as shown in the October data was no welcome sign.

The latest government figures show that the number of miles driven in the US rose again in November 2009 signaling driving increases in five out of the prior six months. After jumping significantly in September, total travel on all U.S. roads and streets in October had de-

creased 1.4 billion miles (-0.5%) compared with driving levels in October 2008 leading to possible speculation that we may not recover from this driving recession as quickly as others in the past.

The Federal Highway Administration now estimates the total vehicle-miles traveled (VMT) for the month of November to be 236.4 billion vehicle miles, an increase of 1.4 percent (3.2 billion miles) over November 2008, indicating a return to driving recovery.

The moving 12 month total now stands at 2,933 billion vehicle miles and the cumulative driving for the 2009 calendar year to date stands at 2694.8 billion miles, surpassing the 2008 year to date number by 0.3 percent or 7.6 billion vehicle miles.

On a regional basis, all areas of the country saw driving increases in November compared to November 2008. The Northeast, which has generally been lagging every other region for many months, led the country this month with an increase of 2.1 percent, followed closely by the North Central region which increased 1.9 percent. November's return to growth from the October decline is a welcome development. Comparing the current driving recession recovery to the two prior major driving recessions would not be very significant were we to lose our momentum so soon after rounding away from the bottom. Neither of the two prior recovery periods experienced a setback before a substantial recovery had already developed.

CELL BANS NOT CUTTING CRASHES



Laws banning the use of hand-held phones while driving have not reduced crashes, according to research by the Highway Loss Data Institute. It compared auto insurance collision claim rates in four U.S. jurisdictions before and after a cell phone use ban went into effect. The research found claims rates remained steady when compared with nearby jurisdictions that did not have similar bans. "The laws aren't reducing crashes, even though we know that such laws have reduced hand-held phone use, and several studies have established that phoning while driving increases crash risk," said Adrian Lund, president of the Institute.