

April 12 2011

Chairman and Members of the Business & Commerce Committee

RE: SB1300

Attached are copies of information that pertains to this bill.

I will explain at the hearing the issues and what all this means, I know there is limited time so I wanted to give the information early so you could look at it and write down any questions.

Thank you in advance for the process to work.

Larry Cernosek

Houston Auto Body Association

Owner of Deer Park Paint & Body

IS State Farm paying these low labor rates at this shop

*2 pages
By FAX*

2008

12/29/2008 AT 04:10 PM
93211

JOB NUMBER:

MAC HAIK DODGE, CHRYSLER, JEEP
FEDERAL ID #:562457872
HOUSTON'S #1 BODY REPAIR FACILITY
11000 NORTH FRWY
HOUSTON, TX 77037
(281)310-9655 FAX: (281)310-9656

I was told they had to write it at that rate as their DRP Contract Requires it

ESTIMATE OF RECORD

WRITTEN BY: LEE HARRIS 12/29/2008 04:09 PM
ADJUSTER: RAMIREZ, ALLYSSA

INSURED: JOSE HERNANDEZ
OWNER: PENNIE IG *Anderson*
ADDRESS: 5700 LOST FOREST DR
APT 1310
HOUSTON, TX 77092
CELLULAR: (713)791-4637
DAY: (713)476-9771

CLAIM #586-8517401
POLICY #1WL036006
DEDUCTIBLE:

DATE OF LOSS: 12/26/2008 AT 05:00 PM
TYPE OF LOSS: LIABILITY
POINT OF IMPACT: 6. REAR

CELLULAR: (713)791-4637

INSPECT IG, PENNIE
LOCATION: 5700 LOST FOREST DR
APT 1310
HOUSTON, TX 77092

→ INSURANCE FRED LOYA INSURANCE AGENCY
COMPANY: 9030 N FREEWAY
HOU, TX 77037

OTHER: (281)448-2202
5 DAYS TO REPAIR

2002 DODG INTREPID SE 6-2.7L-FI 4D SED SILVER INT:BLK
VIN: 2B3HD46R62H296887 LIC: LKF 539 TX PROD DATE: ODOMETER: 133979
AIR CONDITIONING REAR DEFOGGER TILT WHEEL
INTERMITTENT WIPERS DUAL MIRRORS CONSOLE/STORAGE
CLEAR COAT PAINT POWER STEERING POWER BRAKES
POWER WINDOWS POWER LOCKS POWER MIRRORS
POWER TRUNK/TAILGATE AM RADIO FM RADIO
STEREO CASSETTE SEARCH/SEEK
DRIVER AIR BAG PASSENGER AIR BAG 4 WHEEL DISC BRAKES
CLOTH SEATS BUCKET SEATS AUTOMATIC TRANSMISSION
OVERDRIVE FULL WHEEL COVERS

NO.	OP.	DESCRIPTION	QTY	EXT.	PRICE	LABOR	PAINT
1		REAR BUMPER	1		225.00	1.6	3.2
2**	REPL	RECOND BUMPER COVER	0		0.00	0.0	1.3
3		ADD FOR CLEAR COAT					
4		REAR LAMPS					
5**	REPL	QUAL REPL PARTS RT TAIL LAMP ASSY	1		156.00	0.4	0.0
6		TRUNK LID					
7*	RPR	TRUNK LID	0		0.00	1.5*	2.3
8		ADD FOR CLEAR COAT	0		0.00	0.0	0.9

12/29/2008 AT 04:10 PM
93211

JOB NUMBER:

ESTIMATE OF RECORD
2002 DODG INTREPID SE 6-2.7L-FI 4D SED SILVER INT:BLK

NO.	OP.	DESCRIPTION	QTY	EXT.	PRICE	LABOR	PAINT
SUBTOTALS ==>					381.00	3.5	7.7

PRIOR DAMAGE NOTES:
PRIOR DAMAGE TO FRT BUMPER, RT FENDER, FRT FRT DOOR, RT RR DOOR, LT RR DOOR,
RT 1/4 PANEL & LT 1/4 PANEL.

This is underestimating as you can get

PARTS						381.00
= BODY LABOR	3.5 HRS	@\$ 30.00/HR	-			105.00
= PAINT LABOR	7.7 HRS	@\$ 30.00/HR	-			231.00
= PAINT	7.7 HRS	@\$ 20.00/HR	-			154.00
SUBTOTAL						\$ 871.00
SALES TAX	\$ 535.00	@ 8.2500%				44.14
GRAND TOTAL						\$ 915.14
CUSTOMER PAY						\$ 0.00
INSURANCE PAY						\$ 915.14

ESTIMATE BASED ON MOTOR CRASH ESTIMATING GUIDE. UNLESS OTHERWISE NOTED ALL ITEMS ARE DERIVED FROM THE GUIDE DR3PH98, CCC DATA DATE 12/01/2008, AND THE PARTS SELECTED ARE OEM-PARTS MANUFACTURED BY THE VEHICLES ORIGINAL EQUIPMENT MANUFACTURER. OEM PARTS ARE AVAILABLE AT OE/VEHICLE DEALERSHIPS. OPT OEM (OPTIONAL OEM) OR ALT OEM (ALTERNATIVE OEM) PARTS ARE OEM PARTS THAT MAY BE PROVIDED BY OR THROUGH ALTERNATE SOURCES OTHER THAN THE OEM VEHICLE DEALERSHIPS. OPT OEM OR ALT OEM PARTS MAY REFLECT SOME SPECIFIC, SPECIAL, OR UNIQUE PRICING OR DISCOUNT. OPT OEM OR ALT OEM PARTS MAY INCLUDE "BLEMISHED" PARTS PROVIDED BY OEM'S THROUGH OEM VEHICLE DEALERSHIPS. ASTERISK (*) OR DOUBLE ASTERISK (**) INDICATES THAT THE PARTS AND/OR LABOR INFORMATION PROVIDED BY MOTOR MAY HAVE BEEN MODIFIED OR MAY HAVE COME FROM AN ALTERNATE DATA SOURCE. TILDE SIGN (-) ITEMS INDICATE MOTOR NOT-INCLUDED LABOR OPERATIONS. NON-ORIGINAL EQUIPMENT MANUFACTURER AFTERMARKET PARTS ARE DESCRIBED AS AM, QUAL REPL PARTS OR COMP REPL PARTS WHICH STANDS FOR COMPETITIVE REPLACEMENT PARTS. USED PARTS ARE DESCRIBED AS LKQ, QUAL RECY PARTS, RCY, OR USED. RECONDITIONED PARTS ARE DESCRIBED AS RECOND. RECORDED PARTS ARE DESCRIBED AS RECORE. NAGS PART NUMBERS AND BENCHMARK PRICES ARE PROVIDED BY NATIONAL AUTO GLASS SPECIFICATIONS. LABOR OPERATION TIMES LISTED ON THE LINE WITH THE NAGS INFORMATION ARE MOTOR SUGGESTED LABOR OPERATION TIMES. NAGS LABOR OPERATION TIMES ARE NOT INCLUDED. POUND SIGN (#) ITEMS INDICATE MANUAL ENTRIES. SOME 2009 VEHICLES CONTAIN MINOR CHANGES FROM THE PREVIOUS YEAR. FOR THOSE VEHICLES, PRIOR TO RECEIVING UPDATED DATA FROM THE VEHICLE MANUFACTURER, LABOR AND PARTS DATA FROM THE PREVIOUS YEAR MAY BE USED. THE PATHWAYS ESTIMATOR HAS A COMPLETE LIST OF APPLICABLE VEHICLES. PARTS NUMBERS AND PRICES SHOULD BE CONFIRMED WITH THE LOCAL DEALERSHIP.

2002 MERCURY GRAND MARQUIS LS PREMIUM 4 DR SEDAN
CLAIM # G0506003985 LOG -0

10-23-06 5:30 PM

I SET UP AND MEASURE REPAIR

2006 1.5*3*

17 ITEMS

MC MESSAGE
10 INCLUDES ADP TIME TO CLEAR ENTIRE PANEL.

FINAL CALCULATIONS & ENTRIES
PARTS

GROSS PARTS \$ 78.70
OE SURPLUS PARTS
OTHER PARTS \$ 2,216.80
PAINT MATERIAL \$ 332.80

ADJUSTMENTS DISCOUNT MARKUP
PARTS & MATERIAL TOTAL \$ 2,628.30
TAX ON PARTS & MATERIAL @ 8.250% \$ 216.83

LABOR	RATE	REPLACE HRS	REPAIR HRS		
1-SHEET METAL	\$ 38.00	17.3	6.4	\$	900.60
2-MECH/ELEC	\$ 72.00		1.8	\$	129.60
3-FRAME	\$ 45.00		1.5	\$	67.50
4-REFINISH	\$ 38.00	12.8		\$	486.40
5-PAINT	\$ 26.00				

LABOR TOTAL \$ 1,584.10
SUBLET REPAIRS \$ 40.00
TOWING
STORAGE

GROSS TOTAL \$ 4,469.23
LESS: DEDUCTIBLE \$ 250.00-
NET TOTAL \$ 4,219.23

PXN Y/00/00/00/00/00 CUM 00/00/00/00/00 Geocode: 77098 HOUSTON
SPPL Y/00/00/00/00/00 CUM 00/00/00/00/00 Geocode: 77098 HOUSTON
ADP PENPRO W0412 ES LOG -0 10-23-06 17:40:18
REL 4.12.12 DT10/06
(C) 1993 - 2005 ADP CLAIMS SOLUTIONS GROUP, INC.

4.1 HRS WERE ADDED TO THIS EST. BASED ON ADP'S TWO-STAGE REFINISH FORMULA.
ATTENTION VEHICLE OWNER AND REPAIR FACILITY. DO NOT REPAIR THIS VEHICLE UNTIL
ALL GUIDELINES ARE ACKNOWLEDGED AND ACCEPTED. UNDER AUTOMOTIVE REPAIR LAWS,
THE SHOP MUST PRESENT A WRITTEN ESTIMATE PRIOR TO STARTING ANY REPAIRS. THIS

10/28/2006 at 03:01 PM
54033

P0606237-6C1

ACCC

ESTIMATE OF RECORD

2006 1996 CHEV BLAZER 4X2 6-4.3L-FI 4D UTV GREEN/TAN Int:

NO.	OP.	DESCRIPTION	QTY	EXT.	PRICE	LABOR	PAINT
17		Overlap Major Non-Adj. Panel	0		0.00	0.0	-0.2
18		Add for Two Tone	0		0.00	0.0	0.8
19		Add for Edging	0		0.00	0.0	0.5
20		Deduct for Overlap	0		0.00	-0.5	0.0
21	Repl	LT Wheel opng mldg Chevrolet	1		30.00	0.2	0.0
22		Drill Time	0		0.00	0.2	0.0
23#	Subl	SETUP, MEASURE & PULL UNIBODY	1		55.00 X	0.0	0.0
24#	Refn	CLEAR COAT	0		0.00	0.0	1.0
Subtotals ==>					1144.82	6.6	7.1

Parts		1089.82
- Body Labor	6.6 hrs @ \$ 36.00/hr	- 237.60
- Paint Labor	7.1 hrs @ \$ 36.00/hr	- 255.60
- Paint Supplies	7.1 hrs @ \$ 22.00/hr	- 156.20
Sublet/Misc.		55.00
SUBTOTAL		\$ 1794.22
Sales Tax	\$ 1246.02 @ 8.2500%	102.80
TOTAL COST OF REPAIRS		\$ 1897.02
TOTAL ADJUSTMENTS		\$ 0.00
NET COST OF REPAIRS		\$ 1897.02

2001 FORD MUSTANG STD 2 DR COUPE
 CLAIM # 53-E818-475*1

LOG 702 -0

State Farm
 12-04-06 12:56 PM

RI 0231	PNL, INNER DOOR TRIM LT	R&I ASSEMBLY			INC 1
RI 0284	MLDG, FRONT DOOR BEL LT	R&I ASSEMBLY			0.1 1
RI 0200	CYL, FRONT DOOR LOCK LT	R&I ASSEMBLY			0.6 1
RI 0227	HANDLE, FRONT DOOR O LT	R&I ASSEMBLY			0.3 1
I 0389	PANEL, QUARTER	LT REPAIR			3.0*1
L 0389 10	PANEL, QUARTER	LT REFINISH			2.1*4
		2.0* Surface			
		0.1 Two-stage			
>>"PARTIAL REFINISH WITH FULL CLEAR"					
I 0511	PNL, REAR BODY INNER	REPAIR			1.0*1
L 0511	PNL, REAR BODY INNER	REFINISH			0.5 4
		0.5 Surface			
RI 0533	TAILLAMP ASSEMBLY	LT R&I ASSEMBLY			0.3 1
E 0565 46	BUMPER, REAR	1R3Z17906CA	165.48		1.9 1
L 0565	BUMPER, REAR	REFINISH			0.8 4
		0.8 Surface			
E 0273 #	COVER, REAR BUMPER	XR3Z17K835AA	256.31		0.6 1
	# = 01, 46				
L 0273	COVER, REAR BUMPER	REFINISH			3.2 4
		2.7 Surface			
		0.5 Two-stage			
E 0567	ABSORBER, REAR BUMPER	XR3Z17906AA	164.30		INC 1

7006

40 ITEMS

MC MESSAGE

- 01 CALL DEALER FOR EXACT PART # / PRICE
- 07 STRUCTURAL PART AS IDENTIFIED BY I-CAR
- 10 INCLUDES AUDATEX TIME TO CLEAR ENTIRE PANEL.
- 46 PRINTABLE PXN COMPARE

FINAL CALCULATIONS & ENTRIES

PARTS

GROSS PARTS	\$ 1,951.88
OTHER PARTS	\$ 243.84
PAINT MATERIAL	\$ 537.60

ADJUSTMENTS

DISCOUNT

MARKUP

PARTS & MATERIAL TOTAL		\$ 2,733.32
TAX ON PARTS & MATERIAL @ 8.250%		\$ 225.50

LABOR	RATE	REPLACE HRS	REPAIR HRS	
1-SHEET METAL	\$ 38.00	10.7	13.4	\$ 915.80
2-MECH/ELEC	\$ 65.00			
3-FRAME	\$ 48.00			
4-REFINISH	\$ 38.00	22.4		\$ 851.20
5-PAINT	\$ 24.00			

LABOR TOTAL	\$ 1,767.00
SUBLET REPAIRS	\$ 321.07

12/02/2006 at 10:51 AM
21263

Farmers
1009331025-1-1

2006

ESTIMATE OF RECORD

2002 TOYO CAMRY LE 4-2.4L-FI 4D SED WHITE Int:GRAY

NO.	OP.	DESCRIPTION	QTY	EXT.	PRICE	LABOR	PAINT
		Subtotals ==>			452.34	1.6	3.6
		Parts					449.34
		Body Labor	1.6	hrs @	\$ 38.00/hr		60.80
		Paint Labor	3.6	hrs @	\$ 38.00/hr		136.80
		Paint Supplies	3.6	hrs @	\$ 22.00/hr		79.20
		Sublet/Misc.					3.00
		SUBTOTAL					\$ 729.14
		Sales Tax			\$ 528.54 @	8.2500%	43.60
		TOTAL COST OF REPAIRS					\$ 772.74
		ADJUSTMENTS:					
		Deductible					500.00
		TOTAL ADJUSTMENTS					\$ 500.00
		NET COST OF REPAIRS					\$ 272.74

THIS IS NOT AN AUTHORIZATION TO REPAIR. MOREOVER, WE MUST INSPECT AND APPROVE ANY AND ALL SUPPLEMENTARY DAMAGES PRIOR TO REPAIR. IF AFTER WE HAVE AUTHORIZED REPAIR YOU FAIL TO PRESENT THIS ESTIMATE TO THE REPAIR FACILITY PRIOR TO THE START OF REPAIRS, YOU MAY INCUR ADDITIONAL EXPENSE. THIS ESTIMATE IS AGREED TO AND ACCEPTED BY:

"IF THE ABOVE ESTIMATE INCLUDES A NAPA PART PRICE, THE REPAIR FACILITY MUST COMPLETE A ONE TIME SET UP WITH THEIR LOCAL NAPA RETAILER IN ORDER TO RECEIVE THE SPECIAL "FARMERS PREFERRED PARTS PROGRAM" PRICING. TO ACCOMPLISH SET UP, CONTACT YOUR LOCAL NAPA RETAILER AND ASK THEM TO INSERT BILLING CODE NUMBER 9066 INTO YOUR CUSTOMER BILLING PROFILE. THE 9066 CODE WILL ENABLE YOUR REPAIR FACILITY TO RECEIVE SPECIAL PRICING ON ALL NAPA PARTS AND/OR SUPPLIES PURCHASED. IF YOU DO NOT ALREADY HAVE A LOCAL NAPA RETAILER ACCOUNT, PLEASE CALL 1-800-LET-NAPA FOR YOUR NEAREST NAPA LOCATION."

Claim # : 53-G588-11501 12/23/2010 12/29/2010

Parts & Material Total

\$480.00

Tax on Parts & Material

2010

@ 8.250%

\$39.60

State Farm

Labor	Rate	Replace Hrs	Repair Hrs	Total Hrs	
Sheet Metal (SM)	\$40.00	4.6	1.5	6.1	\$244.00
Mech/Elec (ME)	\$65.00				
Frame (FR)	\$50.00				
Refinish (RF)	\$40.00	9.0		9.0	\$360.00
Paint Materials	\$26.00				

Labor Total	15.1	Hours	\$604.00
Sublet Repairs			\$3.00
Gross Total			\$1,126.60
Less: Deductible			\$250.00-
Net Total			\$876.60
Rates / Taxes Adjustment			
Deductible Adjustment			
Actual Supplement Total			\$448.49
Less: Previous Net Total			\$428.11-
Net Supplement Total			\$448.49

Alternate Parts Y/00/00/00/00/00 CUM 01/01/00/00/00 Zip Code: 77000 HOUSTON
 Audatex Estimating 6.0.353 S2 12/29/2010 04:52 PM REL 6.0.353 DT
 11/01/2010 DB 12/01/2010
 Copyright (C) 2009 Audatex North America, Inc.
 2.6 HRS WERE ADDED TO THIS ESTIMATE BASED ON AUDATEX'S TWO-STAGE
 REFINISH FORMULA.

THIS IS AN ESTIMATE, REPAIR FACILITIES MUST INSPECT THE VEHICLE TO DETERMINE
 IF ANY REPAIRS NOT LISTED ARE REQUIRED, AND TO CONTACT STATE FARM BEFORE
 MAKING SUCH REPAIRS. REPAIRER ALSO IS RESPONSIBLE FOR CONDUCTING ANY NECESSARY
 INSPECTION AND SAFETY CHECKS PRIOR TO AND AFTER COMPLETING REPAIRS.

Op Codes

* = User-Entered Value E = NEW PART NG = Replace NAGS
 EC = ** NON-OEM PART ET = Partial Replace Labo EP = ** NON-OEM PART
 EU = RECYCLED PART TE = Partial Replace Pric PM = REMAN/REBUILT PART
 UM = REMAN/REBUILT PART L = Refinish PC = RECOND PART
 UC = RECOND PART TT = Two-Tone SB = Sublet Repair
 N = ADDITIONAL OPERATION BR = Blend Refinish I = Repair
 IT = Partial Repair CG = Chipguard RI = R & I Assembly
 P = Check RP = RP-RELATED PRIOR

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2010

10/29/2010 at 02:20 PM
71967

Job Number:

Pronto Inc

DRP Shop

STAR TOYOTA COLLISION CENTER
Federal ID #:760227180
" COMMITTED TO EXCELLENCE "
2112 GULF FREEWAY
LEAGUE CITY, TX 77573
(281)338-0310 Fax: (281)316-2071

PRELIMINARY ESTIMATE

Written By: JODY HARRINGTON
Adjuster: MONICA VALDEZ

*Supplement
for Current
Rates*

Insured: TERESA DUKES
Owner: TERESA DUKES
Address: 4811 OAK AVE
PASADENA, TX 77503
Business: (281)930-0326
Cellular: (832)660-1242

Claim #17685
Policy #
Deductible: \$500.00
Date of Loss:
Type of Loss: Collision
Point of Impact: 12. Front

Inspect Location: STAR TOYOTA COLLISION CENTER
2112 GULF FREEWAY
LEAGUE CITY, TX 77573

Business: (281)338-0310

Insurance Company: PRONTO

Business: (866)357-9787
Days to Repair

2005 CHEV IMPALA LS 6-3.8L-FI 4D SED beige Int:tan
VIN: 2G1WH52K959101848 **Lic:** BZ2 T232 TX **Prod Date:** 06/2004 **Odometer:** 101948
Condition: Good

Air Conditioning	Rear Defogger	Tilt Wheel
Cruise Control	Intermittent Wipers	Climate Control
Keyless Entry	Message Center	Tinted Glass
Body Side Moldings	Dual Mirrors	Overhead Console
Traction Control	Fog Lamps	Rear Spoiler
Clear Coat Paint	Metallic Paint	Power Steering
Power Brakes	Power Windows	Power Locks
Power Driver Seat	Power Mirrors	AM Radio
FM Radio	Stereo	Cassette
Search/Seek	Anti-Lock Brakes (4)	Driver Air Bag
Passenger Air Bag	4 Wheel Disc Brakes	Communications System
Bucket Seats	Automatic Transmission	Overdrive
Aluminum/Alloy Wheels		

NO.	OP.	DESCRIPTION	QTY	EXT. PRICE	LABOR	PAINT
1		HOOD				
2**	Repl	Qual Repl Parts CAPA Hood	1	411.00	1.0	3.0
3		Add for Clear Coat				1.2
4		Add for Underside(Complete)				1.5
5		FRONT LAMPS				
6	R&I	RT Headlamp assy			0.3	
7	R&I	LT Headlamp assy			0.3	
8		FENDER				

2010

10/29/2010 at 02:20 PM
71967

Job Number:

PRELIMINARY ESTIMATE

2005 CHEV IMPALA LS 6-3.8L-FI 4D SED beige Int:tan

NO.	OP.	DESCRIPTION	QTY	EXT.	PRICE	LABOR	PAINT
9		Blnd RT Fender					1.0
10		Blnd LT Fender					1.0
11#		HAZARDOUS WASTE	1		3.00 X		
12#		CAR COVER	1		3.00 T		
13#		CORROSION PROTECTION	1		8.00		

Subtotals ==> 425.00 1.6 7.7

Parts		419.00
Body Labor	1.6 hrs @ \$ 36.00/hr	57.60
Paint Labor	7.7 hrs @ \$ 36.00/hr	277.20
Paint Supplies	7.7 hrs @ \$ 22.00/hr	169.40
Sublet/Misc.		6.00

SUBTOTAL \$ 929.20
Sales Tax \$ 591.40 @ 8.0000% 47.31

GRAND TOTAL \$ 976.51

ADJUSTMENTS:
Deductible 500.00

CUSTOMER PAY \$ 500.00
INSURANCE PAY \$ 476.51

Estimate based on MOTOR CRASH ESTIMATING GUIDE. Unless otherwise noted all items are derived from the Guide DR1CB00, CCC Data Date 10/15/2010, and the parts selected are OEM-parts manufactured by the vehicles Original Equipment Manufacturer. OEM parts are available at OE/Vehicle dealerships. OPT OEM (Optional OEM) or ALT OEM (Alternative OEM) parts are OEM parts that may be provided by or through alternate sources other than the OEM vehicle dealerships. OPT OEM or ALT OEM parts may reflect some specific, special, or unique pricing or discount. OPT OEM or ALT OEM parts may include "Blemished" parts provided by OEM's through OEM vehicle dealerships. Asterisk (*) or Double Asterisk (**) indicates that the parts and/or labor information provided by MOTOR may have been modified or may have come from an alternate data source. Tilde sign (~) items indicate MOTOR Not-Included Labor operations. Non-Original Equipment Manufacturer aftermarket parts are described as AM, Qual Repl Parts or Comp Repl Parts which stands for Competitive Replacement Parts. Used parts are described as LKQ, Qual Recy Parts, RCY, or USED. Reconditioned parts are described as Recond. Recored parts are described as Recore. NAGS Part Numbers and Benchmark Prices are provided by National Auto Glass Specifications. Labor operation times listed on the line with the NAGS information are MOTOR suggested labor operation times. NAGS labor operation times are not included. Pound sign (#) items indicate manual entries. Some 2010 vehicles contain minor changes from the previous year. For those vehicles, prior to receiving updated data from the vehicle manufacturer, labor and parts data from the previous year may be used. The Pathways estimator has a complete list of applicable vehicles. Parts numbers and prices should be confirmed with the local dealership.

2011

Mid South
Appraisal

02/28/2011 at 05:25 PM
16491

File ID: 100466

ESTIMATE OF RECORD

2009 FORD E350 4X2 EXT 8-5.4L-FI 3D VAN WHITE Int:

NO.	OP.	DESCRIPTION	QTY	EXT. PRICE	LABOR	PAINT
13*	Repl	RT Headlamp	1	283.98	Incl.	
14		Aim headlamps			0.5	
15*	Repl	LT Headlamp	1	283.98	Incl.	
16		HOOD				
17*	Rpr	Hood			1.0	2.5
18		Add for Clear Coat				1.0
19		FENDER				
20*	Rpr	RT Fender			1.0	2.0
21		Overlap Major Adj. Panel				-0.4
22		Add for Clear Coat				0.3
23		WHEELS				
24	Repl	LT/Front Wheel cover	1	43.75		
25#	Subl	SET UP & PULL	1	125.00 X		
26#	Rpr	COLOR SAND & BUFF				2.0
27#	Subl	SHOP CHARGES	1	35.00 X		
28#	Subl	2 FRT TIRES DAMAGED BY BUMPER	1	250.00 X		
29#		FIRESTONE LT2451-75R16	1			
30#	Subl	CORROSION PROTECTION	1	10.00 X		
31#	Subl	CAR COVER	1	5.00 X		
32#	Subl	HAZARDOUS WASTE DISPOSAL	1	5.00 X		
33		OTHER CHARGES				
34#	Towing		1	290.00		
Subtotals ==>				2668.21	5.9	7.4

Parts		1948.21
Body Labor	5.9 hrs @ \$ 44.00/hr	259.60
Paint Labor	7.4 hrs @ \$ 44.00/hr	325.60
Paint Supplies	7.4 hrs @ \$ 35.00/hr	259.00
Body Supplies	3.9 hrs @ \$ 2.00/hr	7.80
Sublet/Misc.		430.00
Other Charges		290.00

SUBTOTAL \$ 3520.21
Sales Tax \$ 2540.61 @ 8.2500% 209.60

TOTAL COST OF REPAIRS \$ 3729.81

ADJUSTMENTS:
Deductible 1000.00

TOTAL ADJUSTMENTS \$ 1000.00
NET COST OF REPAIRS \$ 2729.81

~~4320.00~~

Phil Wells, SCLA
Senior Staff Appraiser
Houston, Texas
Cell 281.682.9276
Fax 866.868.8442

✉ **Please consider the environment before printing this e-mail**

From: Larry Cernosek [lcwrecker@surfbest.net]
Sent: Thursday, March 10, 2011 2:15 PM
To: Wells, Phil
Subject: Claim# 42-M-27Y956-V1

*Sent supplement after
tear down*

Mr. Wells, attached is the Supplement on the 2006 Saturn and the tow bill, I left you a message about the radiator, condenser, cooling fans, they were not with the car at the salvage yard also the right headlight has the mounting tab broke off per Danny. The right fender has a crack in it per Javier at 249 Auto Parts. This is the problem with used parts when you don't call and make sure they have them. If you find another used radiator and condenser you need to figure in clean up time to have the radiator and condenser flushed it's probably cheaper to go with Performance Radiator parts. Labor rates, body & paint \$44.00 per hour, mech \$85.00, paint& mat \$35.00 The set up time should be frame time.

Larry Cernosek
Cernosek Wrecker/Deer Park Paint & Body
4527 Red Bluff
Pasadena, TX 77503
281-930-1539 (Main)
281-930-9904 (Fax)
281-808-7835 (Cell)

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Larry Cernosek

From: Wells, Phil [Phil.Wells@anpac.com]
Sent: Monday, April 04, 2011 11:04 AM
To: Larry Cernosek
Subject: RE: Claim# 42-M-27Y956-V1
Attachments: sup 2 abraham.pdf

Larry,

Attached is the final supplement from the fax you sent. The only things not included are the body and paint labor @44.00, paint and material figured at 35.00 and the charges you have included for all the towing, storage and admin for the 3 days we asked you to stop work until repairability could be established. Mech labor at 85.00 has been included in the sup but the rest of the labor increases are beyond the prevailing rate for the area for Saturn. I have forwarded those amounts along with the towing, storage, admin fees, etc onto the adjuster handling the claim, Shane Shaffer for final decision.

Phil Wells, SCLA
Senior Staff Appraiser
Houston, Texas
Cell 281.682.9276
Fax 866.868.8442

 *Please consider the environment before printing this e-mail*

From: Larry Cernosek [lcwrecker@surfbest.net]
Sent: Sunday, April 03, 2011 7:24 PM
To: Wells, Phil
Subject: RE: Claim# 42-M-27Y956-V1

Mr. Wells, I faxed 13 pages to you today for the final charges on the above claim. Please review as the vehicle is ready but I need payment before vehicle can be released. Some of the items were left off of the 1st supplement, I am kind of concerned about releasing vehicle without payment unless you want me to collect it from the owner. We need our payment as your company needs their premiums to pay the bills. Your immediate attention will be appreciated

Larry Cernosek
Cernosek Wrecker/Deer Park Paint & Body
4527 Red Bluff
Pasadena, TX 77503
281-930-1539 (Main)
281-930-9904 (Fax)
281-808-7835 (Cell)

From: Wells, Phil [mailto:Phil.Wells@anpac.com]
Sent: Monday, March 14, 2011 8:55 AM
To: Larry Cernosek
Subject: RE: Claim# 42-M-27Y956-V1

Larry,

due to the low salvage bids, adjuster now informs me veh is repairable. Attached is the final supplement.

From: tascodave@yahoo.com
To: lcwrecker@surfbest.net
Subject: Price increases
Date: Wed, 6 Apr 2011 08:14:02 -0700 (PDT)

Larry

PPG posted the following price increases. Please keep in mind that these were weighted increases.

2006-4.5%
2007-5.7%
2008-8.6%
2009-3.9%
2010-5%

Cumulatively that is a 30.86% increase on liquid products meaning that a gallon of XYZ that cost \$100.00 in September of 2006 now costs \$130.86.

I do not have a breakdown on the secondary products that make up an additional 30% of material purchases (Filler, Adhesives, Abrasives etc.), but I assure you that the price increases on those lines have been greater than 30%. The Fiberglass Evercoats, Marsons and Fusors of the world have not been able to lock in prices on raw materials like the major manufacturers have. For example, wash thinner has almost doubled in price in the last 5 years. If you have any questions, please do not hesitate to call.

David Abrahams
President/CEO
Tasco Auto Color Corporation
(713) 248-3444



STATEMENT

IMMEDIATE RELEASE

REMANUFACTURING/REFINISHING STEEL/ALUMINUM WHEELS

NOTE TO EDITOR: *Ford Motor Company recommends use of replacement tires and wheels that are the same size and type as those originally provided by Ford Motor Company. Use of any tire or wheel not recommended by Ford Motor Company can affect the safety and performance of the vehicle, which could result in an increased risk of loss of vehicle control, vehicle rollover, personal injury and death. Additionally, the use of non-recommended tires and wheels could cause steering, suspension, axle or transfer case/power transfer unit failure. In the case of recycled wheels, Ford Motor Company offers the following specific recommendations:*

DEARBORN, Mich., May 15 – Ford Motor Company **DOES NOT APPROVE THE REMANUFACTURING/REFINISHING** of steel or aluminum wheels when it involves re-machining, re-plating, welding, bending, straightening, reforming or adding new material other than cosmetic coatings.

As a general rule, Ford Motor Company **APPROVES REFINISHING** of steel or aluminum wheels only if all necessary repairs/reconditioning can be completed by cosmetic sanding or polishing that removes no metal and, instead, removes only the finish. The refinished wheel must have the same part number as the part number of the wheel it is replacing.

Any wheel that is a candidate for refinishing **MUST BE CAREFULLY INSPECTED** and **DISCARDED** if the wheel contains any of the following:

- 1) Cracks;
- 2) Corrosion, scrapes, gouges, dents or other damage that cannot be corrected with cosmetic sanding or polishing;
- 3) Refinishing that changes, or will change, the wheel's shape, contour, stylelines or other design features;
- 4) Refinishing that alters, or will alter, the wheel's rim flanges, wheel nut chamfers, wheel pilot holes or other functional surfaces;
- 5) Refinishing that leaves, or will leave, paint, clearcoat or other coatings on the wheel's mounting surfaces or on wheel nut contact surfaces;
- 6) Repainting that involves cure temperatures above 350°F;
- 7) Chrome plating (either re-plating or chrome plating a painted wheel).

Ford Motor Company **DOES NOT** warrant any remanufactured/refinished wheel provided by an aftermarket supplier.

Those choosing to use a remanufactured/refinished wheel from an aftermarket supplier for replacement of a damaged wheel should:

- 1) Request written assurance from the aftermarket supplier that the recommendations above have been followed;
- 2) Verify that the remanufactured/refinished wheel carries permanent markings that identify the aftermarket supplier and the date of remanufacturing/refinishing;
- 3) Request clarification regarding the warranty provided by the remanufacturer and/or aftermarket supplier, if any. Remember, Ford Motor Company does not warrant any remanufactured/refinished wheel provided by an aftermarket supplier;
- 4) Use new coated balance weight to reduce future cosmetic damage.

###

May 15, 2004



Society of Collision Repair Specialists

Press RELEASE

Corporate Center: 131 N. Tustin Ave., Suite 210, P.O.Box 3765, Tustin, CA 92680, (714) 835-3110, fax (714) 835-3118

April 2, 1996

For More Information
Contact: John Loftus
Fax (714) 835-3118
Voice (714) 835-3110

24 Insurance Departments Say The Arbitrary Capping of Paint & Material By Insurance Companies Is Illegal?

The Society of Collision Repair Specialists sent letters to Insurance Commissioners in every state and territory asking "Is the placing of an arbitrary cap or limit on the amount the insurance companies will pay for paint and materials used to restore a collision damaged vehicle under the auto physical damage (collision) coverage of an ACV auto insurance policy legal?" (When challenged the insurers using these caps cannot produce documentation to support their paint material cap amount).

SCRS has released an updated chart dated March 29, 1996 showing who has replied and what position they had (copy attached). A separate list of those who have not yet replied is also attached.

- * *24 insurance departments said its illegal.*
- * *12 said maybe its illegal.*
- * *14 have not replied.*
- * *5 replied they had never received a complaint on this.*
- * *6 that replied yes, no, or maybe also said they never have received a complaint.*

SCRS also asked several insurance companies to clarify what guidelines they give their claims representatives for handling paint & material charges. We are pleased to report that State Farm, USAA and the Automobile Club have already replied (copies attached).

The increased cost of paint materials is reflected in the letter and chart from Thompson PBE (copy attached).

SCRS also wrote to each paint manufacture and database system supplier asking them to move quickly to improve the method by which insurers and repairers account for paint and materials charges. To date, Mitchell International has replied (copy attached).

2011

Nationwide

01/26/2011 at 04:49 PM
75304

Job Number:

ESTIMATE OF RECORD

2000 FORD RANGER 4X2 SUPERCAB 6-3.0L-FI 4D P/U RED Int:GREY

	Parts		0.00
	Body Labor	20.1 hrs @ \$ 40.00/hr	804.00
	Paint Labor	14.8 hrs @ \$ 40.00/hr	592.00
CAP	Paint Supplies		350.00
	Sublet/Misc.		13.00

	SUBTOTAL		\$ 1759.00
	Sales Tax	\$ 350.00 @ 7.2500%	25.38

	GRAND TOTAL		\$ 1784.38
	ADJUSTMENTS:		
	Deductible		500.00

	CUSTOMER PAY		\$ 500.00
	INSURANCE PAY		\$ 1284.38

 DUE TO INFLATION PARTS PRICES NOT GUARANTEED.
 NOTICE!!!! CHARLIE HINDS PAINT & BODY DOES NOT EXCEPT PERSONAL CHECKS WITHOUT
 PRIOR APPROVAL FROM CHARLIE HINDS. ALSO WE DO NOT ACCEPT CREDIT CARDS OR DEBIT
 CARDS. SHOP IS NOT RESPONSIBLE FOR GLASS BREAKAGE ON R&I OF GLASS DURING
 REPAIRS !!!!!!!

The limit of your coverage is the actual cash value of your auto or its damaged parts at the time of loss. Fair market value, age and condition of your damaged vehicle will be considered when determining the actual cash value of a loss. Certain parts lose value or depreciate because of age, condition, and/or wear and tear. Betterment is the increase in value of a vehicle or any of its parts as a result of replacing certain parts damaged in a loss. If the replacement of certain parts results in an increase in value to your vehicle or any of its parts, a deduction for betterment may be made to your loss payment to reflect the actual cash value you are owed under your policy.

NATIONWIDE GUARANTEE:
 This is an estimate only and is not an authorization to repair. No additional payment (supplement) will be made without prior approval and supporting documentation. These include, but are not limited to:

- Parts price differences
- Blend operations
- R&I for access/blend
- Invoices, images, etc.

Estimate calculated using a preset user threshold amount for the paint and material cost.

Ammo to Fight Steering



I don't know if you noticed (and I hope you did because that would mean you're an avid reader of our weekly e-newsletter, *BodyShop News*, which is e-mailed to over 24,000 shop owners and managers every Thursday), but steering took the spotlight in the August 26 edition.

The lead story concerned a new anti-steering law that passed in New York that prohibits insurance companies from requiring that consumers use specific rental car companies. The second story was about a TV station in Maine that profiled a consumer who was "bullied" into taking her vehicle to a shop in the insurer's network. The third story noted that the Texas Department of Insurance recently issued a bulletin to insurers reminding them of the state's anti-steering law.

What does this all add up to? What we already know: that steering is one of the biggest challenges facing body shop owners.

I wanted to address one person's comment online that sounded as if she was accepting steering as a fact of life and throwing up her hands, saying, "What can you do?" Actually, there are some things that shops can do.

First, shops should be devoting as much energy to combating steering as they are to anything else they're doing: training, advertising, fixing vehicles, etc. They need to declare war on illegal steering by coming up with a comprehensive action plan that will minimize the damage it causes to their businesses.

First, let's address legislation. Realize that most anti-steering legislation has so far been worthless. Because it's often unenforced and carries no significant fines (and what is a significant fine to a multi-billion dollar insurance company?), insurers ignore it and blatantly violate it or cleverly work around it. With that said, I think it's still worth pursuing in conjunction with your local state association because even if getting an anti-steering law passed only amounts to a "warm fuzzy" in your belly, you've at least educated local lawmakers on what steering is and why it destroys the free market.

Short-term, you need to educate the heck out of your customers. Why not devote your monthly customer newsletters (you do have these, right?) entirely to conveying the message that they have the right to choose the shop of their choice? Why not provide them with a word track of their own they can use when they file a claim and the insurer tries to steer them? Here's an example:

INSURER: If you take your vehicle to ABC Body Shop, the work won't be guaranteed.

CUSTOMER: Actually, ABC guarantees all their work.

INSURER: You may also have out-of-pocket expenses if you take it to ABC.

CUSTOMER: I don't anticipate that. After all, you as my insurer are obliged to pay the reasonable costs of repair.

INSURER: We may not be able to get an appraiser out there for another week.

CUSTOMER: If you value my business, you'll get an appraiser out there ASAP, otherwise I may go insurance shopping.

It's your job to educate your customers. No one else is going to do it for you. They need to have their hands held and be told exactly what to say - and they need to be communicated with constantly. Why not send a monthly text message to all of them restating their right to choose the shop of their choice?

You also need to give your customers reasons to come back to your shop. If insurers are telling them why they should go to a shop on their preferred lists, you need to tell them why they need to come to you. One shop I know offers rewards points that customers can redeem on their next visit. Another promotes a free detail. You don't necessarily have to offer freebies, but you get the picture.

The key here is that you really have to roll up your sleeves and constantly work at the customer education process. Insurers are not going to stop steering anytime soon, so you need to meet with your team pronto if you haven't already and discuss a strategy to combat it. It's just as important as doing a quality repair. After all, if steering gets the best of you, you won't have any repairs to do.

Jason Stahl, Editor

E-mail comments to jstahl@babcox.com

BodyShop BUSINESS

Publisher

S. Scott Shriber, ext. 229
(sshriber@babcox.com)

Editor

Jason Stahl, ext. 226
(jstahl@babcox.com)

Managing Editor

Hannah Schiffman, ext. 261
(hschiffman@babcox.com)

Contributing Editors

Charlie Barone, Mark Clark, Mark Claypool, Keith Combs, Erica Eversman, Michael Giarrizzo, Hank Nunn, John Sweigart, Mike West, David Williams

Sr. Graphic Designer

Tammy House, ext. 256
(thousel@babcox.com)

Advertising Services

Kelly McAleese, ext. 284
(kmcaleese@babcox.com)

Director of Circulation & Information Technology

Brad Mitchell, ext. 277
(bmitchell@babcox.com)

Subscription Services

Ellen Mays, ext. 275
(emays@babcox.com)

Tel: (330) 670-1234

Fax (330) 670-0874

Web site:

bodysshopbusiness.com

Corporate

Bill Babcox, President
Gregory Cira, Vice President,
Chief Financial Officer
Jeff Stankard, Vice President
Beth Sheetz, Controller

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February 5, 2010
Rate Survey for Body Shops in Deer Park, Texas

Charlie Hinds Paint & Body
4421 Red Bluff 281-479-0645
Body & Paint Rate 44.00 per hour
Mechanical Rate 95.00 per hour
Frame 50.00 per hour
Paint & Material 30.00 per hour of paint time

Crossroad Collision
305 Center 281-479-2829
Body & Paint Rate 48.00 per hour
Mechanical Rate 100.00 per hour
Frame 55.00 per hour
Paint & Material 30.00 per hour of paint time

Deer Park Paint & Body
4527 Red Bluff 281-930-1539
Body & Paint Rate 44.00 per hour
Mechanical Rate 85.00 per hour
Frame 50.00 per hour
Paint & Material 35.00 per hour of paint time

Donny's Paint & Body
417 Center St. 281-476-0364
Body & Paint Rate 46.00 per hour
Mechanical Rate 85.00 per hour
Frame 65.00 per hour
Paint & Material 30.00 per hour of paint time

SAS Automotive
2806 Center St 281-479-8194
Body & Paint Rate 44.00 per hour
Mechanical Rate 85.00 per hour
Frame 50.00 per hour
Paint & Material 30.00 per hour of paint time

Welsh Collision Center
4201 Center 281-479-3030
Body & Paint Rate 44.00 per hour
Mechanical Rate 85.00 per hour
Frame 50.00 per hour
Paint & Material 35.00 per hour of paint time

Wheel alignment, radiator and condenser R&I is charged at the mechanical rate.

25% markup on used parts and outside charges. No paint caps.

*Prevailing Rates
Body + Paint Rate
\$45.00*

*Mech & Elec
\$89.00*

*Paint & Material
\$31.67*

*I did my own
survey
and you can
sometimes get
paid.*

04/19/2010 at 08:33 AM
24435

ICS10000863093_320190
0iur0nj7

PRELIMINARY SUPPLEMENT 1 WITH SUMMARY

2004 CHEV C3500 4X2 SILVERADO EXT 8-6.6L-TD 4D P/U WHITE Int:GREY

NO.	OP.	DESCRIPTION	QTY	EXT. PRICE	LABOR	PAINT
----- CHANGED ITEMS -----						
14		Add for weld removal			-1.1	
16	S01	Add for weld removal			1.1	F
16		Add for weld removal			-1.1	
18	S01	Add for weld removal			1.1	F
----- ADDED ITEMS -----						
9#	S01	Repl AirHorns	1	69.95	1.0	
19	S01	FENDER				
20	S01	Repl RT Fender liner all w/heavy duty	1	42.40	0.4	
30*	S01	Repl RT Socket daytime running lamp	1	25.15	0.5	
31*	S01	Repl LT Socket daytime running lamp	1	25.15	0.5	
Subtotals ==>				162.65	2.4	0.0

Prior Damage Notes:

FRONT BUMPER, RT SIDE / SEE UPD ESTIMATE 10000849690

Rate Changes:

Body Labor	(Est)	8.7 hrs @ \$ 5.00/hr	(40.00 to 45.00) =	43.50
Paint Labor	(Est)	0.2 hrs @ \$ 5.00/hr	(40.00 to 45.00) =	1.00
Frame Labor	(Est)	6.5 hrs @ \$ 2.00/hr	(48.00 to 50.00) =	13.00
Paint Supplies	(Est)	0.2 hrs @ \$ 3.67/hr	(28.00 to 31.67) =	0.73

Parts		162.65
Body Labor	0.2 hrs @ \$ 45.00/hr	9.00
Frame Labor	2.2 hrs @ \$ 50.00/hr	110.00
Additional Supplement Labor		57.50
Additional Supplement Materials/Supplies		0.73

SUBTOTAL		\$ 339.88
Sales Tax	\$ 163.38 @ 8.2500%	13.48

TOTAL SUPPLEMENT AMOUNT \$ 353.36

NET COST OF SUPPLEMENT \$ 353.36

Estimate	2936.12	JESUS JURADO
Supplement S01	353.36	JESUS JURADO

Workfile Total \$ 3289.48

TOTAL ADJUSTMENTS	\$ 1512.33
NET COST OF REPAIRS	\$ 1777.15

Direct Repair Facilities

- TDI conducted a survey in May, 2010 of the top five personal automobile insurers in Texas to obtain current information relating to automobile claim payments.
- Of the insurers surveyed, all had some sort of contract/agreement with direct repair facilities or had selected repair facilities to be on a preferred list (preferred shops).
- Based upon the survey responses, for calendar year 2009 the percentage of initial automobile claims with repairs made at direct repair facilities ranged from approximately 18% to 50%.
- The Insurance Code specifically addresses prohibited acts in connection with the repair of motor vehicles.
- The Texas Administrative Code addresses notice requirements and claimants' rights regarding motor vehicle repairs.

TDI HAS RECEIVED COMPLAINTS that insurers improperly “steer” claimants to particular repair shops (direct repair facilities/preferred shops). Such action can restrict consumer choice. TDI has also received complaints that insurers are informing claimants that they may be responsible to pay for certain repair costs if the claimant selects a repair facility that is not on the insurer’s list of direct repair facilities.

Current law does not provide consistent regulation among insurers. For example, county mutual insurers, which represent approximately 45% of the Texas personal automobile insurance market, are not required to comply with the statutes and rules regarding the repair of motor vehicles.

Additionally, there may not be a clear understanding among the participants of the requirements to become a contracted direct repair facility with an automobile insurer.

RECOMMENDATIONS

Amend Texas law as follows:

- Require insurers to provide written notice to claimants outlining its policies and procedures for claims and repair processes performed at direct repair facilities and non-direct repair facilities, including how those procedures, processes and claims payments may differ. This should provide claimants with a better understanding regarding the repair/claim process under an automobile insurance policy.
- Make county mutual insurers subject to Insurance Code §§1952.301-307. This would allow all claimants the right to select an automobile repair person or facility and the type of parts or products used to repair their vehicles.
- Require insurers to provide a written disclosure upon request to automobile repair facilities outlining the requirements to become a contracted direct repair facility. This would allow all automobile repair facilities an equal opportunity to understand the requirements of becoming a contracted direct repair facility.

Third Party Automobile Claims

- Third party automobile claims continue to comprise a significant percentage of complaints received by TDI – one-sixth of the total complaints received in the Consumer Protection Division for 2010 year-to-date and over 50% of the auto complaints.
- Primary reasons for justified complaints include unsatisfactory settlement/offer and claim handling delays, such as involving uncooperative insureds.
- Policyholders who fail to respond to their insurer's request for information are referred to as "uncooperative insureds."
- Automobile insurance policies direct an insured to cooperate with the insurer, otherwise a claim may be denied.
- TDI tries to facilitate contact with the uncooperative insured by locating the address or telephone number of the insured.
- TDI also suggests possible documentation the insurer may want to consider in determining the liability of its insured, such as police reports and witness statements.
- There is no current Texas statute establishing timeframes for handling third party claims.

TDI FREQUENTLY RECEIVES complaints regarding delays in the processing of third party claims. Insurers often state that they were unsuccessful in contacting their insured in order to obtain more information relating to the accident. There is no specific Insurance Code provision relating to situations where the insured is uncooperative and delays the processing of a third party claim. Another reason often cited for delays is the insurer's failure to promptly negotiate with third party claimants.

RECOMMENDATIONS

- Amend Insurance Code, Chapter 541 and/or 542 to address this issue to reduce delays in processing third party claims, particularly in regard to property damage claims.

Date: 03/09/2011 10:03 AM
 Estimate ID: 11-1709524-02
 Estimate Version: 0
 Committed
 Profile ID: houst:all_parts_type

Progressive

12621 Ryewater Drive, Houston, TX 77089

Damage Assessed By: C Battles 713-383-4640

Claim Rep: Gonzalo Flores
 (713) 316-7476

713-686-5819 FAX

* Product Type: Auto
 * Date of Loss: 03/01/2011
 * Deductible: 0.00
 * Claim Number: 11-1709524-02

Insured: SUSIE LUNA-SALDANA
 Claimant: LARRY CERNOSEK
 Address: 1705 KINGSDALE RD DRIVE, DEER PARK, TX 77536
 Telephone: Work Phone: (281) 930-0233
 Owner: LARRY CERNOSEK
 Address: 1705 KINGSDALE RD DRIVE, DEER PARK, TX 77536
 Telephone: Work Phone: (281) 930-0233

Home Phone: (832) 655-5738

Home Phone: (832) 655-5738

Mitchell Service: 910998

Description: 2008 GMC Pickup Sierra C2500 HD SLE 1
 Body Style: 4D PkUpCrw 6' Bed 153" WB
 VIN: 1GTHC23688F130834
 Mileage: 65,532
 OEM/ALT: A
 Color: WHITE
 Options: VEHICLE ANTI-THEFT, PASSENGER AIRBAG, DRIVER SIDE AIRBAG, POWER LOCK
 POWER WINDOW, POWER STEERING, REAR WINDOW DEFOGGER, MANUAL AIR CONDITION
 CRUISE CONTROL, TILT STEERING COLUMN, HEATED EXTERIOR MIRROR
 ANTI-LOCK BRAKE SYS., FOG LIGHTS, TIRE INFLATION/PRESSURE MONITOR
 LEATHER STEERING WHEEL, SATELLITE RADIO, CD PLAYER, CHROME WHEELS
 POWER ADJUSTABLE EXTERIOR MIRROR, PRIVACY GLASS, FRONT AIR DAM, TRIP COMPUTER
 FIRST ROW SPLIT BENCH SEAT, KEYLESS ENTRY, OUTSIDE TEMPERATURE GAUGE, CLOTH SEAT
 TACHOMETER, AUTOMATIC HEADLIGHTS, VEHICLE THEFT TRACKING/NOTIFICATION
 MP3 PLAYER, ONSTAR, DAYTIME RUNNING LIGHTS

Vehicle Production Date: 9/07
 Drive Train: 6.6L Turbo Inj 8 Cyl Dsl 2WD
 License: 89R PC6 TX
 Search Code: HOUSTON1

Line Item	Entry Number	Labor Type	Operation	Line Item Description	Part Type/Part Number	Dollar Amount	Labor Units
				<u>Front Door</u>			
1	001935	BDY	REMOVE/REPLACE	L Frt Door Rear View Mirror	** Non-OEM	197.00	* 0.2 #
2				verified price with Pilar			
3				textured housing is scraped, glass will not move			

* - Judgment Item
 # - Labor Note Applies

ESTIMATE RECALL NUMBER: 03/09/2011 10:02:49 11-1709524-02

Mitchell Data Version: OEM: FEB_11_V

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UltraMate Version: 7.0.227

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THIS IS A DAMAGE ASSESSMENT ONLY - NOT AN AUTHORIZATION TO REPAIR -
BASED ON DAMAGE VISIBLE OR CERTAIN AT THE TIME IT WAS WRITTEN.

IF FRAME OR UNIBODY REPAIR IS INCLUDED ON THIS ESTIMATE, THE AMOUNT
SHOWN INCLUDES TIME OR ALLOWANCE FOR MEASURING BEFORE, DURING AND
AFTER THOSE REPAIRS.

THE OWNER OF THE VEHICLE MAY SELECT THE REPAIR FACILITY OF HIS/HER
CHOICE.

TO ENSURE PROPER AND PROMPT PAYMENT FOR ADDITIONAL DAMAGE DISCOVERED
DURING THE COURSE OF REPAIRS, CONTACT PROGRESSIVE FOR SUPPLEMENT
HANDLING PROCEDURES.

WHILE YOU HAVE THE RIGHT TO SELECT THE REPAIR SHOP AND REPAIR PARTS,
WE ARE NOT REQUIRED TO PAY MORE THAN A REASONABLE AMOUNT FOR REPAIRS
AND PARTS. A REASONABLE RATE IS THE MARKET'S PREVAILING LABOR RATE
FOR YOUR AREA.

LIFETIME GUARANTEE FOR SHEET METAL AND PLASTIC BODY PARTS

→ The replacement parts written on the estimate are intended to return
your vehicle to its pre-loss condition with proper installation.
After repair, if any sheet metal or plastic body part included in the
estimate fails to return your vehicle to its pre-loss condition
(assuming proper installation), in terms of form, fit, finish,
durability or functionality, Progressive will arrange and pay for the
replacement of the part, to the extent not covered by a
manufacturer's or other warranty. This service will be performed at
no cost to you (including associated repair and rental car costs). To
obtain service under this Guarantee, call Progressive at
1-800-274-4641. This Guarantee applies as long as you own or lease
the vehicle. This Guarantee is not transferable and terminates if you
sell or otherwise transfer your vehicle.

THIS GUARANTEE DOES NOT COVER NORMAL WEAR AND TEAR OR DAMAGE CAUSED
BY IMPROPER MAINTENANCE, NEGLECT, ABUSE OR SUBSEQUENT ACCIDENT. THIS
GUARANTEE IS LIMITED TO ARRANGING FOR THE SELECTION OF REPAIR PARTS
THAT WILL RETURN YOUR VEHICLE TO ITS PRE-LOSS CONDITION. ACCORDINGLY,
PROGRESSIVE WILL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL OR
CONSEQUENTIAL DAMAGES THAT RESULT FROM THE INSTALLATION OR USE OF
THESE PARTS.

Part Type Terms and Abbreviations

NEW and OEM or part number displayed - These refer to a new, original
equipment manufacturer part.

NON-OEM and A/M and Qual REPL - These refer to an after-market part,
which is a new, non-original equipment manufacturer part.

USED/RECYCLED and LKQ - These refer to a used OEM part.

REMANUFACTURED and RECOND. and RECORE - These refer to used/recycled
OEM parts that have been refurbished.

ESTIMATE RECALL NUMBER: 03/09/2011 10:02:49 11-1709524-02

Mitchell Data Version: OEM: FEB_11_V

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Page 3 of 4

UltraMate Version: 7.0.227

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24

Progressive County Mutual Insurance
 2950 N. Loop West
 Suite 300
 Houston, TX 77092

CERNOSEK LARRY
 1705 KINGS DALE RD
 DEER PARK TX 77536

THIS NOTICE IS REQUIRED BY LAW. IT DOES NOT CONSTITUTE AN ADMISSION OF LIABILITY BY THE INSURANCE COMPANY.

REQUIRED NOTICE TO INSURANCE CLAIMANTS FOR MOTOR VEHICLE REPAIRS

→ By law, you have the right to select where your motor vehicle is repaired and the parts used for repairs. However, an insurance company is not required to pay more than a reasonable amount for such repairs and parts. Your statutory rights regarding motor vehicle repairs are explained in the copy of the Insurance Code §§1952.301 to 1952.307, printed on the reverse side of this notice or attached to this notice. If the costs of repairing your vehicle are to be paid under an insurance policy issued by us, the nature of the coverage is stated in more detail in the applicable policy. For detailed information regarding the insurance policy, contact:

NAME OF INSURANCE COMPANY:	Progressive Claims Department
MAILING ADDRESS:	2950 N. Loop West, Suite 300 Houston, TX 77092
TELEPHONE:	1-800-776-4737
FAX:	1-713-686-5819

For questions about your statutory rights regarding motor vehicle repairs under the Insurance Code, §§1952.301 to 1952.307, contact the Texas Department of Insurance. You may write to the Consumer Protection Division at P.O. Box 149091, Austin, TX 78714-9091, call 1-800-252-3439, fax 1-512-475-1771, email ConsumerProtection@tdi.state.tx.us, or visit the Department online at <http://www.tdi.state.tx.us>.

LA LEY REQUIERE ESTE AVISO, PERO NO CONSTITUYE ADMISION DE RESPONSABILIDAD CIVIL DE LA COMPANIA ASEGURADORA.

AVISO OBLIGATORIO A LOS QUE PRESENTAN RECLAMACIONES PARA REPARACION DE VEHICULO DE MOTOR.

Por ley, usted tiene derecho a escoger donde desea que su vehiculo sea reparado y las refacciones que se usen en la reparacion. Sin embargo, la compania aseguradora no esta obligada a pagar mas de la cantidad razonable por las reparaciones y refacciones. Sus derechos por estatuto concnientes a las reparaciones de vehiculo de motor estan descritos en la copia del Codigo de Seguros §§1952.301 a 1952.307, impreso al reverse de este aviso o adjunto a este aviso. Si el costo de reparar su vehiculo debe ser pagado bajo una poliza de seguro que nosotros dimos, la naturaleza tecnica de la cobertura es establecida en mas detalle en la poliza aplicable. Para informacion detallada acerca de la poliza de seguro, contacte:

Date: 04/07/2011 08:55 AM
 Estimate ID: 11-1709524-02
 Estimate Version: 2
 Supplement: 3 (F F) 03/21/2011 05:26:36 PM
 Preliminary
 Profile ID: houst:all_parts_type

Progressive

12621 Ryewater Drive, Houston, TX 77089

Damage Assessed By: C Battles 713-383-4640

Claim Rep: Gonzalo Flores
 (713) 316-7476

Supplemented By: P Snyder 713-383-4615

* Product Type: Auto
 * Date of Loss: 03/01/2011
 * Deductible: 0.00
 * Claim Number: 11-1709524-02

Insured: SUSIE LUNA-SALDANA
 Claimant: LARRY CERNOSEK
 Address: 1705 KINGSDALE RD DRIVE, DEER PARK, TX 77536
 Telephone: Work Phone: (281) 930-0233
 Owner: LARRY CERNOSEK
 Address: 1705 KINGSDALE RD DRIVE, DEER PARK, TX 77536
 Telephone: Work Phone: (281) 930-0233

Home Phone: (832) 655-5738

Home Phone: (832) 655-5738

Mitchell Service: 910998

Description: 2008 GMC Pickup Sierra C2500 HD SLE 1
 Body Style: 4D PkUpCrw 6' Bed 153" WB
 VIN: 1GTHC23688F130834
 Mileage: 65,532
 OEM/ALT: A
 Color: WHITE
 Options: POWER LOCK, POWER WINDOW, POWER STEERING, MANUAL AIR CONDITION, CRUISE CONTROL, TILT STEERING COLUMN, ANTI-LOCK BRAKE SYS., FOG LIGHTS, LEATHER STEERING WHEEL, SATELLITE RADIO, CHROME WHEELS, FRONT AIR DAM, TRIP COMPUTER, AUTOMATIC HEADLIGHTS, VEHICLE THEFT TRACKING/NOTIFICATION, DAYTIME RUNNING LIGHTS
 Additional Equipment: ALARM, PASSENGER-FRONT AIR BAG, DRIVER-SIDE AIR BAG, ELECTRIC DEFOGGER, HEATED MIRROR, TIRE PRESSURE MONITORING SYSTEM, CD PLAYER, POWER REMOTE MIRROR

Vehicle Production Date: 9/07
 Drive Train: 6.6L Turbo Inj 8 Cyl Dsl 2WD
 License: 89R PC6 TX
 Search Code: HOUSTON1

Line Item	Entry Number	Labor Type	Operation	Line Item Description	Part Type/ Part Number	Dollar Amount	Labor Units
<u>Front Door</u>							
S1 1	001935	BDY	REMOVE/REPLACE	L Frt Door Rear View Mirror textured housing is scraped, glass will not move	ORDER FROM DEALER	429.31	0.2 #
2							0.4
S2 3	001971	BDY	REMOVE/INSTALL	L Frt Door Trim Panel			

- Labor Note Applies

ESTIMATE RECALL NUMBER: 03/09/2011 10:02:49 11-1709524-02

Mitchell Data Version: OEM: JAN_00_A

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"All manufacturers requirements regarding seat belt and supplemental restraint system replacement must be adhered to. If additional parts or operations are necessary to properly accomplish this, please contact the estimating claims rep"

Estimate Totals

I. Labor Subtotals	Units	Rate	Add'l Labor Amount	Sublet Amount	Totals	II. Part Replacement Summary	Amount
Body	0.6	40.00	0.00	0.00	24.00	Taxable Parts	429.31
						Sales Tax @ 8.250%	35.42
						Total Replacement Parts Amount	464.73
Non-Taxable Labor					24.00		
Labor Summary	0.6				24.00		
III. Additional Costs					Amount	IV. Adjustments	Amount
Total Additional Costs					0.00	Insurance Deductible	0.00
						Customer Responsibility	0.00
						I. Total Labor:	24.00
						II. Total Replacement Parts:	464.73
						III. Total Additional Costs:	0.00
						Gross Total:	488.73
						IV. Total Adjustments:	0.00
						Net Total:	488.73
						Less Original Net Total:	221.25
						Net Supplement Amount:	267.48
						S1: C Battles 713-383-4640	251.48
						S2: C Battles 713-383-4640	16.00
						S3: C Battles 713-383-4640	0.00

This is a preliminary estimate.
Additional changes to the estimate may be required for the actual repair.

Point(s) of Impact
 9 Left Side (P)

Inspection Site: ryewater csc
 houston, TX
 Inspection Date: 03/09/2011

March 30, 2011

Texas Department of Insurance
Complaint Resolution Mail Code 111-1A
333 Guadalupe P.O. Box 149104
Austin, TX 78714-9104
Attn: P&C INTAKE UNIT 111-1A

Re: File Number: 945184
File Name: Larry Cernosek
Claim Number: 11-1709524
NAIC Number: 155-29203
Company: Progressive County Mutual Insurance Company

To Whom It May Concern:

I am writing in reply to your March 23, 2011 inquiry regarding Mr. Cernosek's concerns, and I'll respond on point to his four issues presented.

Our estimate was accurate. After Mr. Cernosek contested the use of an aftermarket mirror for his 2008 GMC Truck, we conceded and replaced it with Original Equipment Manufacturer (OEM). The issue of parts used was ruled on in Texas courts in a case styled:

**Robert D. Berry and Andrew Dudney, Appellants v.
State Farm Mutual Automobile Insurance Company;
Texas Farmers Insurance Company; and Mid-Century
Insurance Company of Texas, Appellees**

→ The court did specify that an insurer may not specify specific parts for repairs; however, they can limit the cost of repair they pay by utilizing alternative parts. The customer is free to use other parts to repair the vehicle, but the insurer is not obligated to additional costs associated with the use of OEM parts.

The labor time to repair Mr. Cernosek's vehicle was less than 1.5 hours. Mr. Cernosek would be provided a rental vehicle if the need arose at the time of his vehicle repair; however, he has not provided us with any evidence of rental need. Most, if not all, body shops would simply ask the customer to wait in the lobby for this minor repair to be completed.

There is no loss of value in this case. The minor damage was simply the replacement of a side mirror, a minor body rate operation on a plastic part which left the vehicle in better condition than prior to the loss.

Continued

As to Mr. Cernosek's claim that the labor rate to replace the mirror should be paid at a mechanical labor rate, we can't recall having paid this type of replacement at anything other than body labor. This is further supported by Mr. Cernosek's own documentation which clearly shows that the mirror labor is not a mechanical operation by the repair guide or it would have been noted with an "m".

We deny any illegal handling of any aspect of Mr. Cernosek's claim. We trust that we have addressed all allegations applicable to this claim, but would be glad to discuss further if you'd like. We will not be addressing any of Mr. Cernosek's unrelated and inaccurate allegations about Progressive or our processes

Sincerely

Mike Cagle

Mike Cagle
Claims Manager
1-281-274-6707

CC: Larry Cernosek
1705 Kingsdale
Deer Park, TX 77536

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Progressive

12621 Ryewater Drive, Houston, TX 77089

Supplement Delta Report
 Comparison of Estimate 11-1709524-02 Supplement 2 and Supplement 3

Damage Assessed By: C Battles 713-383-4640
 Supplemented By: P Snyder 713-383-4615

Insured: SUSIE LUNA-SALDANA
 Owner: LARRY CERNOSEK
 Vehicle Description: 2008 GMC Pickup Sierra C2500 HD SLE 1
 * Date of Loss: 03/01/2011

Line Item	Labor Type	Operation	Line Item Description	Part Type	Dollar Amount	Labor Units	CEG Unit
No changes to Repair Lines.							

Global Changes

No Deductible, Customer Responsibility, Labor Rate, or Part Adjustment changes were made.

	Amount
Original Estimate:	221.25
Supplement 1	251.48
Supplement 2	16.00
Supplement 3	0.00
Supp 2 Total Tax	35.42
Supp 3 Total Tax	35.42
Net Supplement Amount	267.48
Net Total	488.73
Supp 2	7.0.227
Supp 3	7.0.227

Program Calc Versions	Data Versions
7.0.227	FEB_11_V
7.0.227	JAN_00_A

ESTIMATE RECALL NUMBER: 03/09/2011 10:02:49 11-1709524-02

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