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▶ MANAGEMENT



Bing Wong

*Managing Director
Canadian Hail Repair*

Sam Piercey

*President
Canadian Hail Repair*

Jeremy Bolderson

*Fixed Operations Manager
Richmond Auto Body*



RAISING THE INDUSTRY STANDARD

CANADIAN HAIL REPAIR: 100% CANADIAN OWNED AND OPERATED

Canadian Hail Repair hosts a national hail technicians meeting in May of 2012.

Climate change is an important agenda item the world over for all levels of government and businesses alike. Insurance companies are particularly concerned with climate change and its impact on extreme weather events such as hurricanes or other super-storms that bring with them torrential rains and heavy snow, flooding and hail stones big enough to damage the shingles on the roof of your home and put hundreds of large dents on every panel of your car or truck.

Leanne Jefferies ◀

These events used to be few and far between, particularly in Canada, where many of us are fortunate enough to have never experienced the full-force of nature's mood swings.

In the last several years however, Canada has been having its fair share of extreme weather; bringing with it, a number of significant hail events that have resulted in hundreds, thousands and even tens of thousands of home and auto repair claims from a single storm.

Paintless dent repair (PDR) has become the preferred repair method by insurers for hail damaged vehicles. In years past it was large American companies that would fly teams of PDR technicians from the southern United States, where hail is more com-

mon, to service the Canadian market place.

However, in the last half decade, a handful of Canadian companies have emerged to challenge their American counterparts in the arena of large scale, national, multi-site hail repair for personal and commercial auto claims.

A CANADIAN COMPANY GOES NATIONAL

CHR is the largest hail repairer in Canada that is 100% owned and operated by Canadians. The business started as The Auto Dentist in Ottawa in 2001 with Sam Piercey Jr. and Andy Maclean. Doug Best joined in 2002 to incorporate mobile-paint work into the business. The Auto Dentist still remains a solid busi-

ness with fleets and dealerships.

CHR started in 2008 when the hail-chasing out-grew operating as individuals and required the addition of sales, management, R&I technicians, administrative staff, etc.

After big growth through 2011, Bing Wong joined as a managing partner with the objective of helping the company grow into a respected part of the Canadian collision repair and catastrophe response industries also hoping to raise the company's profile with Canadian insurers.

PAINTLESS DENT REPAIR VS CONVENTIONAL REPAIR

On the surface of things, paintless dent

“CANADIAN HAIL REPAIR HAS PROVEN TO BE AN INTEGRAL PARTNER FOR OUR CATASTROPHE RESPONSE SOLUTION. THEIR ABILITY TO SCALE UP AND RESPOND TO STORMS IN SUCH A SHORT PERIOD OF TIME ENABLED CARSTAR TO SERVICE ALL OF OUR FRANCHISEES AND INSURANCE PARTNERS IN MULTIPLE CITIES AND PROVINCES SIMULTANEOUSLY.”

MICHAEL MACALUSO

C.O.O. CARSTAR Automotive Canada



Sam Piercey, President, Joe Piercey, Director of operations, Bing Wong, Managing Director

repair may be seen as competitive to a body shop's normal business of body repair and paint refinishing. However, there are significant advantages to using PDR. Experienced hail technicians supported by efficient removal and reinstallation staff (R&I) can carry out minimally invasive repairs to hail damaged vehicles in a fraction of the time it would take to apply traditional repair methods and the ordering of parts that would be required as a result. This creates very significant cost advantages with regard to cycle time, parts pricing and rental days.

In most cases, painless dent repair is also the less expensive repair, but not always. Where the damage to the vehicle is quite severe and where rear-access to the panels is challenging or non-existent, a proper hail repair can be more expensive than conventional repair but still the preferred method.

“On new or near new cars, especially with higher-end vehicles, replacing a roof or other panels is simply not an option for the client,” advises Bing. “We regularly have individuals or dealerships advise us to repair roofs, hoods and other panels with PDR even though it can be more expensive than replacing the panels because of the impact potential on resale value, delays in parts or difficulty in matching certain paint colours. Because PDR retains the factory finish, it is very often the preferred method of repair.”

PARTNERING WITH BODY SHOPS

In the days following a significant hail storm many insurance companies will look to their DRP collision partners for repairs to the vehicles. Insurers will expect that PDR will be used in the repair process wherever it is advantageous to do so. This will almost always require a body shop to form a temporary partner-

ship with a hail repair company.

The first and one of the most important decisions body shops have to make after a hail storm is choosing the right hail repair partner.

The PDR technicians will become an intricate part of the business over a period of several weeks and months. Body shops will want to align with a reputable company that is approved by major insurance partners. If a strong hail repair partner is chosen and the resulting partnership can produce high quality repairs very quickly, then insurers may direct significant volumes of repair assignments to the shop, resulting in more repairs and a significant one-time jolt to sales revenue.

“The best advice we can give a bodyshop who doesn't have a lot of experience managing the increase in business after a hail storm, is to start slowly, align with

“CANADIAN HAIL REPAIR SET THEMSELVES APART BY REPAIRING HEAVILY DAMAGED VEHICLES THAT OTHERWISE WOULD HAVE WAITED SEVERAL EXTRA DAYS TO REPAIR CONVENTIONALLY. OUR STAFF, OUR CLIENTS AND OUR INSURANCE PARTNERS SHARED IN THE BENEFIT.”

JOE FRANGIONE

Turpin Collision - Ottawa



A picture from twitter of the hail that fell in Ottawa in July of 2012 and a brand new Cadillac SRX that sustained heavy damage as a result



Dave Cameron, Andy Mclean, Doug Best (Vice President), Jeff Norris and Sobej Teejay of Canadian Hail Repair and The Auto Dentist in Ottawa

a reputable hail repairer, get your front office team ready and then build a process of appraisal and repair appointment bookings,” advises Doug Best. “Things can become very stressful very quickly when you have a sudden 50% - 100% increase in repair assignments coming through your system. You will want a hail repair partner that has ‘been there and done that’ in a DRP bodyshop before. If you do not rise to the occasion, chances are your competitors will.”

AUTOMOTIVE DEALERSHIPS: DELIVERING TIMELY SOLUTIONS

When a car dealership’s inventory is hit with damaging hail, the result is a large and complex loss for the insurer. Some insurers may move to cash settle with the insured as quickly as possible. This can leave a large and valuable client unsatisfied if they are unfamiliar with man-

aging the fallout of a hail storm.

Sam Piercey Jr. says, “We see many dealerships experience hardship keeping their day-to-day business going after they are hit with hail damage. Dealerships may require a variety of services in a very short period of time such as repairs to sold-units so that they can deliver them to customers, accurate appraisals to their affected inventory and a knowledgeable hail repairer that can provide high quality repairs to hundreds of vehicles in a very short period of time.”

Immediate and accurate appraisals are key to a well-managed loss of this type and insurers will want to refer a hail repair team that can provide a broad scale of technical capabilities; for example, in light damage, the dealership will want faster service to repair the inventory more quickly to continue operating their

core business without significant interruption. In very heavy damage, like Ottawa in July 2012 and Calgary on August 12 of the same year, a different approach is required. The repair process could take months to complete and will require very high calibre technicians that can handle extreme damage as well as strong support staff that can manage client expectations in these lengthy complex losses.

Joe Piercey, Director of Operations says, “Insurers may want to capture a net promoter score of the hail repairers that work on these losses, just as they do with their direct repair bodyshops. A strong and repeatable process makes life simpler for all parties involved.”

It isn’t just dealerships that can experience large losses of this type. Any company with a large fleet of vehicles is at risk. Insurers, multi-unit automotive

“WORKING WITH CANADIAN HAIL REPAIR HAS BEEN NOTHING SHORT OF REMARKABLE. THEY DID WHAT THEY SAID THEY WOULD DO AND BACKED IT UP WITH EXCELLENT SERVICE.”

KEVIN JAMIESON

Surgenor Chevrolet, Buick, GMC, Cadillac Ltd.



hail damage appraisals require cars to be in-doors, cleaned and under proper lighting otherwise there will be supplements when the cars are prepped for repairs

dealerships and fleet companies should have a pre-existing relationship with at least one reputable hail repair company and maybe even two or three companies. “The hail repair industry is ready for the same type of accountability as the direct repair programs that insurers have in place for traditional collision repair,” says Bing. “In large single losses or in widespread catastrophe situations, the right hail repair partner and the right process can have a dramatic impact on client satisfaction and overall loss ratios.”

AUTO DENTIST GROWTH AND MOBILE BODY SHOP

Canadian Hail Repair is not a single-line business. The Auto Dentist division is expanding with a new location in Oakville that, like the Ottawa location, offers small damage repair services to local car dealers and fleet companies. “We do bumper

repairs and paintless dent repair for a wide variety of clients in Ottawa,” says Doug who is based in Ottawa. “We also enjoy a strong and reciprocal referral relationship with local body shops. They refer us the work that is too small for them and we refer them the work that is too big for us.”



The new Oakville location of Auto Dentist

The company is also opening a location in Calgary. “It’s important for us to have a national footprint,” says Bing, “it’s no longer okay to just show up in various

markets when it hails. Ideally, we would already be there and have long standing relationships with body shops, insurance companies, car dealers, etc.”

A significant project also under development is a first of its kind in Canada mobile-bodyshop. “We are regularly challenged with finding the appropriate space to repair vehicles in many markets,” says Joe Piercey, who is managing the development of the project. “The intent is to be able to roll into town with a trailer that expands into a suitable workspace for hail repair or, if necessary, we can even paint a car with a fully functioning paint booth.” The project is well-underway but the final product is being kept under wraps for now.

“We think it could be a game-changer,” says Sam Piercey Jr. **CM**