

UTAH AUTO BODY WATCH DAWG



ADVERTISING MATERIAL

OCTOBER/NOVEMBER 2003 PAGE 1

ONE YEAR ANNIVERSARY

One year ago we mailed out our first issue of *Watch Dawg* to the Utah body shop community. Prior to that there was no Utah based monthly publication going out to the Utah shops. A year later it remains a pleasure for us to serve that group in this manner.

Watch Dawg is produced by a vigorous law firm engaged in helping injured accident victims get justice. With that, *Watch Dawg* is not always out on time, and once in a while like this issue, two months of information may be blended into one issue. However, our commitment to the auto body repair camp and their injured customers remains solid.

Watch Dawg is not produced by the newly organized Auto Body

Owners Association of Utah (ABOAU). *Watch Dawg* existed before that powerful and innovative group was formed. We are honored to have been invited to many of this new association's meetings and have reported with their blessing on events within their ranks. *Watch Dawg* has been pleased to have been utilized by this fresh team to get the word out. We suspect that in the future the new shop association will eventually produce their own newsletter. We feel it a privilege to fraternize with the ABOAU leadership and its members. We are humbled to have been called upon to help organize the ABOAU and we now consider ourselves one of its main cheerleaders. However, *Watch Dawg* remains an independent voice.

In the last year *Watch Dawg*

Continued on pg. 3

INSIDE THIS ISSUE:

Non-OEM is
non-OEM 2

Congress
Uncovers
Insurance
Scandal 4

Bondo Bob 5

Suggestions to Improve Business

We've advised lots of businesses over the years. Many have been auto repair shops. Here are some general advise we'd like to pass on to improve what you do and eventually lead to more profitability. It's not rocket science:

1) **Take advantage of the new technologies available.** Computerize. Even if you don't do com-

Your puterized estimatics, the computer can assist you in numerous ways in storing data, keeping track of inventory, book keeping, customers, etc. Come to one of the Auto Body Owners Association meetings and talk to other shop owners who are using computers in their business. Ask them the numerous ways in which they have benefited from using computers. Eventually, the new association will have its own website and a list serve set up for its members.

Continued on pg. 2

Congress Uncovers Malpractice Insurance Scandal

The latest report of the non-partisan General Accounting office, the research arm of Congress, proves that the supposed "crisis" of access to medical care as a result of medical malpractice insurance premium increases- as alleged by the American Medical Association (AMA), the insurance industry, and some politicians- doesn't exist, or has been extremely overblown.

The report, released on the Friday before Labor Day to minimize news media coverage, had been requested by three Republican leaders of the U.S. House of Representatives. The comprehensive analysis suggests that the AMA, which had sought to delay release of the report until it could influence the data, misled the American people, state legislators, the news media, and even doctors.

"The problems we confirmed were limited to scattered, often rural, locations and in most cases providers identified long-standing factors in addition to malpractice pressures that affected the availability of services," said the report, *Medical Malpractice: Implications of Rising Premiums on Access to Health Care*. GAO-03-836, August 8, which can be found online at: <http://www.gao.gov/cgi-bin/getrpt?GAO-03-836>

"We also determined that many of the reported physician actions and hospital-based service reductions were not substantiated or did not widely affect access to health care."

Below is an analysis of the major findings of this latest GAO report, which concludes that there are many reasons for health care access problems, just as another GAO report earlier this summer concluded that there are many reasons for the increase in medical malpractice premiums for doctors.

This report combats the phony propaganda that victims of medical malpractice who exercise their legal rights are responsible for high medical malpractice premiums and reduced access to medical care. It's just not true, and this report proves it.

Conclusions of the August 2003 GAO Report on Medical Malpractice:

1. There is no medical malpractice crisis. In its study of five states without tort reforms, the report concludes that the doctors have wildly overstated their case. E.g. "We also determined that many of the reported physician actions and hospital-based reductions were not substantiated or did not widely affect access to health care." (P.12). "Although some reports have received extensive media coverages, in each of the five states we found that actual numbers of physician departures were sometimes inaccurate or involved relatively few physicians" (p.17). "Contrary to reports of reductions in mammograms in Florida and Pennsylvania, our analysis showed that utilization of these services among Medicare beneficiaries is higher than the national average in both [states]" (p.21).
2. The report notes that the AMA wanted the GAO to withhold release of the report until "state and national medical and specialty associations" could provide better information. But these were the very groups that had supplied much of the data that the GAO used as the basis for many of its findings (p. 38).
3. The report strongly supports the case that there are lots of reasons for the few problems of access to care the GAO could confirm, while the AMA blames everything on medical malpractice litigation. "The problems we confirmed were limited to scattered, often rural, locations and in most cases providers identified long-standing factors in addition to malpractice pressures that affected the availability of services" (p. 13).
4. It characterizes the CBO study on the supposed savings resulting from HR5 as actually finding that state tort laws have no impact on medical spending (p. 29).
5. It criticizes the HHS study for publishing a wildly inflated estimate, based on an improper methodology, of potential savings from defensive medicine (p.20).
6. It measures growth on claims on a per capita basis, not an aggregate basis. This is the right way to do it, making it clear that claims payments have grown far slower than any measure of inflation, in

Continued on pg.5

Bondo Bob*Continued from pg. 4*

body shops that have refused to release future vehicles without payment in full from the slick independent adjuster have quickly been treated with greater respect by these estimators for hire. Call or e-mail us with the names of independent adjusters who have ripped you off over supplement payments. Let's get united on this issue of repeated abuse by some independents.

Over the years Bondo Bob has attended the annual *Concours d'Eligance* that was for years held outside the U of U campus. A few years back they stopped having it on Sundays, apparently to boost attendance. Smart move. Like many of you, Bondo Bob can barely sneak away and bolt from his "honeydews" to attend Saturday car shows. Bondo would have a better chance of tunneling out of Stalag 13 between guard towers, than escaping home or church on a Sunday to see a good car show. This year the show was inside to the Southtowne Expo Center, I guess to deal with often unreliable Fall weather. Unfortunately, I know of many who stay away from that event because they feel they cannot "come as you are" to view museum pieces that are trailored here and there, and rarely driven. Although there are several really cool guys who have great cars at that event each year, Bondo Bob feels that far too many of the entry owners are overly fastidious

"full scale model builders". We've seen these silly automobile fanatics tediously spend hours plucking pebbles out of their tire treads. They hotly debate with roving clipboard judges over the improper placement of an air cleaner canister decal on a fellow competitors classic ride, in a maneuver to outscore a nearby car. Sadly, many of the restorations on display at such events are merely "checkbook" rebuilds where the owner had little or no "hands on" involvement in the work. One year I remember asking the proud owner of a gorgeous and original Lincoln whether his classic had juice, cable or rod actuated brakes 'cause I couldn't remember when Ford/Lincoln/Mercury made the production change to hydraulic (*Ford and Merc in '39, Lincoln in '40, I believe*). The owner looked at me as if I was speaking Greek, held up his manicured hand and in his pleated Polo shirt said, "You'll have to ask my personal mechanic, I just collect them." I later watched his auto-butler, "mechanic" climb into the cockpit and drive this classic up into a waiting enclosed trailer bound for its heated garage. Bondo Bob and his friends' restos are built mostly by their owners, they are driven. The only "points" they've generally sought after are the ones that install just under the distributor cap. Bondo Bob thinks that old cars arriving at shows with bug guts smashed on their windshields, hoods and grills deserve a higher score. What is your opinion? Call or e-mail us with what you think.

BRYAN A. LARSON, P.C.

ATTORNEY AND COUNSELOR AT LAW

P.O. Box 95921

1218 West South Jordan Parkway, Suite B
South Jordan, UT 84095

Phone: 801-446-6464

Fax: 801-254-0303

Email:

larson@bestattorneys.com

Larson, Turner, Fairbanks & Dalby, L.C.

Attorneys and Counselors at Law

THIS PUBLICATION IS PUBLISHED MONTHLY, OR WHENEVER WE GET AROUND TO IT BY
BRYAN A. LARSON, P.C.

**SPECIALIZING IN HELP FOR INJURED ACCIDENT VICTIMS AND THE BODY SHOPS WHO REPAIR
THEIR VEHICLES**

Business Ideas

Continued from pg. 1

You'll need to have a computer to capitalize on the benefits of that system. E-mail is also another of the benefits of a computerized system.

2) **Use digital photography.** You should photograph all damage to the vehicles that come in for estimates. Those photographs may later be vital to you to demonstrate or re-create what was initially wrong to justify the charges on your repair order. Such photos also may be extremely valuable to your customer and/or your customer's insurance company to get reimbursement from the party that caused the collision. These pictures are also routinely used in litigation in personal injury claims. Photographing the tonnage gauge or meter during a frame pull can also be very persuasive to a jury wondering how badly the vehicle was impacted. With a digital camera, these photographs can simply be stored electronically to be printed out whenever necessary.

3) **Do a full and complete estimate for a quality repair.** When supplements are needed, present them in writing and get them signed off on by the adjuster before this aspect of repairs is commenced. If there is going to be a problem getting the supplement paid, you need to know about it before you do the work, install parts, and especially before you release the car. If the adjuster is giving you problems, let your customer know about it immediately. If the customer is represented by counsel, make sure they know too.

4) **Get permission to commence repairs from your customer and/or the insurance adjuster in writing.** Have that authorization signature linked to a specific dollar estimate and promise to pay. This can also be accomplished with customers by fax machine. It needs to be done each time. Failure to do so will increase your risk of not getting paid.

5) **Make sure that your injured customers are represented by legal counsel.** Good legal counsel can act as a bridge between you, your customer, and the insurance company. Refer customers to a law firm you know and trust. It also helps if that legal counsel knows and understands auto body collision repairs.

6) **Join the Auto Body Owners Association of Utah.** Display the symbol of the association with pride. Adjusters will then know that you are a quality operation that is not easily bullied, with colleagues of the same mind.

*At the last Auto Body Owners Association meeting, the association discussed the need to have some Saturday education classes prior to the conference in May. Everyone agreed it was good to meet other body shop owners, and we all pledged to bring another member to our next meeting. The next meeting is **November 5, 2003 at Pierson's, 3330 South Main Street, Salt Lake City, at 7:00 p.m., Membership is growing!***

IT'S STILL NON-OEM TO ME**By Bruce A. Davis**

Last week I bought a used truck. I had been looking for one for months. I wanted to get my hands on one of those retired mom and dad 4WD pickups that was purchased new with a leaf spring kit added to the rear, over a specially ordered Dana 60 one ton axle. One where the folks had put a cabover camper in the bed, parked it along the south side of the house and then just let the sun burn the paint off it. You know, one of those "bought it, but never drove it" type of trucks.

Continued on pg. 3

One Year Anniversary *continued from pg. 1*

has been involved in, and reported on, some exciting issues. Certainly the events leading up to, and the creation of the ABOAU, ranks at the top of stories followed by us. Reported episodes of bad behavior by adjusters has added excitement and drama to our publication. Two local body shops, both readers of *Watch Dawg*, blew the whistle on an errant field adjuster steering business with cloaked slander against an area shop. His shaken insurance company employer and other adjusters took notice. Caught in the crossfire of these two courageous body shops and *Watch Dawg's* influence, the subject adjuster's employer eventually fired him. When another adjuster refused to honor a legitimate supplement, one call from *Watch Dawg* to that adjuster's supervisor and the chastised claimshandler returned to the same shop to authorize the honest supplement he had denied just hours earlier. We look to our readers to continue calling us about any documented adjuster fraud or misbehavior.

Watch Dawg is not anti-insurance company. *Watch Dawg* is anti-misbehavior perpetrated by auto insurance companies, their claimshandlers, adjusters, estimators, insurer owned shops and the like. Honest insurance adjusters know they need not fear the watchful eye of *Watch Dawg* and its readers. We encourage insurance personnel to order their own copy of *Watch Dawg*.

The sharing of ideas, concepts of shop management, cost strategies, shop unity and other issues of daily shop operations seem to have been other by-products of this publication. We know that *Watch Dawg's* series of articles called "*It's the Law*" has helped more shops know where they stand on certain legal issues that naturally arise in the course of this business. Those articles also provided sound techniques to avoid common legal pitfalls in this industry. We hope the monthly gossip about shops and insurance companies spouted by Bondo Bob will continue to amuse and enlighten you. We trust you feel *Watch Dawg* has made some worthwhile contribution to your shop operation and/or the industry.

We wish to express gratitude for all the injured customers you've referred to us for legal aid.

While we can't help everyone, and we rarely get involved in matters of property damage only, we feel we *have* made a difference in the lives of those injured in auto collisions due to someone else's negligence. We're honored when your customers become our customers, too. We sincerely thank you for your continued support of *Watch Dawg* as we enter into our second year of production. *The End.*

Non-OEM *Continued from pg. 2*

Well, I found one. It had a big block with way low miles. It needed little besides paint, but the grill was cracked right through the center of the attached emblem. It had been years since I'd purchased non-OEM body parts for any reason and certainly not since my testimony against State Farm in the landmark \$1.2 billion verdict non-OEM case in Illinois. I heard from some converted preferred shops that non-OEM quality had improved and I figured it was time again to see for myself what the new crop of non-OEM looked like.

When my pre-ordered non-OEM grill was handed to me, I was surprised. It came in a semi-transparent plastic sack. No cardboard box for this baby, just a sack. Not a good omen. When I got it home and pulled it out of its grab bag, this plastic grill had more leftover mold flashing on and around it than an old 1950's Reville plastic model kit. It came with no hardware. When I removed the old OEM grill, even with big chunks broken out of it, it weighed considerably more than the new non-OEM grill as I hefted them both together.

As you can guess, the only non-OEM grill mounting hole that lined up with the holes in the OEM radiator support was the first mounting hole I used. After that, all the rest were off just enough to the left or to the right to need slotting and elongation. The mounting tangs or ears on the non-OEM grill felt like the were made out of those flimsy things used to hold the knot in the end of sliced bread bags. One tang broke off the non-OEM grill and I'm using it for a guitar pick. After my best effort of adjustment with the slotted holes I'd fabricated and flat washed, the distance between the new non-OEM grill

Continued on pg. 5

Non-OEM*Continued from pg. 4*

insert and the old OEM grill surround chrome was still greater on one side than the other.

In an effort to legitimize this product/experiment I purchased a shiny new OEM grill emblem. The emblem cost more than the non-OEM grill and looked great. The *box* the OEM emblem came in was more rigid than the non-OEM grill. When I tried to mount the OEM emblem into the non-OEM grill no way would the grill emblem alignment pins line up with the non-OEM grill emblem holes. After some more elbow grease time with my trusty rat tail file I had the non-OEM grill slotted to receive the OEM emblem mounting pins.

When finished, from about 10 feet back it almost looked OEM. My wife couldn't tell the difference and thought it looked nice. Better than the cracked one, at least. Back in the days when I was a rank and file PD adjuster we were told to push non-OEM to females and those less experienced with such "*fit and finish*" auto parts matters. The ruse still worked in my own driveway.

I understand some animal/insect rights group has just deemed that non-OEM grills are not humane and plans to boycott all offshore companies that manufacture them. Seems that large airborne insects flying headlong into these aftermarket grills blow a hole straight through the thin plastic, only to die agonizing deaths roasting on radiator fins, rather than mercifully from the grill impact.

From a few feet away it looks sorta okay. It's often flimsy stuff that looks a bit rough, and regardless of what the adjuster pitches it to be, it's still non-OEM to me. *The end.*

Malpractice "Crisis" Hoax *Continued from pg. 4*

both cap states and non-cap states (p. 35).

7. The report consistently emphasizes that the surveys upon which the AMA bases its claims have a low response rate and thus "preclude the ability to reliably generalize the survey results to all physicians" (p. 38).

8. It specifically criticizes as unreliable the two data

sources relied on by the doctors: PIAA ("it does not share the proprietary state-level claims data"); and Jury Verdict Research ("a varied and unsystematic data collection process") (p. 52).

9. The analysis supports the case that the doctors, in effect, blackmailed the legislatures and governors in Nevada, Pennsylvania and West Virginia (p. 14-15).

10. It emphasizes that, to the extent that premiums or claims are lower in cap states than non-cap states, multiple factors are responsible- which is the same conclusion as the first GAO report.

Editors note: Although this article deals with Medical Malpractice cases, the truth about proposed tort reform changes applies to all areas of the civil justice system. Don't believe the news media. Juries don't come up with big verdicts unless after hearing all the facts, they believe that big justice is needed
The end.

At this time we wish to dispel a rumor that's apparently been circulating among the readers of this column. We wish to make it clear that Bondo Bob is definitely not the long lost, separated at birth, twin of Tom, the expert painter at Ken Garff's Collision Center South. Bondo Bob and Tom's similarities are purely coincidental, despite Jay's suspicions of common lineage and shared DNA. Stop by and say "HI" to the team at this awesome new shop on 11585 South State Street in Sandy, Utah. I hear they still back up every vehicle they paint.

Be aware that some independent field PD adjusters out there give you the "go ahead" and then later stiff you on payment of the same supplement they'd previously authorized, (*after you spent hours building a documentation packet, to save them from having to come out again*). When pressured, these errant PD independents then blame the smaller back east or west coast company that hired them as the reason why they can't get you paid in full. The savvy

Continued on pg. 5