

NEWS

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Certified Automotive Parts Association Refutes California Body Shop Survey

Poll Released by California Autobody Association Claiming CAPA-Certified Parts Are Not Equivalent Is Based on Faulty Data, Says CAPA Executive Director Jack Gillis in Letter to Gov. Schwarzenneger

Washington, D.C. – The Certified Automotive Parts Association (CAPA) has warned California Governor Arnold Schwarzenneger that a survey released in September by the California Autobody Association (CAA) is based on faulty data and that its assertion that CAPA-certified auto body repair parts are not equivalent to car company brand parts is false.

"We believe it is our responsibility to inform you, California's legislators, and the public that the survey data reported by the California Autobody Association is seriously flawed, and therefore that its conclusions cannot be true," said CAPA Executive Director Jack Gillis in a letter sent Thursday to Gov. Schwarzenneger. What is evident is that "a substantial percentage of CAA's members do not distinguish between CAPA-certified parts and non-certified aftermarket repair parts," wrote Gillis.

The survey was released in an apparent effort to persuade Gov. Schwarzenneger to veto Assembly Bill 1200, an act to amend Section 758.5 of the Insurance Code, which passed both houses of the California Legislature in September. According to its sponsor, Assemblymember Mary Hayashi, the bill "ensures that drivers can make an informed choice when selecting an auto repair facility for their damaged vehicles by clarifying that insurers can explain the benefits of their own repair programs to consumers."

According to the CAA survey, 49 percent of California Autobody Association (CAA) members indicated that 75 percent of CAPA-certified parts they received were not equivalent to the car company brand parts being replaced, in terms of fit, function and finish.

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CAPA News Page 2

"CAPA exists to protect the public from repairers using poor quality parts and to keep cars repairable in the face of the increasingly high amounts shops charge for basic crash repairs," Gillis said in releasing the letter. "The fact that the body shop association has chosen to release information that is patently false is preposterous," said Gillis. "Their numbers simply don't add up."

"Rather than acknowledge that many of their own members not only insist on CAPA-certified parts, but have actually worked with CAPA to develop quality certification standards to protect their customers, the association has chosen to obfuscate this important issue with misleading information," Gillis said.

Gillis continued "By mounting a lobbying campaign to convince Governor Schwarzenneger to veto AB 1200, CAA's leadership is attempting to ensure that their members use only the most expensive parts possible. While that position may be more profitable for them, it only hurts the already beleaguered California consumer, who is compelled to pay exorbitant charges to fix simple fender-benders. Furthermore, it hurts those repairers working hard to keep cars repairable by using high quality alternative parts."

To demonstrate the underlying flaw in CAA's data, CAPA presented the following analysis to Gov. Schwarzenneger:

- There are approximately 5,500 licensed auto body shops in California. According to its website the association has approximately 1,000 members 18.2 percent of all shops in the state.
- CAA's survey release claims that:
 - o 34% of member shops sell less than 10 CAPA parts per month;
 - o 40% of member shops sell between 10 and 50 parts per month; and
 - o 20% of member shops sell between 50 and 100 parts per month.
- If these estimates were correct, CAA members would sell approximately 344,400 CAPA-certified parts per year the midpoint of the range yielded by the survey data. Upon examination, however, this estimated volume is revealed to be unrealistically high:
 - o R.L. Polk & Co. reports that in 2008 there were 29.1 million vehicles in operation in California 12.1 percent of the U.S. total.
 - According to CAPA's own proprietary data, 3,144,014 CAPA-certified parts were used throughout the United States in 2008.

CAPA News Page 3

Based upon the R.L. Polk proportions, there were therefore approximately 380,426
CAPA-certified parts used in California in 2008 – by all of California's 5,500 body shops.

• For CAA's survey conclusions to be true, one must accept the premise that over 90 percent of all CAPA-certified parts used in California were used by the 18 percent of shops that are members of CAA, and that the remaining 4,500 body shops used an average of only 8 CAPA parts each during the entire year!

"It is evident to anyone familiar with the California auto body repair industry that CAA members do not have a monopoly on the use of CAPA-certified parts," wrote Gillis. "The California Autobody Association's estimated level of use is a gross exaggeration. Consequently, the resulting analysis is false."

"We oppose any effort to compel consumers to patronize shops that use substandard parts," wrote Gillis. "CAPA is dedicated to ensuring that consumers and body shops throughout California and the United States can distinguish between high-quality aftermarket parts that bear the CAPA quality seal, and those manufactured to less demanding, or no, standards. We will continue to reach out to CAA, its members, and all reputable body shops to inform and educate them about how to recognize genuine CAPA-certified parts."

"California consumers deserve access to high-quality, CAPA-certified aftermarket parts as an alternative both to expensive manufacturer parts and poorly made, uncertified knockoffs," Gillis continued. "We look forward to continuing to work with your administration, members of the legislature, and the CAA to guarantee this choice to the people of California."

"Unfortunately, the only thing that's clear from CAA's survey is that a lot of its members are confused and/or poorly informed," said Gillis.

CAPA will provide copies of its letter to Gov. Schwarzenneger upon request.

CAPA is an independent non-profit standard setting organization accredited by the American National Standards Institute. CAPA oversees a testing and inspection program that ensures CAPA certified parts meet quality standards for fit, component materials, and corrosion resistance. Since 1987, CAPA has provided consumers, auto body shops, part distributors and insurance adjusters with an objective method for evaluating the quality and functional equivalency of aftermarket auto body parts. CAPA certification promotes real competition in the collision parts industry, resulting in lower costs for consumers without sacrificing quality and safety. For more information see www.CAPAcertified.org.