

BODYSHOP BUSINESS

May 2017//Vol. 36 No. 5

www.bodyshopbusiness.com



2017

INDUSTRY PROFILE

A Statistical Snapshot of the Collision Repair Industry

AirPro
Diagnostics



AirPro:

The Most Comprehensive
Remote Scanning Solution



AirPro
Diagnostics



85%

of shop owners run a family-owned collision repair shop

31

Average years shop has been open

Percentage of shop owners between the ages of 50 and 64

51%

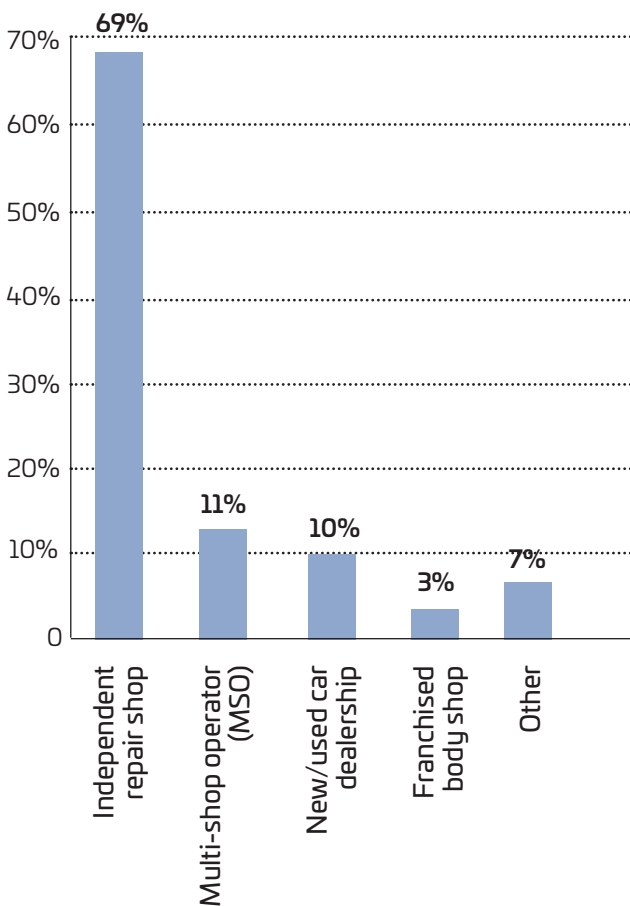
94%

Percentage of shop owners who are male

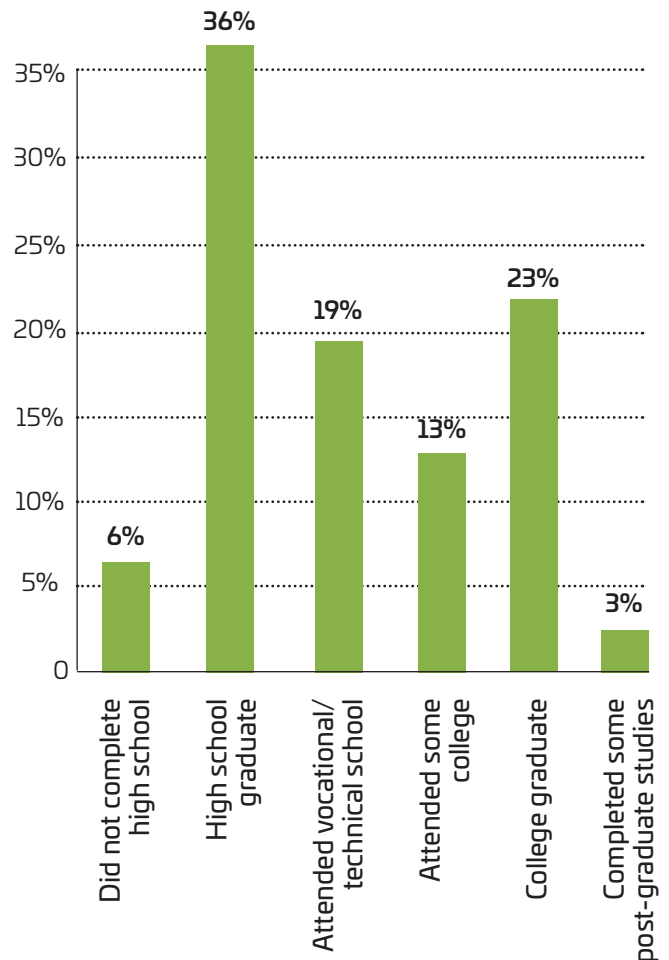
Percentage who own more than one shop

18%

Which of the following best describes your business?

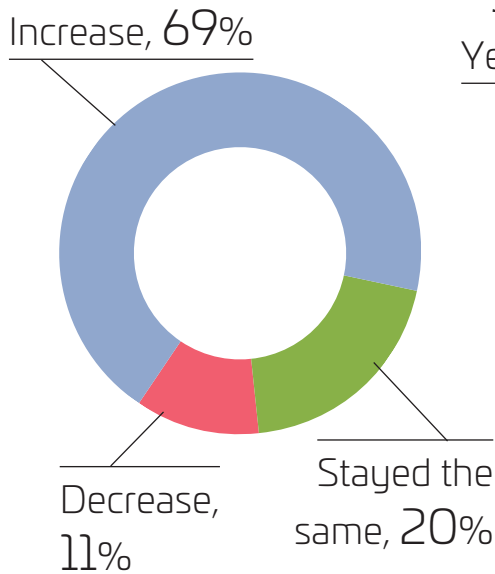


Highest education level attained

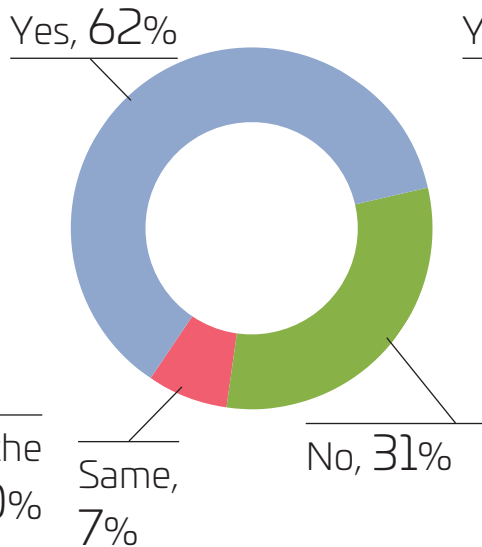




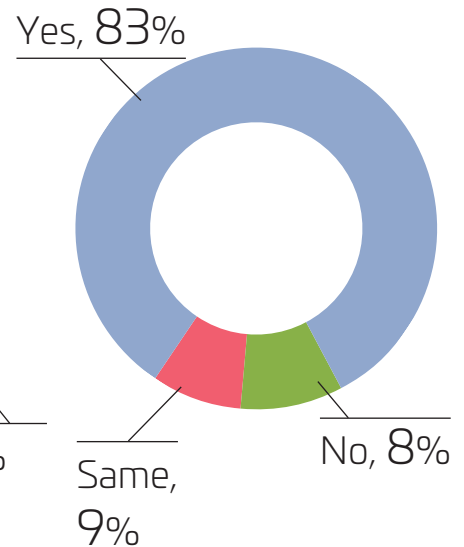
Compared to 2015, did your 2016 sales:



Do you think your business is better off today than it was five years ago?

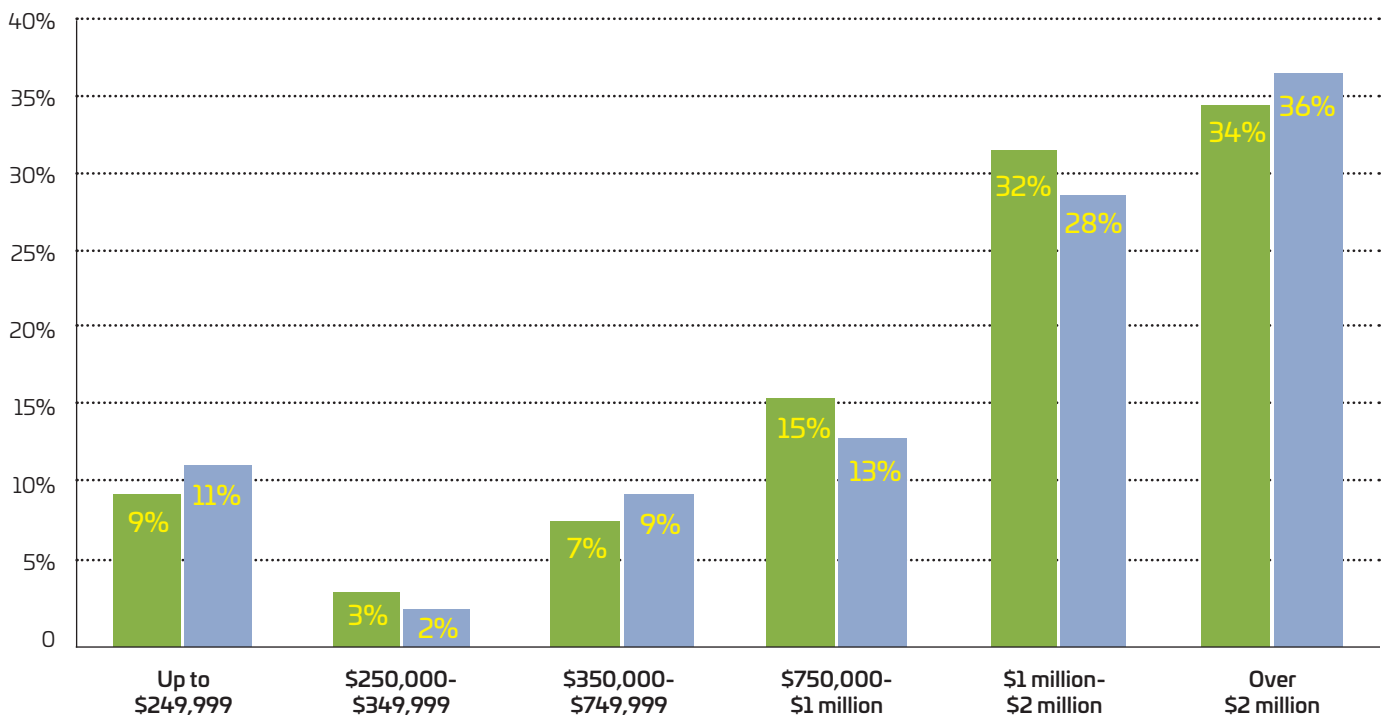


In the next five years, do you think your business will be more successful than it is today?



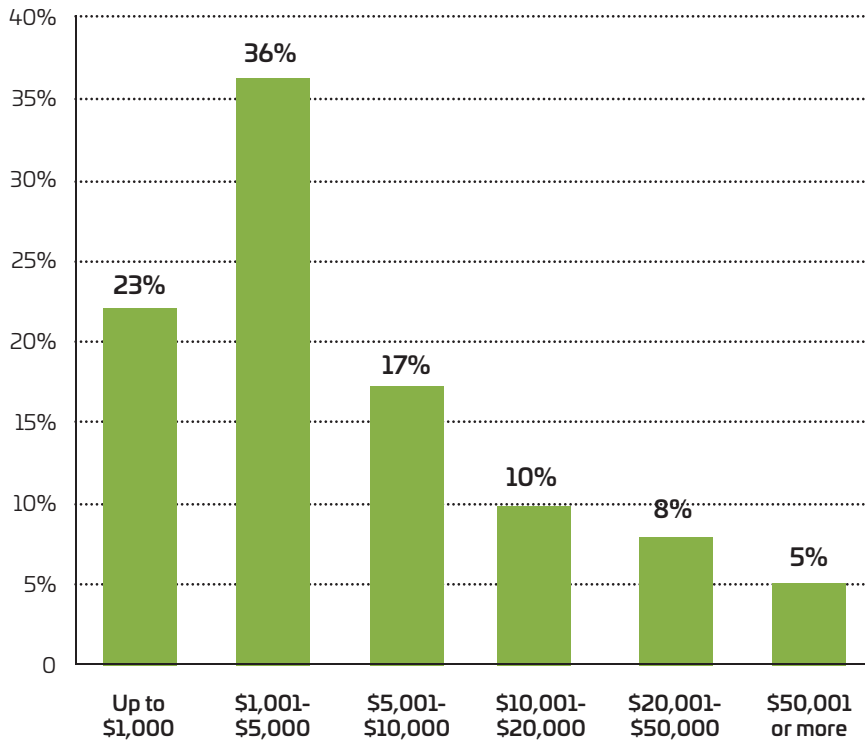
What was your shop's gross sales in 2016?

2016 2014

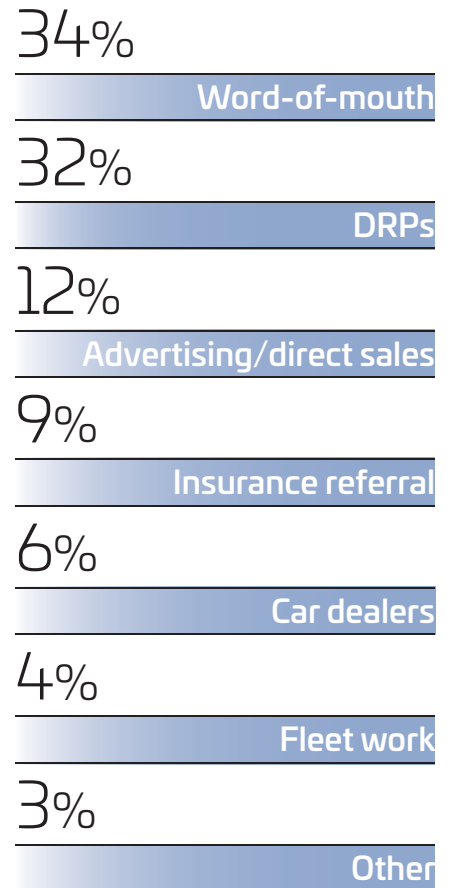




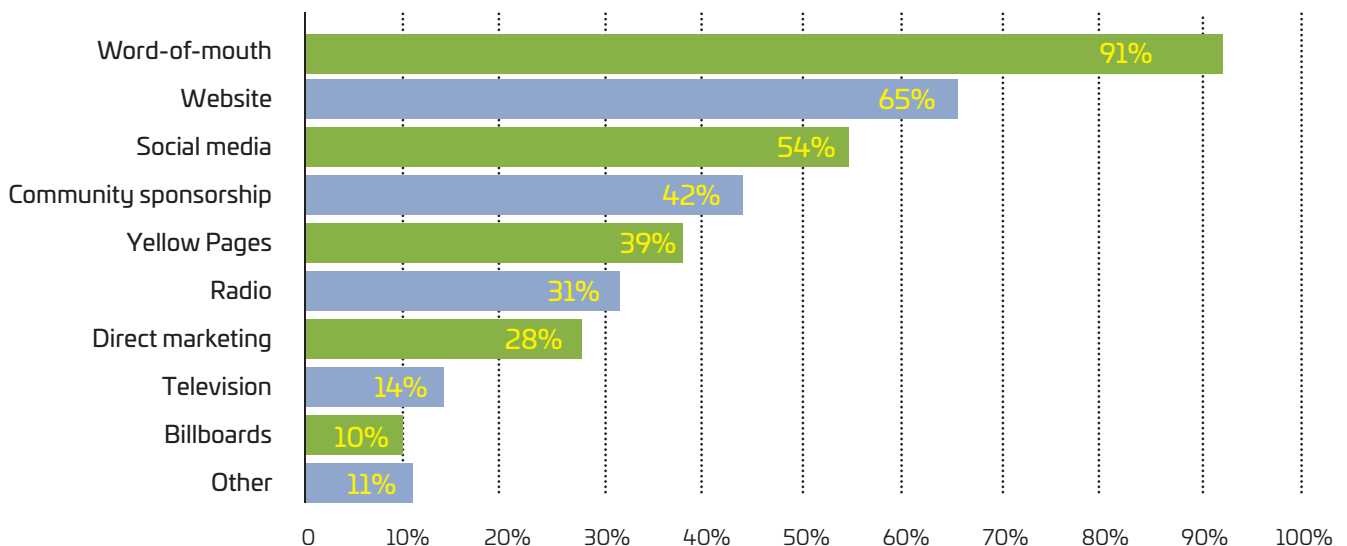
How much money would you estimate you spend annually on all forms of advertising/promotion?



What percentage of your business is generated from each source?



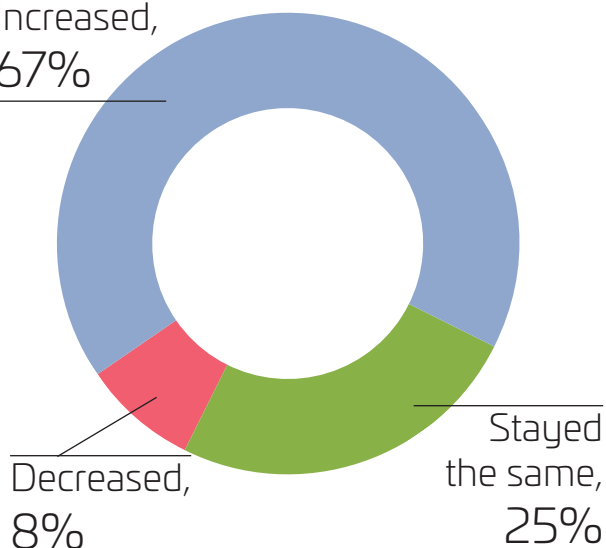
How do you market your services?





How does your 2016 net profit compare to your 2015 net profit?

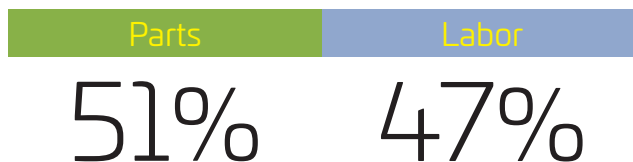
Increased,
67%



38%

What was your 2016 gross profit percentage?

What percentage of your sales is attributed to parts and labor?





72%

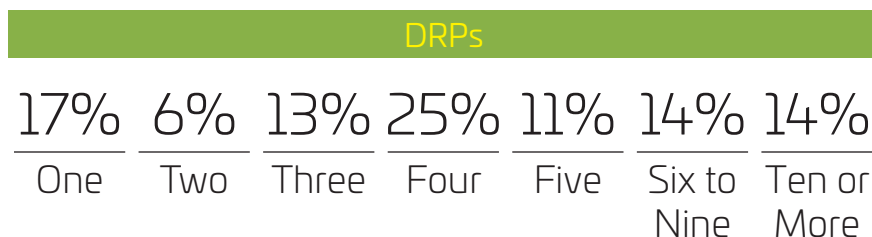
Yes

Are you on any direct-repair programs (DRPs)?

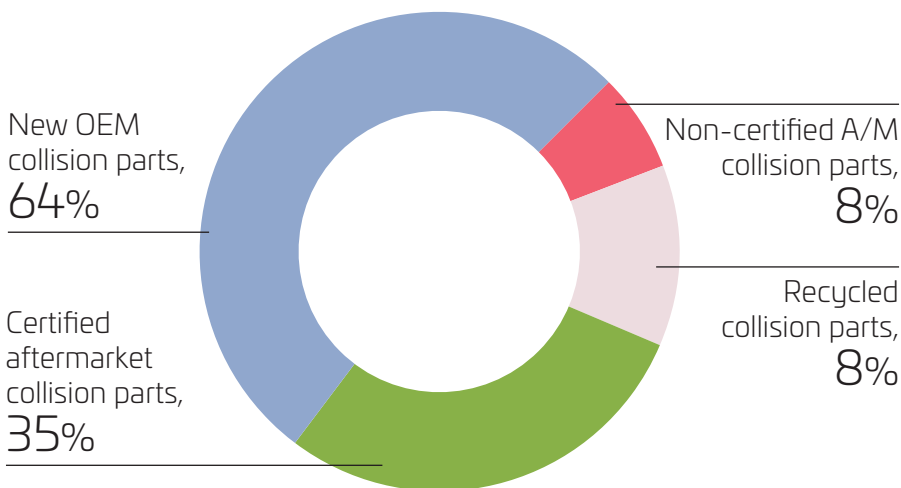
28%

No

How many DRPs are you affiliated with?

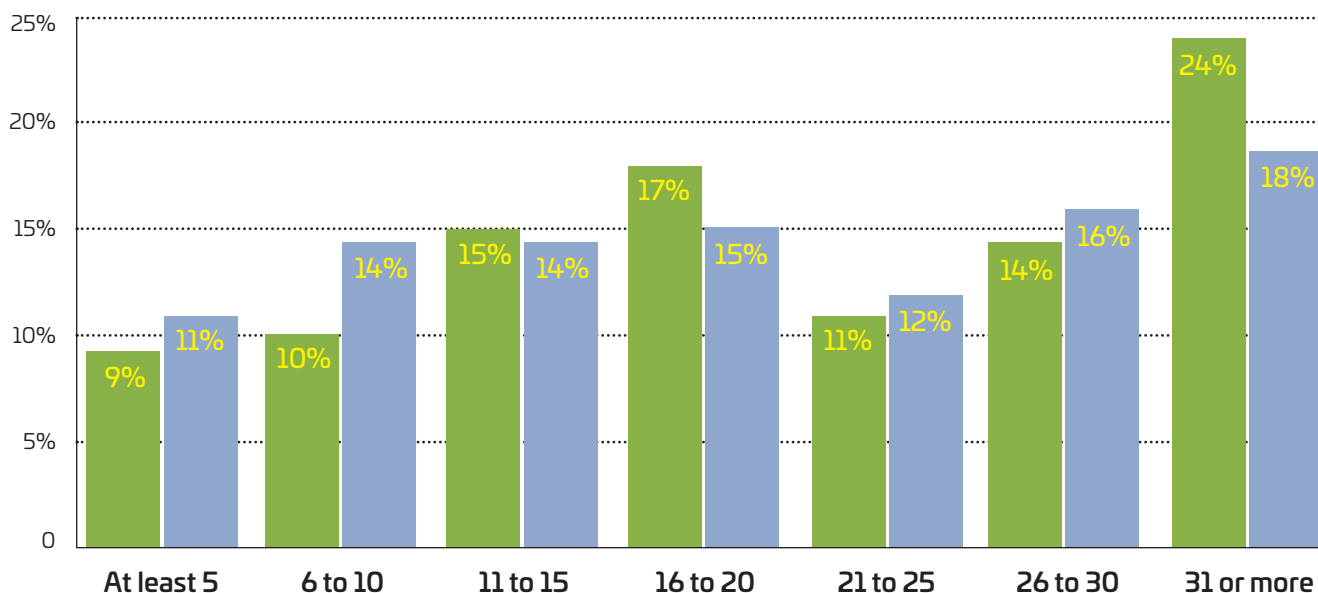


What percentage of your repair orders include:



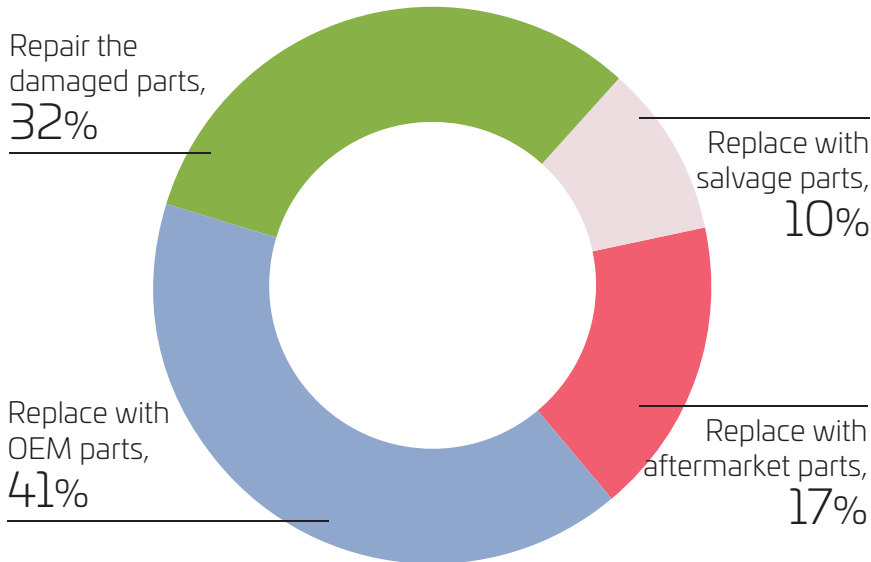
Average number of estimates written and jobs per week

Avg. # of estimates Avg. # of jobs performed





When making collision repairs, what percentage of time do you:



Drivable cycle time

10.1

Number of days

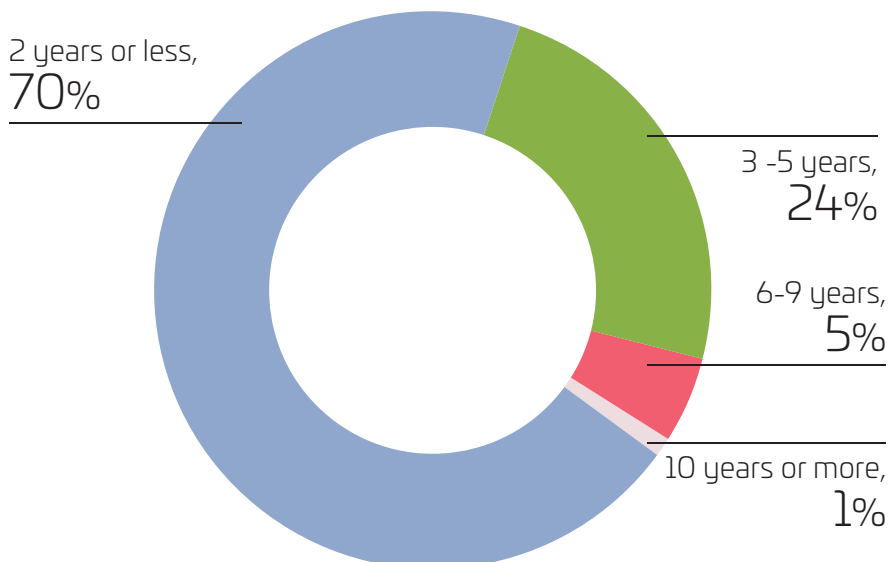
Non-drivable cycle time

4.3

Number of days

What percentage of your estimates include:

Age of vehicles for which A/M parts are being specified for insurance appraisals



59%

1 supplement

22%

2 supplements

3%

3 supplements

3%

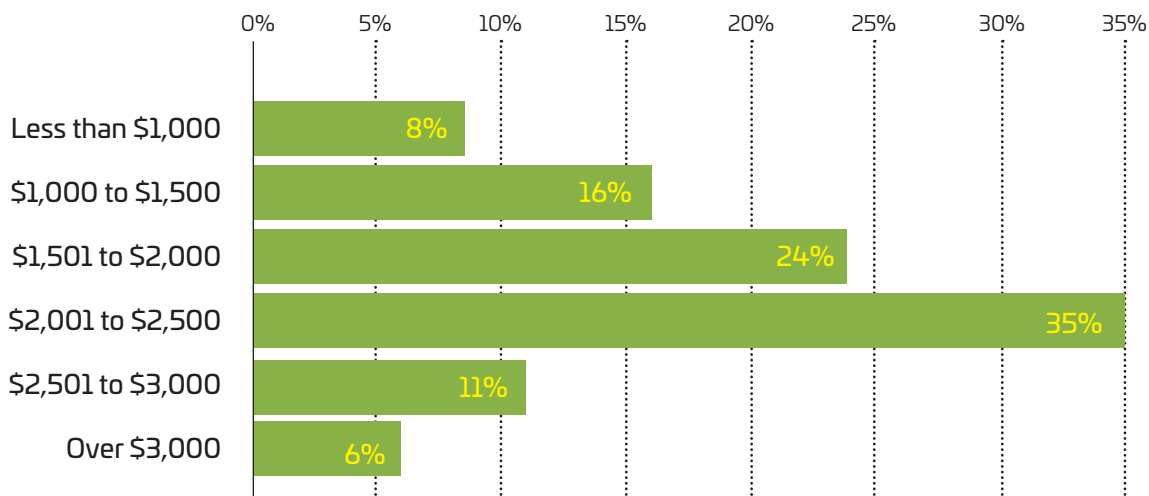
4 or more supplements

13%

No supplements



Approximately what is your shop's average ticket per job performed?



Percentage of replacement parts that provide an acceptable fit

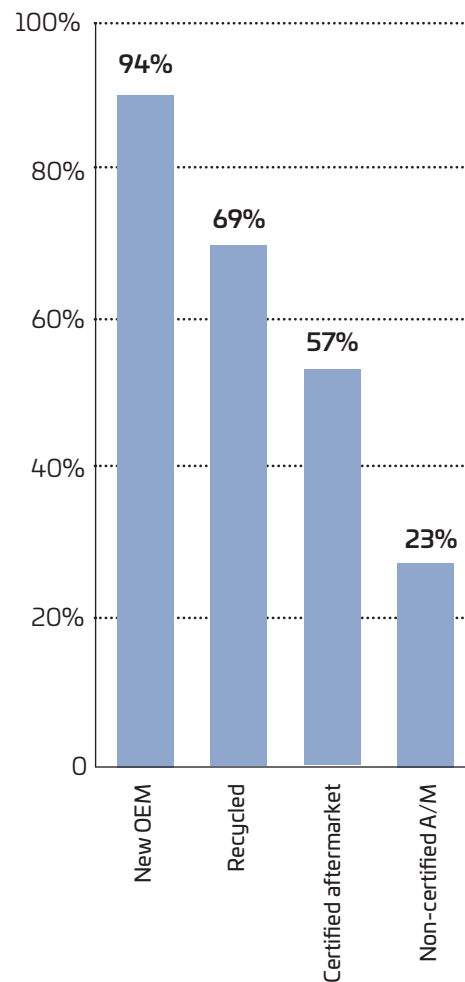
92%

Yes

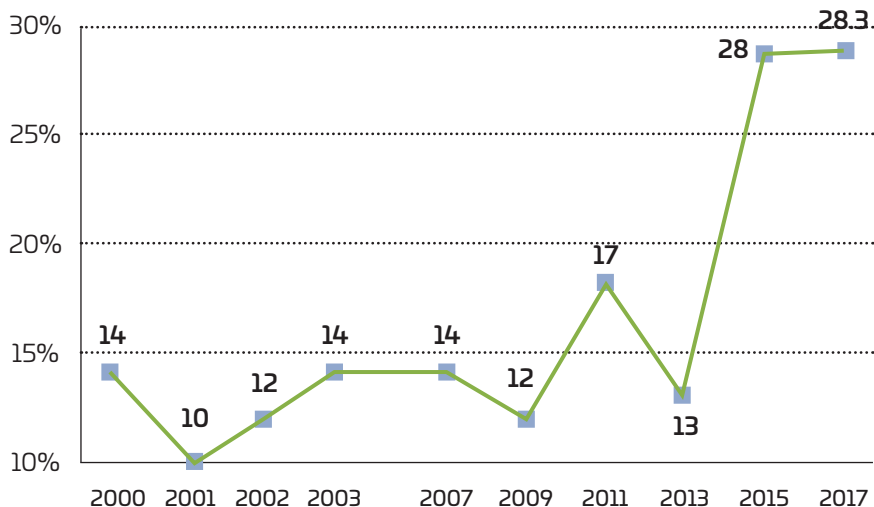
Has an insurer ever asked you to use recycled/used suspension parts on a repair?

8%

No

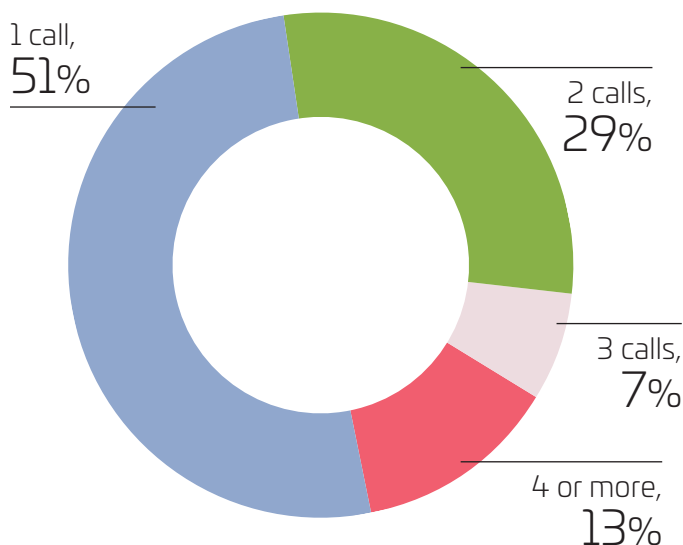


Average number of jobs performed each week: 28.3

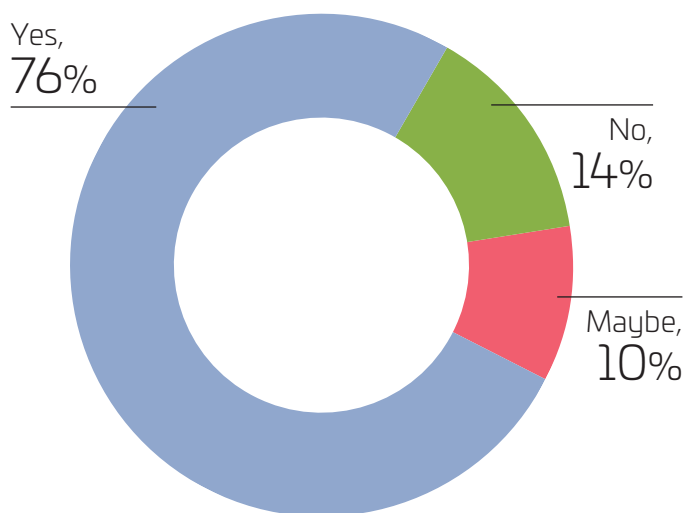




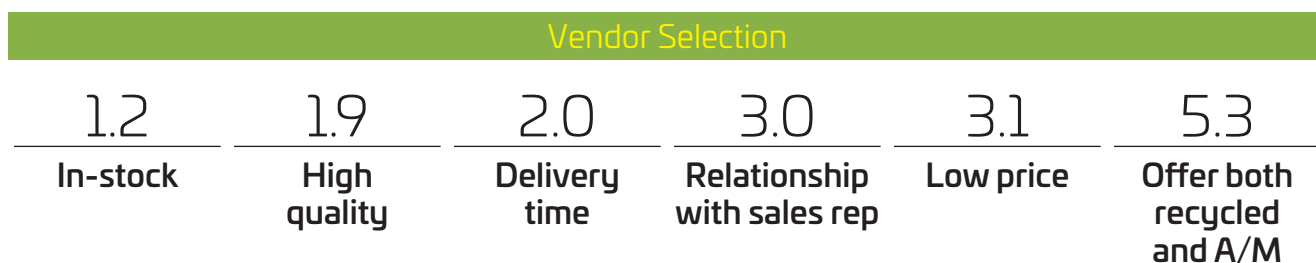
On average, how many calls do you need to make to obtain the parts you need?



If possible, would you use fewer parts suppliers?



What matters most when selecting a parts vendor? (1 = most important, 5 = least important)



37%

Yes

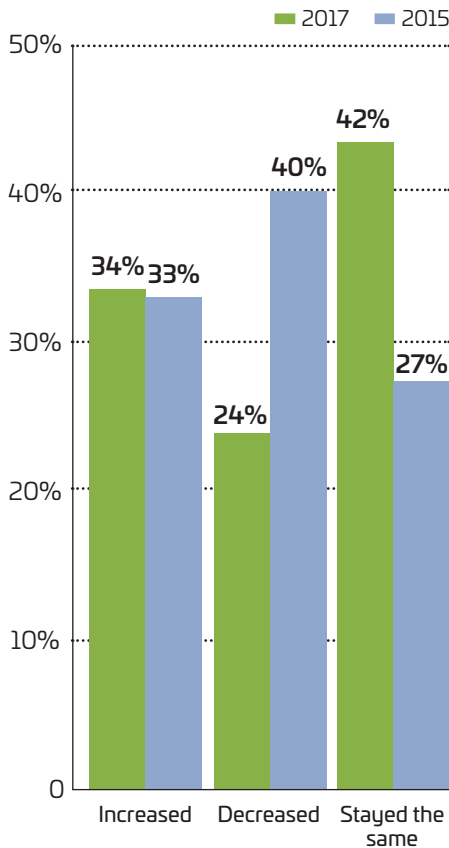
Have you ever offered to save a customer's deductible?

63%

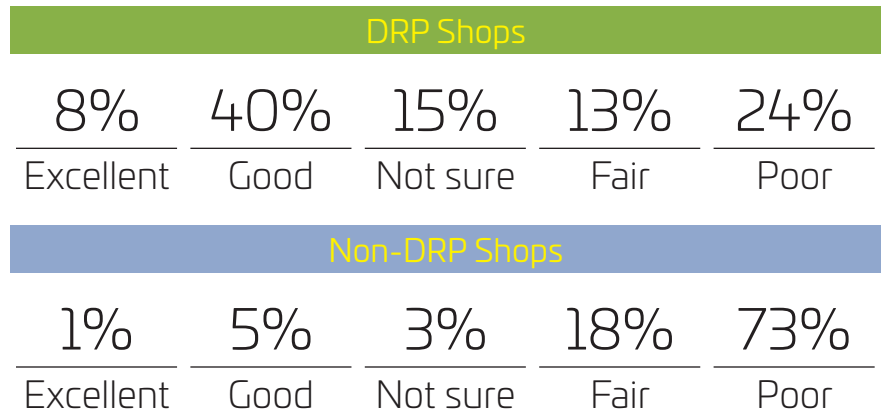
No



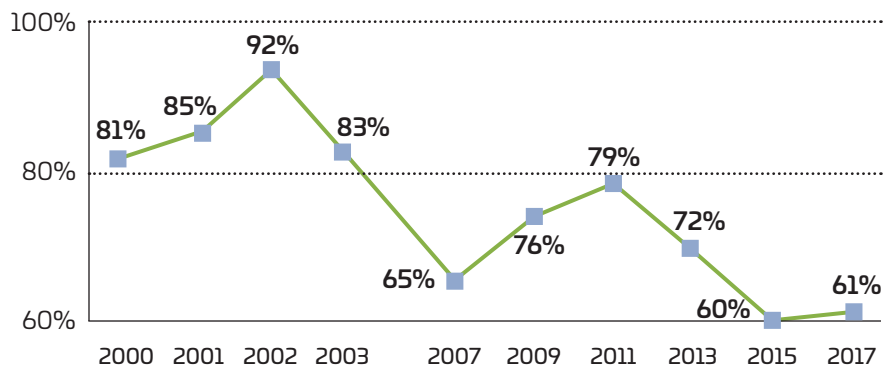
Since DRP affiliation, how have your profit margins done?



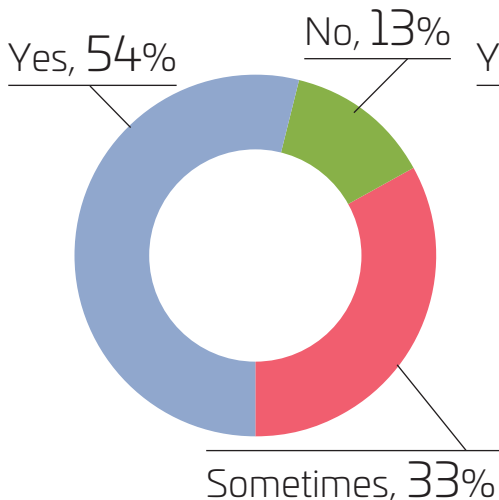
What do you think of the concept of DRPs for the industry as a whole?



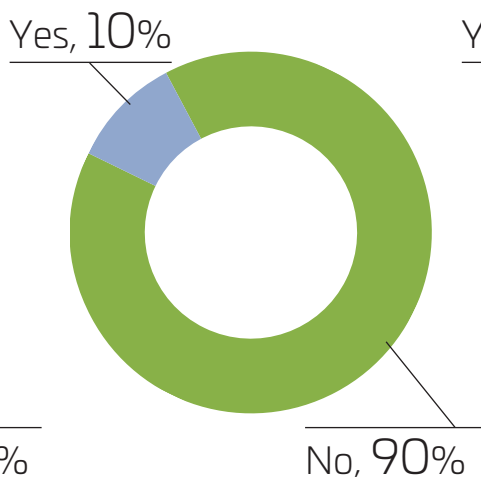
Percentage saying shop is better off due to DRP arrangement



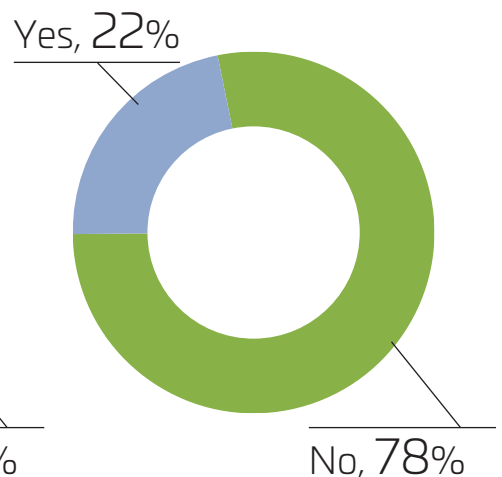
Do you experience influence from insurance companies to suppress your rates?



Do you feel it's the insurer's responsibility to determine what type of parts are used in a repair?

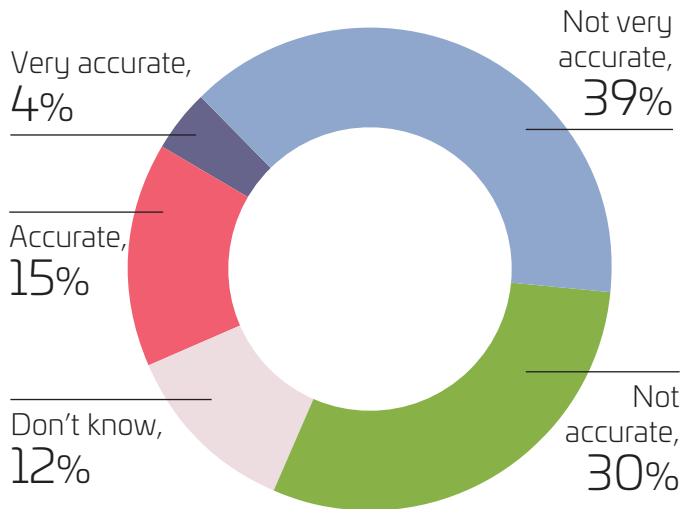


Do most insurers in your area pay for OEM parts if a customer objects to aftermarket parts?

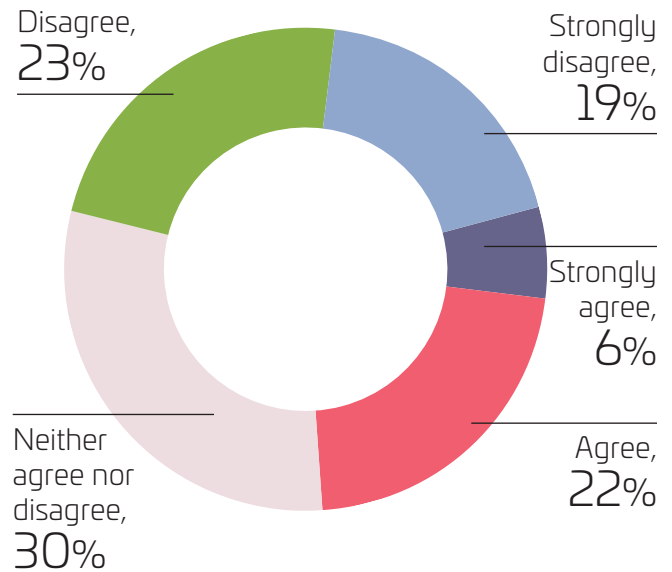




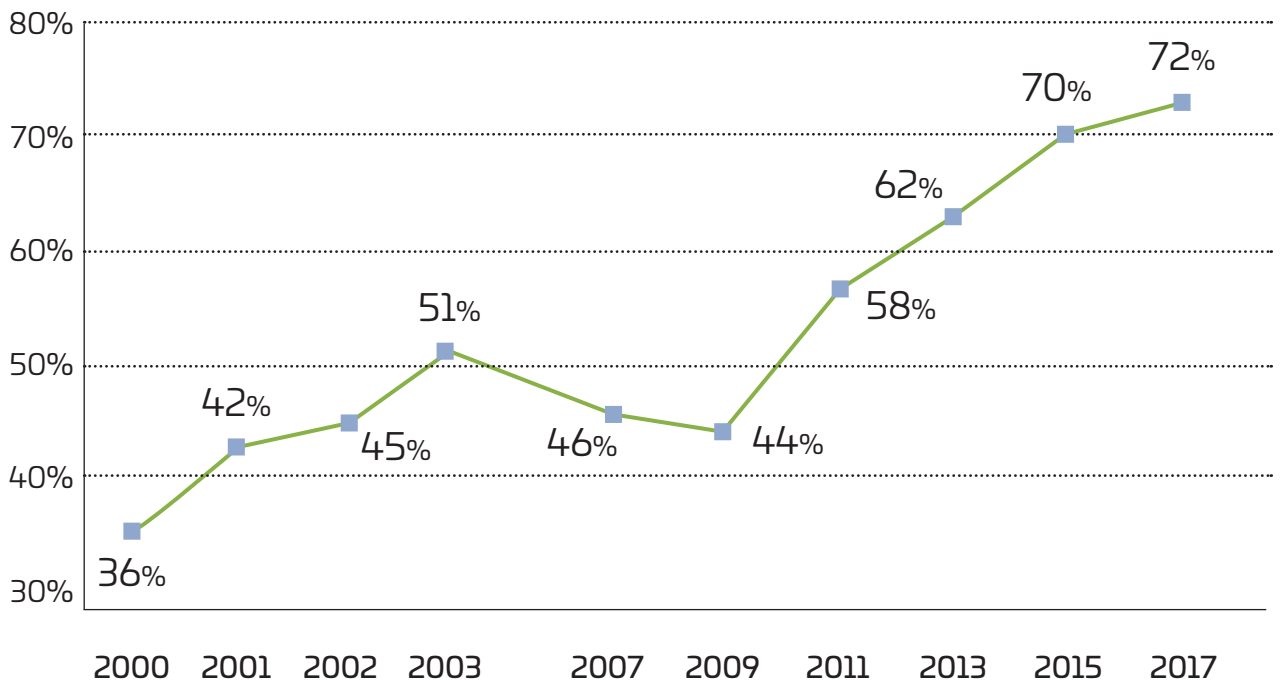
Do you believe insurers' surveys of labor rates in a market are accurate?



Do you feel DRPs hamper your ability to properly repair a vehicle?

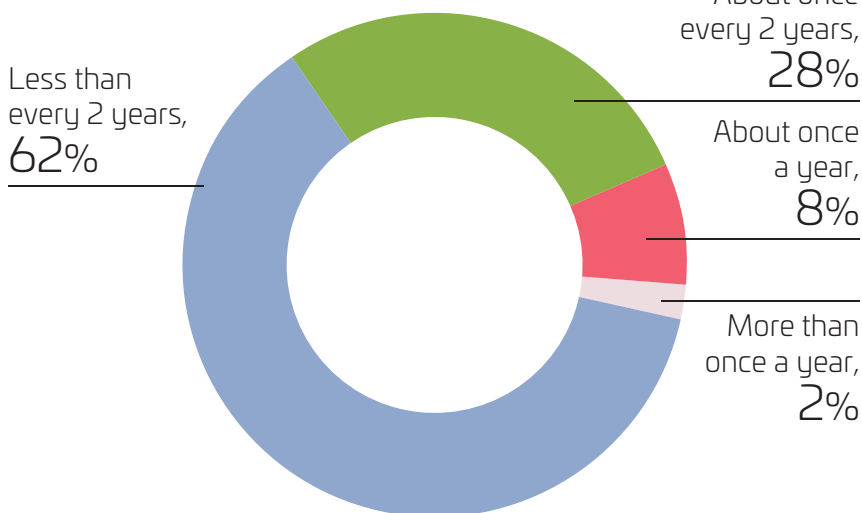


Percentage involved in DRPs, 2000-2017





How often do you have to replace a technician?



People by the numbers

42	Average age of production personnel
30%	Percentage of shops hiring techs from high school vo-tech program
20%	Percentage of shops hiring techs from post-graduate vo-tech program
20%	Percentage of shops hiring techs from in-house apprentice program
15%	Percentage of shops hiring techs from national school such as UTI
11%	Percentage of shops hiring techs from local work-training program

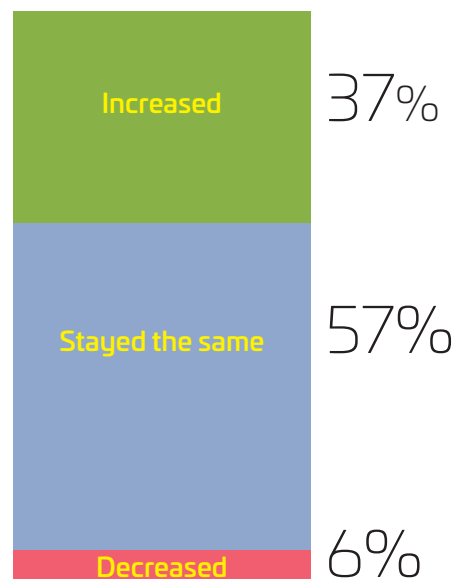
How do you compensate your shop personnel?

74%	54%	34%
Hourly wage	Flat rate (% of billed hours)	Salary
18%	15%	11%
Hourly wage + commission	Salary + commission	Percentage of shop labor rate
	4%	
	Other	

Median annual salary by employee type (NOT an average; median means 50% of responses were above these figures and 50% were below)

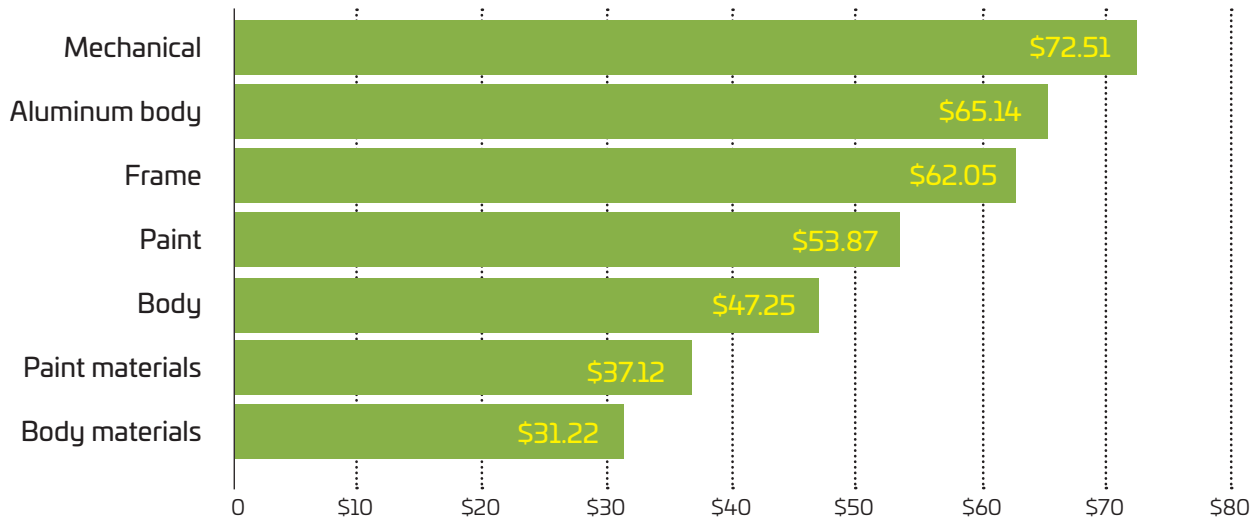
\$59,000	Senior estimator
\$59,000	Painter
\$57,000	Metal tech
\$51,000	Mechanic
\$42,000	Office manager
\$32,000	Entry-level painter/tech

In the past 12 months, has the size of your production workforce changed?

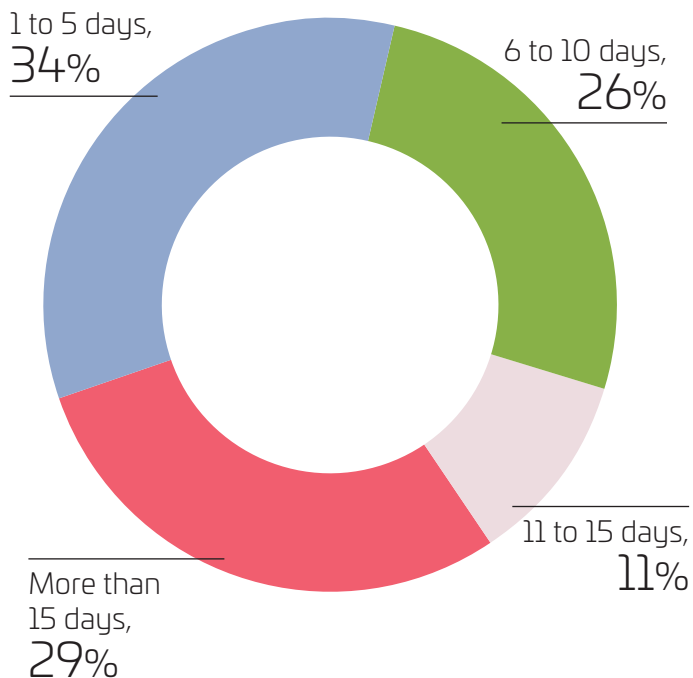




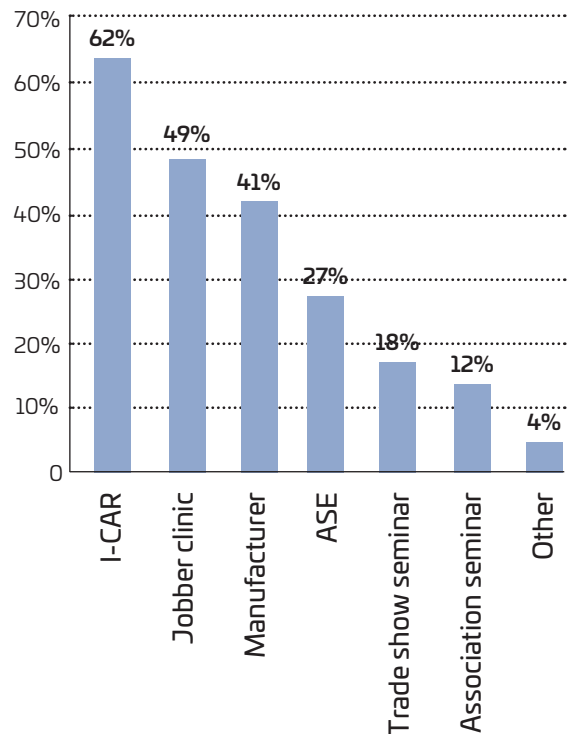
What are your posted rates per hour?



How many days has your shop collectively spent in training sessions/seminars in the past year?

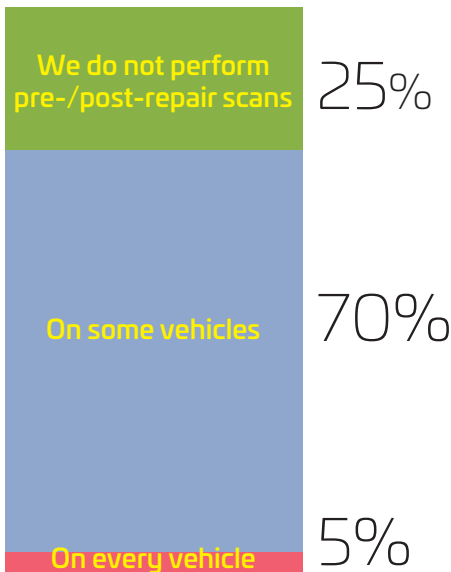


What types of training did you or any of your employees attend in the past year?

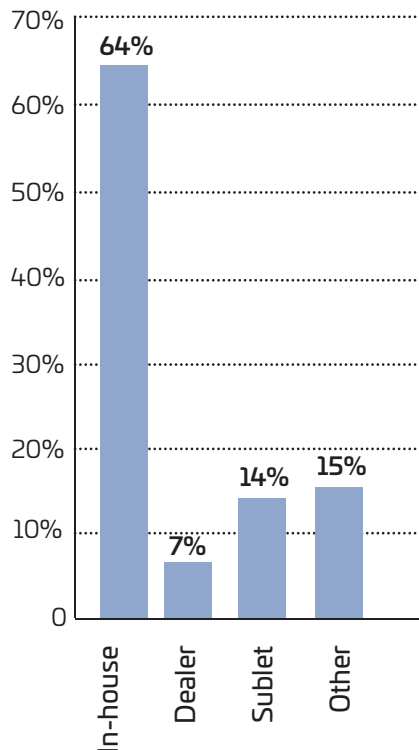




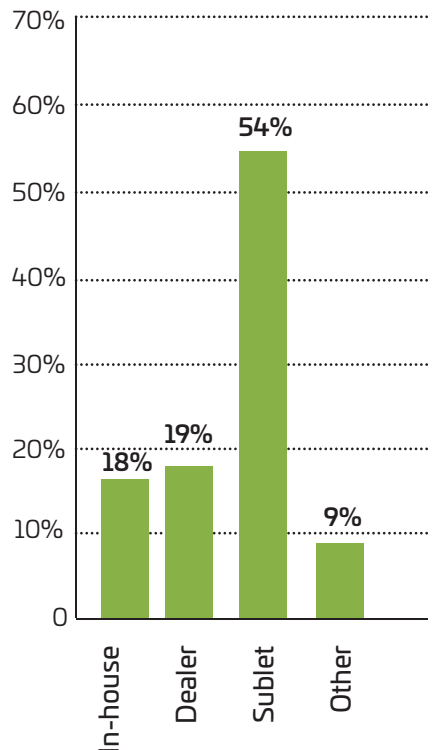
Are you currently performing pre- and post-repair scans on vehicles?



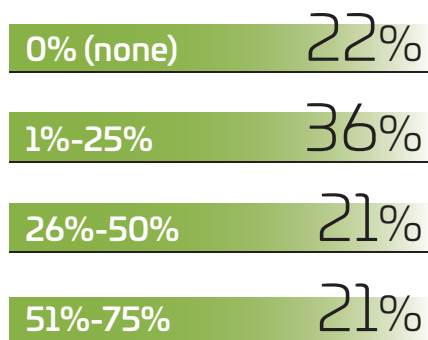
Who performs your scans?



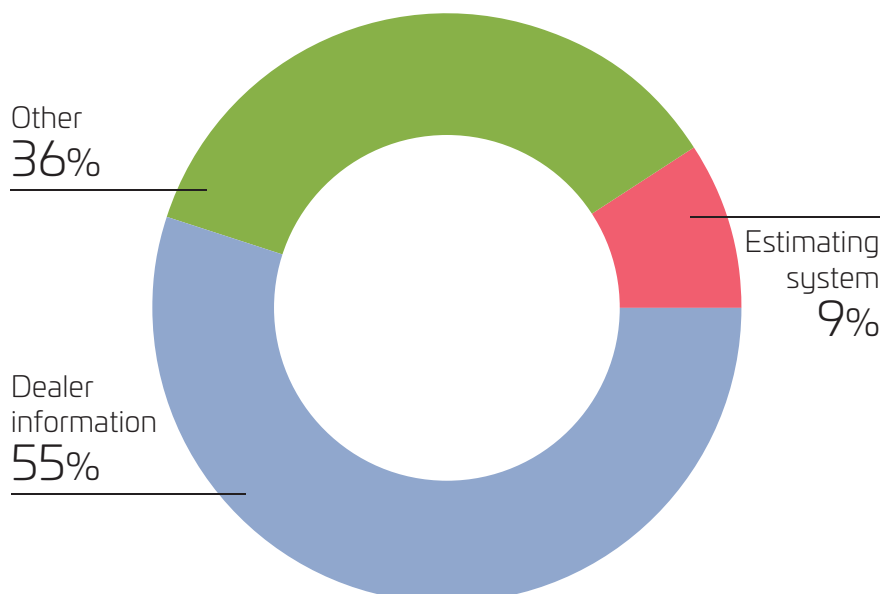
Who does your recalibrations?



Approximately what percentage of insurance companies are compensating you for these scans?



Where do you find the info on what needs to be recalibrated?

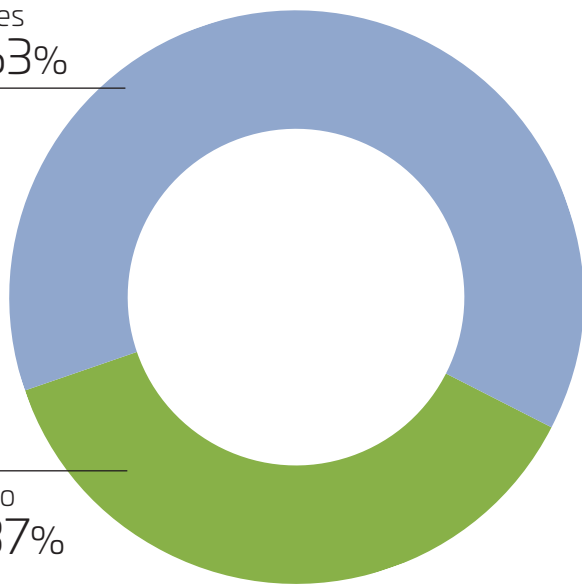




Are you doing recalibrations after repairs?

Yes
63%

No
37%

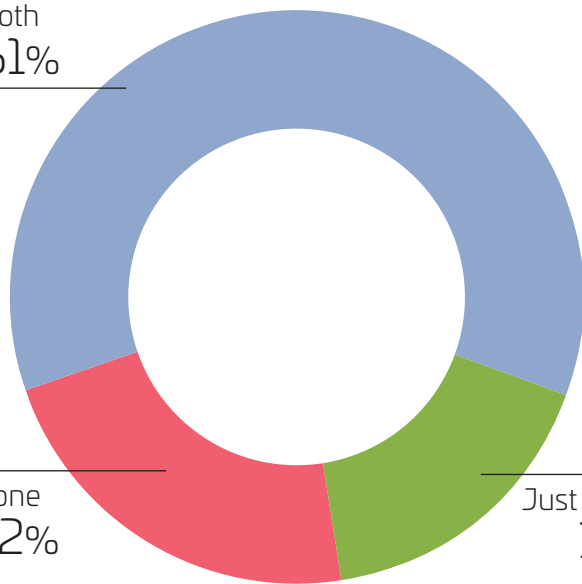


Are you just doing scans or recalibrations after repairs?

Both
61%

None
22%

Just scans
17%





69%

Yes

Have you or
anyone in your
shop(s) had any
aluminum training
in the past year?

31%

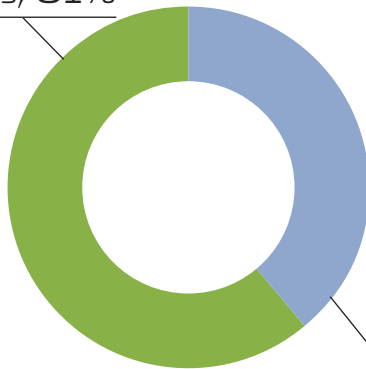
No

Do you feel prepared to perform
aluminum repairs?

Are you or anyone in your shop/
company certified by an OE to
perform aluminum repairs?

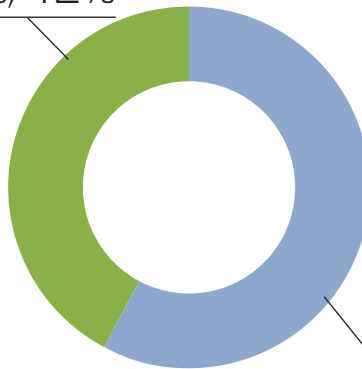
Are you certified to repair the
Ford F-150?

Yes, 61%



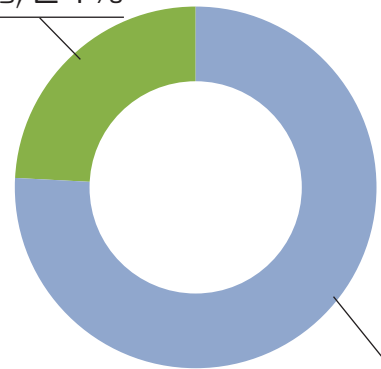
No, 39%

Yes, 42%



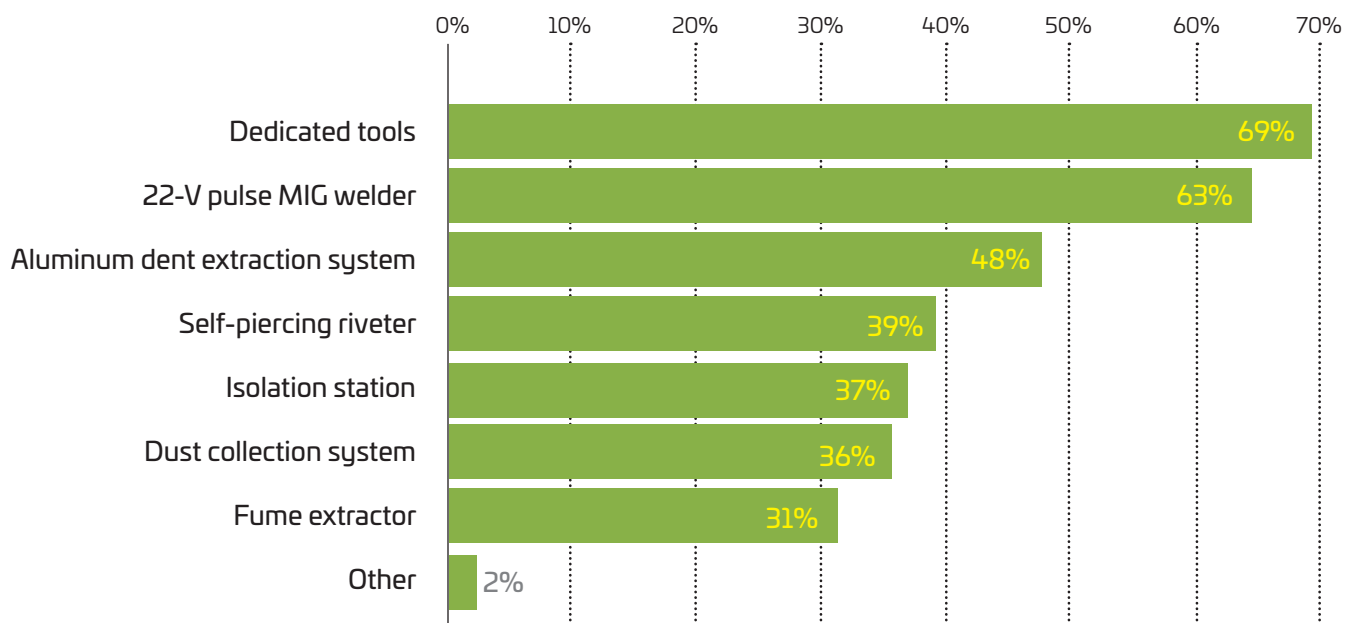
No, 58%

Yes, 24%



No, 76%

What equipment do you have for aluminum repairs?





Purchasing

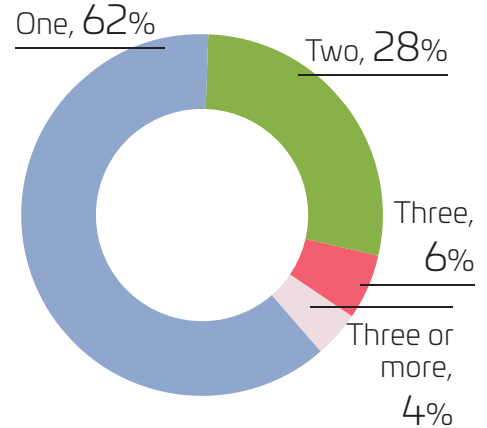
How much do you pay in total monthly subscription fees?

\$983
Average

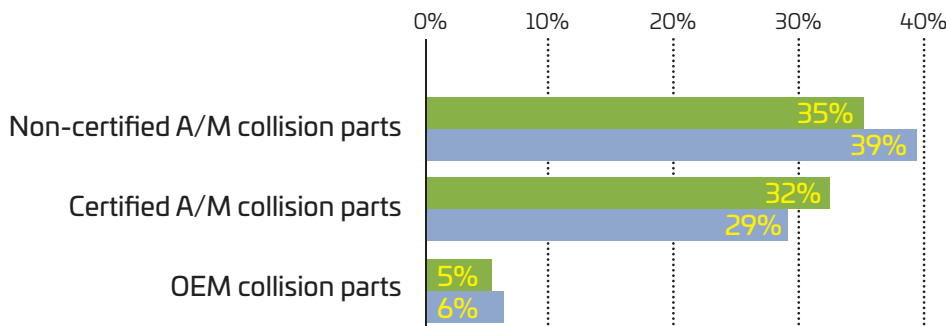
If you purchase A/M parts, why?

51%	42%	34%
Feel pressured by insurance companies	To save the car from being totaled	Better profit margin
26%	22%	7%
All that is available	Customer request	Other

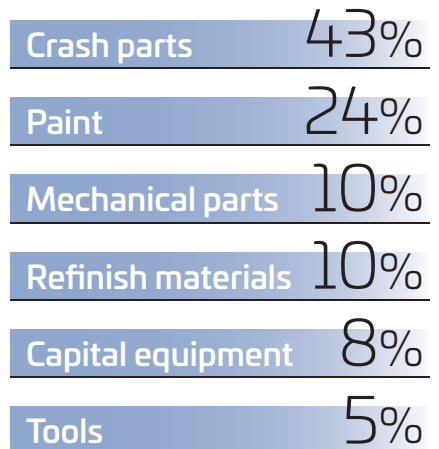
How many estimating software/estimating systems do you currently use?



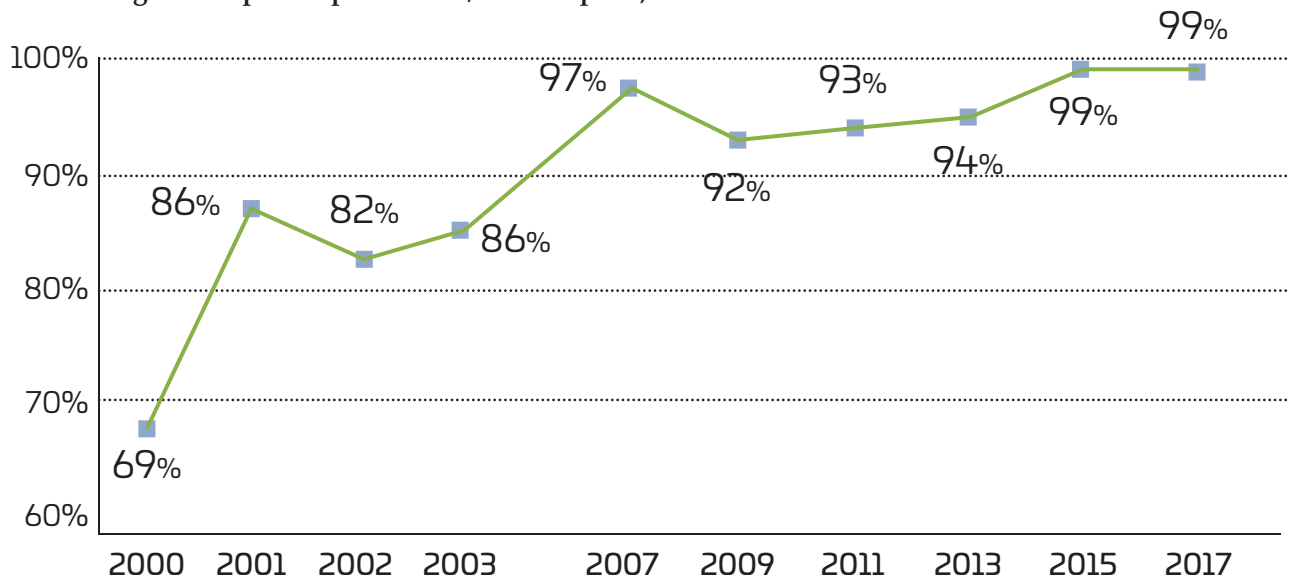
Percentage of replacement crash parts returned to vendor



What percentage of your estimates include:



Percentage of shops that purchase A/M crash parts, 2000-2017





Equipment Owned	Percent owning	Plan to purchase
Dedicated bench	43%	2%
Drive-on rack	56%	3%
Universal bench	41%	2%
Computerized measuring	47%	55%
Mechanical laser	30%	7%
Scan tool	61%	5%
Vehicle lift	66%	2%

	Percent owning	Plan to purchase
Central vacuum system	15%	8%
Infrared heat lamp	63%	2%
Squeeze-type resistance spot welder	45%	20%
Recycling equipment	36%	10%
Crossdraft booths	35%	1%
Downdraft booths	59%	8%
Prep station	52%	6%