



VICE PRESIDENT'S MESSAGE

I Am a Liar and a Cheat!

People frequently lie because they feel it is the easy way out. If you stop and think about it, lies usually get you in trouble eventually, and this is the problem I am in right now. I have been lying to the insurance companies. Not only is this hurting me, but my lies are affecting every shop in the state. I now, finally, have a chance to speak the truth to the whole state at once.

The lies which I have told pertain to the material and labor rates. Whenever I get an 'agreed price' with what the insurance industry calls the 'prevailing rate,' it is a lie. Of course, I don't need to lie to my customers. I explain to each customer our costs of operation, the rate structure, and that we, like most shops, can *pretend* to operate at the 'prevailing rate,' as long as the insurance company will *pretend* that it takes longer than 'flat rate' time to do the job.

This sounds rather foolish, doesn't it? This is precisely why I am caught in a lie. The attempt to operate at a 'pretend rate' is just not working. Some of the causes for this failure can be attributed to the advent of automated estimates, car design changes, and the shift of 'flat rate' times closer to 'actual time.'

Let's move on to the second accusation, namely calling myself a cheat. That's right! I have cheated my family, my business and myself. I have had sufficient income to pay my bills and have



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enough food to eat, but that is simply breaking even or having enough to get by. There is more to this term than some might want to admit. Extra income is needed to replace the leaky, the outdated or worn-out equipment, etc. If I were to be truly fair, I would expect a return on my investment.

What can we do to stop this lying and cheating? I can't tell you what to do, but I will tell you what I do. I tell the *truth*. I use my real rates when dealing with customers and insurance companies and make them aware that I would just be *pretending* if I accepted an 'agreed price' at the 'prevailing rate.' The final bill should be written according to the True Rate and include only what was actually done to the car. I find that my customers appreciate being told the truth, and doing such will hopefully result in exposing the practice of rate fixing as a stumbling block that prevents truthful appraisals.

First and foremost, I look out for the customers and their cars, and then see to it that I am treated fairly. If these criteria are met, I tell the customer that his or her insurance company is fair, and if it isn't, well, I just Tell The Truth.

Eddie Lupinek

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A Safe and Happy Holiday Season!