

March 13, 2015
Vote "YES" on Senate Bill 314
Testimony By Ron Reichen

Good Morning Members of the Committee,

I'm Ron Reichen, President of Precision Body & Paint.

We will celebrate 40 years in business on March 31st. I began my training in Air Craft construction and then studied molecular structural engineering, stress testing of aluminum and aluminum alloy. I worked as a collision repair and refinish technician for 18 years before studying damage analysis and repair planning for damaged vehicles. Over the years, I have trained and been certified in damage analysis, aluminum welding, steel welding, both aluminum and structural repair for Porsche, Audi, Mercedes Benz, Tesla, and the American Manufacturers as well. I currently serve as chairman of the Society of Collision Repair Specialists, which represent over 3,000 collision repairers nationally. I am testifying today on behalf of all consumers and the collision repair industry, for the gross underpaying of needed repairs and operations constantly being denied by insurance companies, such as, Farmers, State Farm, Safeco, and Country Companies. The denials include underpaying for materials for paint products, (even when invoices from the vendor are provided), the use of inferior substandard parts made by aftermarket companies in Asia, and not by the car manufacturer. Denying replacement parts needed instead, choosing to repair them (a major safety issue). They have suppressed our labor rates to the point of about 1/3 the amount that mechanical repairers charge. Which greatly reduces their ability to make needed capital investments in critical training and purchasing proper equipment to repair today's technologically complex vehicles. They also demand the use of "junkyard" parts, which can greatly affect safety, corrosion protection, and the consumer's car value when sold. Every repairer is constantly being pressured not to use manufacturer's procedures, not to repair the vehicle properly. Many repairers buckle to these pressures because of fear of reprisal, business being steered away, or to reduce friction cost and time delays, all at the expense of quality and consumer safety.

Anderson Cooper recently did a CNN 360 Report of a multi-state class action lawsuit involving some 20 plus states being brought by the Attorney General of Louisiana for the aforementioned issues. The residents of Oregon deserve to receive their vehicles repaired to "pre-accident" condition (with no additional expense) as their policies are mandated, and not substandard or unsafe repairs that only benefit the insurance carriers.

I encourage you to vote "YES" on senate bill 314.

Thank you,

Ron Reichen