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The Market is Drying Up -

Where has all the claims volume gone?

Current situation:

There were less cars repaired in 2003 than in 1980.

There is an over supply of repair vendors vs. available repairs.

The Future:

Expect more Direct Repair Programs to manage the Claims Flow.

Over capacity – Declining repair market

	1980	1990	1995	1999	2000	2002/3	After 23 years
Number of vehicles in operation (mil)	140	180	185	205	213	215	Many More Cars 1.88% pa growth
% involved in collisions annually	20%	18%	15%	16%	17%	16%	Fewer Accidents
% resulting in claims	18%	12%	10%	12%	13%	13%	Fewer Claims
Total loss vehicles	4%	6%	7%	8%	10%	17%	More Totals
% not repaired	20%	24%	26%	27%	28%	29%	Less Repaired
Number of vehicles repaired annually (mil)	18.5	15.5	13.0	17.5	18.5	17.0	Declining Market -0.37% pa decline

Source: Collision Repair Industry INSIGHT

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To compete successfully in the future, will require meeting all the performance criteria of the Insurance Customer .

These Rules of Engagement have been spelled out as an aggressive Direct Repair Program:

- Cycle time less than 8 days
- Touch time: greater than 4 hours
- On Time Delivery greater than 90%
- Meeting alternative Parts criteria
- CSI greater than 95%

Is your Repair Business ready to meet this challenge?

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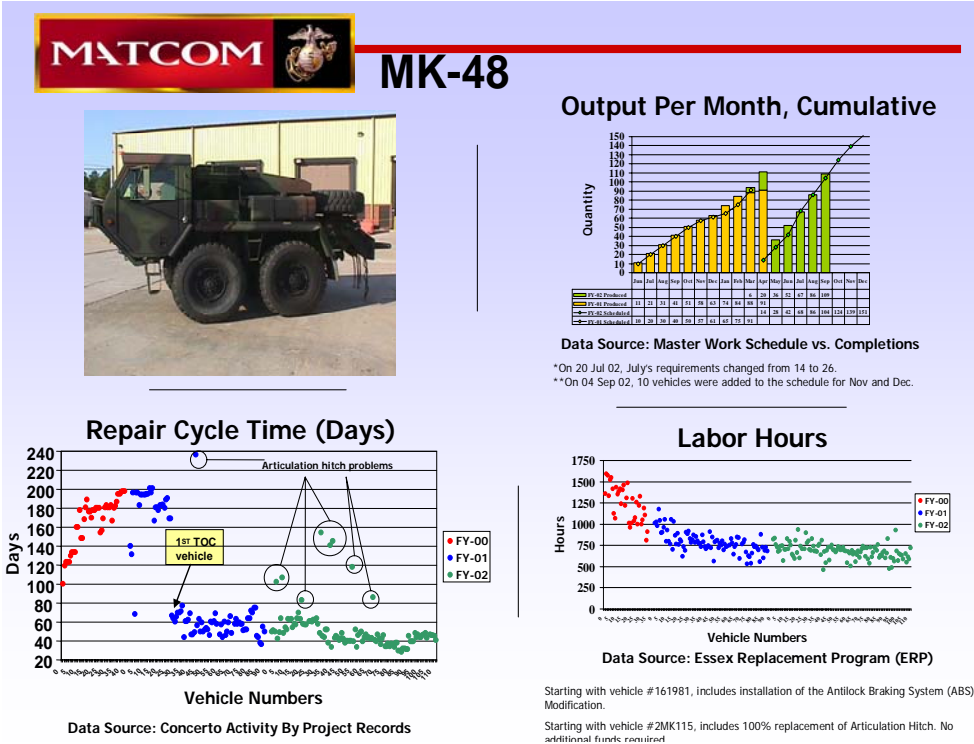
Any Shop Solution must meet the **DRP** criteria or face a continued slowdown.

Repair Shops applying the *Theory of Constrains** TOC Collision Repair program, have posted impressive results:

Are you surprised by the success of TOC in a complex environment of high uncertainty?

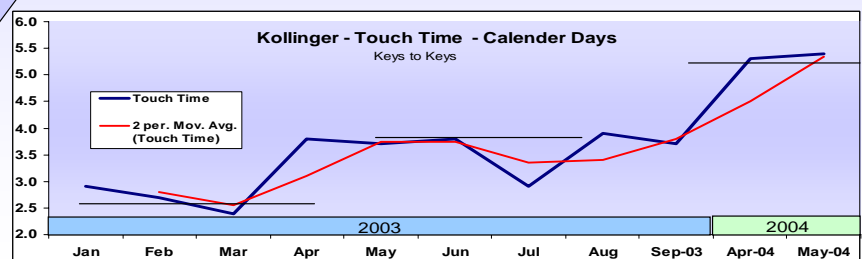
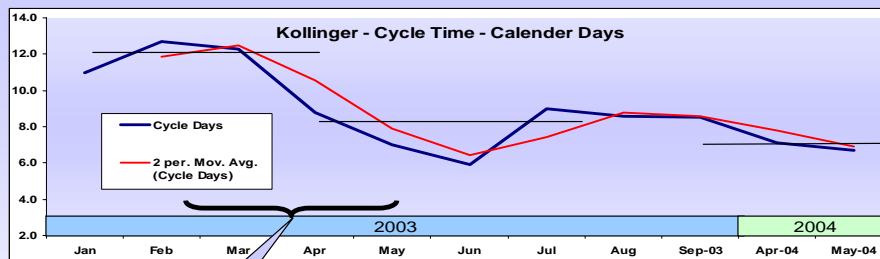
MATCOM
Implementation by
Vector Strategies

Is your repair facility as complex or have the level of uncertainty uncounted when repairing vehicles after a battle?



We applied the TOC techniques to the Collision Repair Industry—Here are the results

Kollinger Auto Body Results - 03 & 04



Three Months to Success

*Theory of Constraints—
by Dr E Goldratt

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Our Solution beats all Critical Success Factors demanded by aggressive Customer Service.

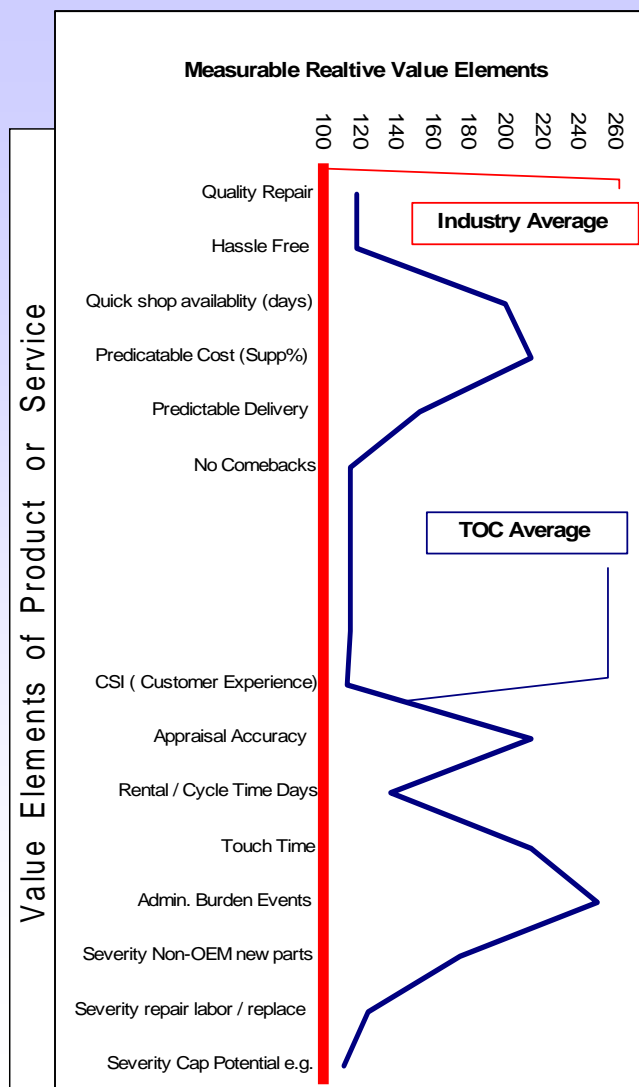
The graph below summarizes Repair Shop performance after applying the *Theory of Constraints** Collision Repair Program.

Relative Value Index

Those elements valued by both

- Vehicle owner and
- Insurance customer

is higher on all counts.



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Synchronized delivery performance starts with receiving a vehicle and aligning all subsequent operations towards the point of delivery.

A fully integrated solution: Front office to final delivery includes:

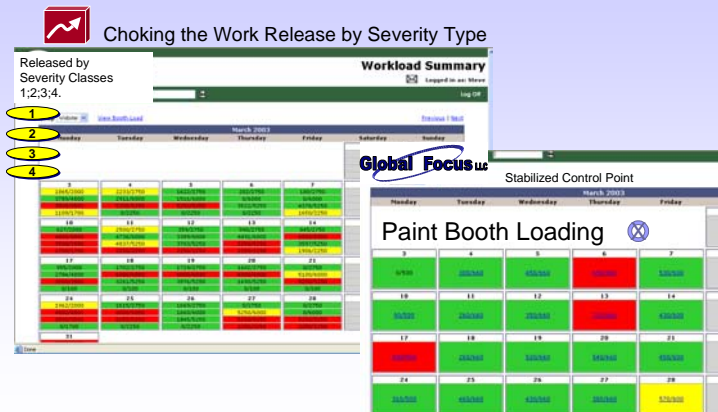
Front Office Activities: Estimating, Parts, Filing and Scheduling

Coach Operations: Metal, Frame and Sublet Ops. through to

Paint Operations: Prime Prep, and Booth Ops. and onto

Assembly and Final Delivery.

Fully centralized Computer Scheduling (Multi or Single Store application)



Software by
@ccelerate

Our fully integrated Collision Repair Shop solution provides the following:

Comprehensive training for all departments.

Departmental Culture and Behavioral Change Processes.

Standard Operating Procedures for all departments.

Scheduling Software and Throughput based management system.

Performance metric for every department.

Tailored incentive and reward systems.

System feedback and ongoing improvement program.

Global Focus LLC

Positioning Organizations for Sustainable Value

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