

A productivity issue is involved. Unavailability of CAPA parts results in a number of supplements and rework.

The Cincinnati report should arrive this morning. I expect the same results. I will be in Westlake - Tuesday thru Thursday. If you have any questions, please call at Ext. 6-2733.

c: Bill Hardt

Part 2.2.

Package.
Subject: CAPA
Creator: Vincent J LOFFREDO / HOME/09

Dated: 06/01/93 at 0821.

Contents: 2.

Part 2.2.1.

May 26, 1993

To: Vinca Loffredo, PD Claim Consultant
From: Mike Kaetzal, Est. Supv.
Re: CAPA Availability

Vinca,

The attached survey was a result of complaints by shops, and numerous calls we in Columbus received for supplements, that the CAPA/QRP parts are not available at the suppliers as shown on our Mitchell estimates.

The survey we completed was to check the accuracy of Mitchell's insert program for CAPA certified parts. The parts that were checked are front and rear bumper covers (plastic), fenders and hoods. These items are the majority of our inserts and were the basis for most of the phone calls for supplements.

← *plastic only*
← *not metal?*

Our phone survey was limited to suppliers that our Mitchell estimates stated had the CAPA part(s) available. We have our search grids set up to search Midwest Fender and PG Products for all QRP parts and Deluxe Bumpers for bumpers, covers, and attaching parts.

The survey consisted of 108 parts of the type described out of 75 estimates. The estimates selected were written on March 17, 1993 through March 22, 1993 and the survey was completed on March 23, 1993 through March 26, 1993.

Our findings were as follows: out of 108 parts that were listed as CAPA certified, just 38 were in stock. The

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remaining 70 parts were not in stock as a CAPA certified part. These 70 parts, 33% of the CAPA certified parts showing on our Mitchell estimates were actually available. Based on these findings, there was a potential for more than 50 supplements on the CAPA issue alone, not to include other causes for supplements.

Once the survey was completed, I relayed the findings to Div'l. Cln. Supt. Mike Sanders and set a meeting to discuss this issue with Mitchell's District Manager, Chuck McLaughlin. I felt since we purchased a subscription to the QRP insert program (MAPP), that it should be Mitchell's responsibility to police this and to make the necessary changes in their system or to discuss with the suppliers the need to list only parts that are CAPA certified. Chuck McLaughlin seemed very concerned and stated he would check on this and get back with me as to his findings. Approximately

* 07206

← follow-up

one week after my meeting, I received a phone call from PG Products owner, Don German. Don seemed very concerned about our findings and assured me his tapes are sent to Mitchell every week or two with updates. However, Mitchell only requires an update once a month. I received no response from Midwest Fender or Deluxe Bumpers. Mitchell has been having difficulties with their new stand-alone system and I did not receive any correspondence back from them other than "we are looking into it".

There were no reinspections completed to see if CAPA parts were installed on some of the 654 that were not available or if the 354 that were in stock actually were installed on the vehicles. I will complete another phone survey in June 1993 to see if any corrections were made. The last survey was intended to highlight a potential problem and therefore was not as in depth as it should have been. However, I did not realize at the start that we would have such a low CAPA availability percentage. The June 1993 survey will be completed with more in-depth investigation.

← Follow up

Part 2.2.2.

MIKE, THE SURVEY FOR THE CAPA CERTIFIED PARTS FOR MIDWEST FENDER AND PG PRODUCTS IS COMPLETE. THE RESULTS ARE AS FOLLOWS.

ESTIMATES FROM MARCH 18, 1993.

| | | |
|---------------|--------------|-----|
| CAPA IN STOCK | NOT IN STOCK | |
| 5 | 8 | 62% |

CALLED ON MARCH 23, 1993, ESTIMATES FROM 3/17, 18, & 20, 1993

| | | |
|---------------|--------------|-----|
| CAPA IN STOCK | NOT IN STOCK | |
| 10 | 25 | 71% |

CALLED ON MARCH 25, 1993, ESTIMATES FROM 3/22, & 23, 1993

| | | |
|---------------|--------------|-----|
| CAPA IN STOCK | NOT IN STOCK | |
| 16 | 21 | 57% |

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CALL ON MARCH 26, 1993, ESTIMATES FROM 3/18, 19, 20, & 22, 1993

| | | |
|---------------|--------------|-----|
| CAPA IN STOCK | NOT IN STOCK | |
| 7 | 16 | 70% |

TOTAL

| | | |
|---------------|--------------|-----|
| CAPA IN STOCK | NOT IN STOCK | |
| 38 | 70 | 65% |

OVERALL, 108 CAPA CERTIFIED PARTS WERE CALLED ON WITH 35% CAPA AVAILABLE, 65% NOT IN STOCK.

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Date: Tuesday, 1 June 1993 11:14am
To: Gerald.COLBERT
From: Vincent.J.LOFFREDO
Subject: CAPA PARTS

..PAGE SENT BY LOFFREDO VINCENT J 00 ANHL HPDESK 1850

Message.
Subject: CAPA PARTS
Sender: Vincent J LOFFREDO / HOME/09

Dated: 06/01/93 at 1112.

Contents: 4.

Part 1.

Creator: Vincent J LOFFREDO / HOME/09

FROM: Vincent J LOFFREDO / HOME/09

TO: Gerald COLBERT / EMC00/04

CC: Bill HARDT / HOME/09

Part 2.

Gezzy,

Cincinnati's report follows. Similar results as Columbus.

Both areas surveyed the distributors. A more meaningful survey would also include the shops and select reinspections. We can not control where the shops purchase the part, only that the part used was CAPA (if this part was subject to CAPA certification).

Vince

Part 3.

Creator: Mike DOLL / NEWK/52

TO: Vincent J LOFFREDO / HOME/09

CC: Jim ASHTON / NEWK/52
Richard WALKER / NEWK/52

Part 4.

TO: VINCE LOFFREDO
FROM: MIKE DOLL

AS YOU KNOW, IN EARLY MARCH JIM ASHTON AND I MET WITH APPROXIMATELY 250 SHOP OWNERS AND MANAGERS TO DISCUSS CURRENT PROBLEMS IN THE FIELD. ONE OF THEIR CONCERNS WAS THE UNAVAILABILITY OF CAPA CERTIFIED PARTS THAT WERE IDENTIFIED

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ON THE STATE FARM ESTIMATE. WE DECIDED TO DO AN INFORMAL SURVEY TO SEE IF THERE WAS ANY TRUTH IN WHAT THE SHOPS WERE SAYING. WE ASKED OUR DUTY CLAIM REP. IN OUR TRI-COUNTY AND HAMILTON SERVICE CENTERS TO CALL AND CHECK WITH THE DISTRIBUTOR IDENTIFIED ON THE ESTIMATE TO SEE IF THE PART WAS IN FACT CAPA CERTIFIED. WE ONLY USE THREE DISTRIBUTORS: AUTO BODY PANELS, PG PRODUCTS, AND MIDWEST FENDER. (AS OF 4/19 WE NO LONGER USE AUTO BODY PANELS FOR OUTER SHEET METAL).

RESULTS:

WE RECORDED THE RESULTS FROM 100 PARTS IDENTIFIED AND FOUND THAT ONLY 21 (21%) WERE AVAILABLE CAPA CERTIFIED THAT WERE IDENTIFIED ON OUR MITCHELL ESTIMATE. THIS IS WELL BELOW THE 80% THE DISTRIBUTORS HAVE PROMISED. WE HAVE SENT IN APPROXIMATELY 26 COMPLAINT FORMS TO CAPA, NOTIFYING THEM THAT THE DISTRIBUTORS WERE UNABLE TO FULFILL REQUESTS.

MEETING WITH DISTRIBUTORS:

ON APRIL 16, DICK WALKER, JIM ASHTON, AND MYSELF MET WITH THE OWNERS OF PG, MIDWEST, AND AUTO BODY PANELS TO DISCUSS OUR FINDINGS AND RELATED SERVICE ISSUES. THEY CONVEYED TO US THE FOLLOWING REGARDING THE PERCENTAGE OF THEIR STOCK THAT IS CAPA CERTIFIED:

| | |
|------------------|--------|
| AUTO BODY PANELS | 10-15% |
| PG PRODUCTS | 35% |
| MIDWEST FENDER | 90% |

(WE SPECULATE THIS WAS EXAGGERATED BASED ON WHAT THE OTHER TWO STATED.)

*DUTY
B.S.*

MITCHELL ISSUE:

MIKE KAETZEL WAS CORRECT IN HIS CONCERNS OVER MITCHELL ONLY REQUIRING UPDATES FROM DISTRIBUTORS MONTHLY. BUT A FURTHER CONCERN IS WHAT IS UPDATED, PRICE ONLY. MITCHELL NEEDS TO SUPPORT CAPA IN THEIR GRIDS BY UPDATING PARTS AVAILABILITY AND INCLUDE THOSE PARTS THAT HAVE BEEN RECENTLY CERTIFIED OR MORE IMPORTANTLY DECERTIFIED. IT'S VERY TYPICAL TO GET HITS ON PARTS THAT ARE DECERTIFIED.

IF YOU NEED ANY ADDITIONAL INFORMATION VINCE, LET ME KNOW.

need to explain

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