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Auto Physical Damage

Surviving and Thriving During Challenging Times

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5 MIN READ
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COVID-19 has changed our world...literally. In just four months, we've seen businesses close, manufacturing plants halt production and the unemployment rate skyrocket. The collision repair market has been especially hard hit due to shelter-in-place mandates that have resulted in fewer cars on the road and far fewer accidents. According to a recent survey, 52% of U.S. repair facilities reported a decline in sales in March 2020 as compared to March 2019 and 43% have had to reduce their workforce. In Canada, the effects are similar. Despite these extremely challenging times, however, the repair market continues to demonstrate its resilience. Many shop owners have quickly transitioned to new ways of doing business that better support their customers and community. Others are taking advantage of downtime to focus on staff training and professional development. And all seem to be embracing technology to run their businesses more efficiently. Here are just a few of their stories.

Being Nimble Will Win the Race

Clay Hoberecht, owner of Best Body Shop in Wichita, Kansas, got his start nearly 20 years ago. Having no previous collision repair experience, he had difficulty getting his first position—that is until he volunteered to work for free. After a year of doing odd jobs, he became a paid employee and eventually transitioned from technician to shop owner. Prior to the pandemic, Clay and his wife had talked about expanding the business, but there was always a reason to put those plans on hold. That all changed, however, with COVID-19. "I knew that a commitment had to be made and we made the commitment to expand rather than contract," explained Clay. In just 40 days, he purchased the building adjacent to his garage and completed a remodel—adding a new booth, mixing room and frame machine. Due to the pandemic, he received significant savings on the equipment and labor. "It turned out to be a really good deal for us," he said. Although the facility was closed during the remodel, Clay took the time to contact all of his customers. "We wanted to be of service to them and asked how we could help—whether it was groceries, a trip to the pharmacy or assisting a family member or friend," he said. Clay also used this outreach as an opportunity to share news of his shop's grand re-opening celebration planned

for mid-June.

Best Body Shop in Wichita, Kansas

Best Body Shop in Wichita, Kansas.

Since completion of the remodel, Clay has maintained a steady stream of business—relying on Mitchell solutions to help him run the repair facility. “There’s no comparison between the Mitchell platform and any other platform. It’s a complete system,” he explained. When it comes to managing amidst the pandemic, Clay had this recommendation for other shop owners: “Being nimble will win the race. You need to be willing to change everything that you’re doing and go against the tide.”

Don’t Slow Down

Across the border in Canada, Johnny Kloeckes (Johnny K) recently celebrated an anniversary—30 years in the collision repair industry and more than 20 of those with CARSTAR. As a former boxer turned franchise owner, he owns six locations and a mechanical business in and around Edmonton. Since shelter-in-place mandates took effect, Johnny K has seen business slow and is not yet sure when the worst will be behind him. However, he is staying busy by remaining focused on what got him to where he is today: providing high-quality customer service and vehicle repairs. He is also adapting to new workflows caused by the pandemic. “Customers are scared to come in,” he noted. “With photo-based estimating, they don’t have to. In addition, there are other parts of the repair process where we can limit in-person interaction. This has allowed us to adjust hours and move from two shifts to one.”

Carstar

Johnny K outside of one of his CARSTAR locations.

COVID-19 has also given Johnny K more time to focus on the technology that runs his businesses. “Mitchell RepairCenter™ is a fantastic tool. Over the past few months, I’ve re-discovered features that will help me more easily manage my shops, like the dashboards.” And when it comes to recommendations for other repair facility owners, Johnny K said, “don’t slow down. Do what you have to do to keep your business afloat, including educating yourself through leadership groups, seminars and online resources. Find out what other shops are doing.”

Work *On* Your Business Instead of *In* Your Business

Collision Concepts is located in Lincoln, Illinois. Formerly affiliated with a GM dealership, Erv Guyett purchased the business in 2000 and has since tripled revenue and quadrupled staff. When the pandemic struck, Erv acted quickly. First, he and his local bank were successful in securing funding from the Small Business Administration’s Paycheck Protection Program (PPP). Anticipating a reduction in repair jobs, he then encouraged interested employees to take vacation time. Fewer technicians in the shop ensured that those working would not be idle. “We had a plan going in to prepare for when, and if, the work does slow down,” Erv said. “With the government funding, we’re able to retain our people, which is great. But we also need to keep them busy.”

Collision Concepts

Erv Guyett from Collision Concepts.

In addition to managing a steady stream of repair work, Erv is doing more employee training, shop maintenance and vendor management these days. “Now’s the time to focus on your shop. If you’re not working in the business because repair volume is down, you should be working on your business—fine-tuning your systems so when things change, you can repair more vehicles, more efficiently.” For Collision Concepts, those systems include Mitchell. “Having Mitchell solutions has helped us streamline our business. With everything in one piece of software like RepairCenter, we can manage scanning, technical service bulletins, TechAdvisor, parts, production and workflow. Obviously, that brings a lot of efficiencies.” As repair facilities continue to navigate these unprecedented times, it’s clear that many—like Best Body Shop, CARSTAR and Collision Concepts—are successfully adapting. Re-evaluating current processes and thinking outside of the box will help our industry find new and better ways of doing business that meet consumer needs for exceptional service as well as deliver proper and safe vehicle repair.



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