



AUTOMOTIVE RETAILERS ASSOCIATION
Driving Industry Excellence

BC Auto Recyclers/ICBC Liaison Committee

Issue: Topics Brought Forward for Discussion

Background

The ICBC Automotive Services Liaison Committees have been established to provide a forum for industry to liaise with ICBC on developing operational recommendations pertaining to the repair, removal, and recovery of ICBC insured vehicles.

All meetings are subject to an NDA which prohibits some ongoing discussion activities outside the committee. Below is a list of topics compiled by the ICBC Liaison representatives for discussion at our next quarterly liaison meeting.

New topics for discussion:

1. For the upcoming liaison we (the BC Auto Recyclers Liaison Representatives) request a discussion into the recent reported decline in overall parts sales. This decline is affecting recyclers differently and there is a myriad of reasons for this. We have heard from recyclers and shops who all agree there is a measurable decrease in parts sales (note: this refers to parts count, not parts \$). To help us better understand the reasons for this decline we would like to acquire and analyze the following data:
 - Total claims count from Jan – June 2024 as compared to previous 6-month period.
 - Severity of claims. Up, down, same?
 - Parts count. How many parts sold as opposed to \$ generated (it does not follow from the latter that sales are up, only cost per part has increased).
 - Car-part search traffic and results.
 - Total number of recyclers currently on system compared to same time last year.
 - Other indicators and metrics that can help us find solutions.
2. The consensus from many recyclers is that the number of individual parts per sale/claim is down from previous years. To help us better understand this we would like to discuss the following:
 - Are collision shops utilizing the car-part search system efficiently (e.g., How many shops are searching for alternative interchange?).



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- How much is the Mitchell price match feature utilized in comparing recycled to aftermarket to OEM?
 - What other features within the system are available to help maximize parts sales (not maximum dollar value but number of parts per claim).
3. We would like to discuss how current recycled parts sales percentages are determined and what we can do to set the bar higher (has been consistent over the last few years though down from 5 years ago). What establishes percentage targets? While \$ percentages have been consistent over time parts counts have reportedly decreased (total number of parts utilized/sold). What can we as a group committed to improving operational efficiency do to increase these percentages and/or set reasonable targets? While there is much industry can do to improve things on our end (e.g. quality, communication, etc..), what other things can be explored or considered to incentivize shops to utilize recycled parts?
4. Aftermarket is still a 'used part'. When a recycler purchases salvage there is no way of knowing the amount of aftermarket parts on the vehicle. While there is already a policy in place that allows for the sale of used aftermarket parts from a recycler (provided the shop agrees) why not allow for the sale of aftermarket 'used' on the system (provided it is identified) and this can go towards 'recycled' as a category.