coercive practices which encourage the operation of unsafe vehicles and at times result in injustice to the body shop owners and consumers who drive insured automobiles.

SAFETY

Efforts of some insurance companies through their appraisal practices to repair vehicles at the cheapest possible price in current practice will often prevent expenditures vitally necessary for the proper operation and safety of the repaired vehicle.

These practices account for many of the cars that are now operated on the highways in an unsafe condition. The increasing practice of driving severely damaged cars to insurance company operated drive-in claims services often keeps vehicles on the road that should not be driven, and encourages their use for prolonged periods in an unsafe condition with consequent danger not only to the occupants, but to other motorists as well.

MONOPOLISTIC PRACTICES

It has been common practice in many areas for insurance companies to encourage the use of certain shops which by necessity must do work of marginal quality.

These shops tend to overlook such real costs as overhead and depreciation and operate below cost at wage levels far below the standards of similar industries.

Car owners are coerced into going to these shops rather than to the shops where they customarily go and prefer to have their work done.

LOSS OF TIME AND USE

Although not provided in the insurance contract, consumers generally must secure on their own time two or more estimates, and are then often forced to go to a shop in some other area than the one where they customarily have their work done.

There are often long delays in payment, particularly with regard to shops not favored by the insurance companies, which result in hardship on the body shop owner as well as the consumer, who is denied the use of his car.

The current practice of settling insurance claims involves great multiplicity of effort, both on the part of the car owner and the body shop owner, as well as the insurance companies.

When one considers that over $2 billion of body repair work is done each year, and the value of the time lost by car owners alone, the loss to the Nation in productive time represents a very sizable economic loss to the Nation indeed.

INEQUITIES

Often the insured is afraid to make a claim for damage to his vehicle for fear that his policy will be canceled, or his rate for premiums raised. Frequently when an older vehicle is repaired with undepreciable parts, the owner is assessed betterment charges on his vehicle.