

Automotive Services

Collision Repair · General Auto Repair · Tire & Wheel · Auto Glass · Towing & Roadside · Car Wash & Detailing

Six trades, one publication. Every item is something that moves a number on your P&L, changes what you must do by law, or changes what parts and labor cost you.

IN THIS ISSUE	COLLISION REPAIR Texas insurers must begin complying with the state's mandatory right-to-appraisal rules on Sept. 1, 2026, after the Department of Insurance proposed delaying the date to give carriers time.	GENERAL AUTO REPAIR Consumer prices for motor vehicle maintenance and servicing rose 7.3% in the twelve months to July 2026 while the price of motor vehicle insurance fell 4.5%, BLS data show.	TIRE & WHEEL The California Energy Commission approved the nation's first replacement-tire efficiency standards on Aug. 17, adding \$1.50 per tire in 2029 and \$6.50 per tire from 2033.	 Read it online This issue, and every one before it
	AUTO GLASS The California Motor Vehicle Glass Act was enrolled Aug. 28 after the Senate concurred 37-0, sending Gov. Newsom a bill that writes calibration disclosure into the Civil Code.	TOWING & ROADSIDE California closed a third comment round on Aug. 28 on storage-fee rules that would force repair dealers to base storage rates on documented costs and publish a searchable rate benchmark.	CAR WASH & DETAILING A single newly built express wash in Lake Elsinore, California sold for \$3.4 million on a 20-year absolute triple-net ground lease, closing before construction was finished.	
	BACKGROUND SIGNAL The invoice fraud that reads your email first			

RULE · EVERY TRADE IN THIS ISSUE

Washington's insurance commissioner signed a claims-handling rule on Aug. 18 that from Oct. 18 gives insurers five business days to answer a shop's supplement in writing.

Insurance Commissioner Patty Kuderer signed rule R 2025-05 on Aug. 18, 2026. It takes effect Oct. 18, 2026 and rewrites five sections of Washington's unfair-claims-practices code: WAC 284-30-330, 284-30-340, 284-30-380, 284-30-390 and 284-30-391. The changes are not cosmetic. They convert several things shops have been asking insurers for informally — a written reason for a short pay, the source of a labor-rate benchmark, an in-person look at the car — into duties an insurer owes on a clock, with the claim file as the evidence.

The core provisions: an insurer must respond in writing to both the claimant and the repair facility with a determination of covered amounts within five business days of receiving any supplemental estimate or final invoice. If it pays less than the shop's estimate, it must "promptly and fully disclose all of the reasons" and cite the specific policy provision. It may not deny a claim on a database alone, including estimating software, and on request must say when and where its material-price or labor-rate data was collected and which businesses supplied it. It cannot require submission through an app only.

The rule lands in a squeeze. In the twelve months to July 2026, the CPI for motor vehicle maintenance and repair rose 6.6%, servicing 7.3%, motor vehicle repair 6.2% and vehicle parts other than tires 6.6% — against 3.4% for all items. Over the same twelve months the CPI for motor vehicle insurance fell 4.5%. Carriers are cutting the

price of the product while the cost of honoring it climbs. Focus Advisors estimated collision industry revenue fell just under 5% year over year in the first half of 2026.

Washington is not alone. Texas insurers face a Sept. 1, 2026 compliance date for the state's new mandatory right-to-appraisal requirement. California's Bureau of Automotive Repair closed comment Aug. 24 on an airbag-sourcing rule and Aug. 28 on a third round of storage-fee rules, and the Legislature enrolled the California Motor Vehicle Glass Act on Aug. 28. The common thread is documentation: what you wrote down, when you sent it, and whether the carrier answered in writing.

What to do about it: Pull your last 20 supplements and time-stamp them — date sent, date the carrier answered, and whether the answer was in writing. That log is what a five-business-day rule is enforced with, and you need it before Oct. 18, not after. Rewrite your supplement cover sheet so every line names the OEM procedure and the policy language it falls under; a carrier that must cite policy language back to you will settle faster against a document already framed that way. Where an estimating database or a labor-rate survey drives a short pay, ask in writing for the collection date and the businesses surveyed — Washington now requires that answer, and asking creates a record everywhere else. Train whoever answers the phone to offer the customer an in-person inspection in writing. If you operate in Washington, put Oct. 18 on the calendar and read WAC 284-30-390 before then.

Clarifying and updating the minimum standards for claims handling (R 2025-05) - Washington Office of the Insurance Commissioner · Washington Adopts Final Claims Handling Rule With New Requirements for Repair Facility Communication - Autobody News · CPI Table 2: detailed expenditure categories, July 2026 - U.S. Bureau of Labor Statistics

COLLISION REPAIR

TWO ITEMS

REGULATION

Texas insurers must begin complying with the state's mandatory right-to-appraisal rules on Sept. 1, 2026, after the Department of Insurance proposed delaying the date to give carriers time.

Why it matters: Texas now requires an appraisal clause in personal auto policies, and the Department of Insurance proposed moving the compliance date to Sept. 1, 2026 — this Tuesday. TDI's December 2024 Appraisal Experience Data Call Report: the ten largest private-passenger auto groups completed 446 appraisals in Texas in 2023, awards averaged \$5,252 above the insurers' initial offers, and 98% beat the carrier's first number

Texas Right-to-Appraisal Rules Could Have Major Implications for Collision Repair Claims - BodyShop Business

— \$2.34 million in extra indemnification on 446 files. Exposed: any Texas shop whose documented cost lands above what the carrier will pay. Not exposed: shops in states without an appraisal right. Add a line to your repair authorization naming the appraisal right and how to invoke it, and name your independent appraiser before you need one.

MONEY

Collision consolidators added just 81 locations in the first half of 2026 excluding one megadeal, down from more than 300 in the same period of 2024, Focus Advisors reported Aug. 20.

Why it matters: Focus Advisors' 2026 mid-year M&A review (Aug. 20) counts 81 locations added by the Big Four, consolidators and new entrants in H1, against more than 300 in H1 2024 and more than 200 in H1 2025. With Gerber's \$1.3 billion purchase of Joe Hudson's 258 stores, closed in January, the total is 339. Capital has not left: more than 130 private equity firms are evaluating deals and more than \$9 billion has entered since late 2023, but

it is going shop by shop and into new construction, not platforms. Valuations fell because sellers' trailing-twelve-month earnings fell, not because buyers cut multiples: at 7.0x, a 10% revenue drop cuts enterprise value by 20% or more. If you may sell within 18 months, reprice off your trailing twelve months and fix earnings first.

Focus Advisors: Collision Repair M&A Slowed in First Half of 2026 Despite Record Buyer Field - Autobody News

GENERAL AUTO REPAIR

TWO ITEMS

MONEY

Consumer prices for motor vehicle maintenance and servicing rose 7.3% in the twelve months to July 2026 while the price of motor vehicle insurance fell 4.5%, BLS data show.

Why it matters: In the July 2026 CPI detail, motor vehicle maintenance and servicing is up 7.3% over twelve months, motor vehicle repair 6.2%, maintenance and repair combined 6.6%, and parts other than tires 6.6%, against 3.4% for all items. Motor vehicle insurance fell 4.5% over the same twelve months, and 0.3% in July seasonally adjusted. Carriers are telling your customer car costs are falling while your bay costs rise at twice the headline rate — expect more pushback on estimates. Parts other than tires jumped 2.4% in July alone, the group's sharpest month, so quotes more than a few weeks old are stale. Re-price your top twenty parts lines against current supplier cost, and check that your posted labor rate has moved as much as the 6.2% repair series since last summer.

CPI Table 2: detailed expenditure categories, July 2026 - U.S. Bureau of Labor Statistics

SUPPLY

California's Bureau of Automotive Repair closed comment Aug. 24 on a rule that would bar repair dealers from buying airbags anywhere but the automaker, an authorized supplier or a licensed dismantler.

Why it matters: BAR's proposed amendment to Title 16 CCR Section 3367 ran a 45-day comment period July 10 to Aug. 24, 2026. No adoption or effective date is published. A dealer could not install, distribute or sell an airbag previously deployed, with an electrical fault, carrying a part that makes the restraint control unit read it as installed, or bearing counterfeit branding. Replacements could come only from the automaker, an authorized supplier or reseller, or a DMV-licensed dismantler — genuine, undeployed, undamaged, recall-free — receipts kept for every part. BAR puts OEM airbags for Toyota, Honda, Ford and Tesla at \$500 to \$1,000 each, with noncompliant units online at up to half that. Audit your airbag purchase records and drop suppliers that cannot document origin.

Regulatory actions - California Bureau of Automotive Repair · SB 988 Glass Bill Heads to Governor as California Advances Airbag, Tire, and Storage Rules - Autobody News

TIRE & WHEEL

TWO ITEMS

REGULATION

The California Energy Commission approved the nation's first replacement-tire efficiency standards on Aug. 17, adding \$1.50 per tire in 2029 and \$6.50 per tire from 2033.

Why it matters: The CEC unanimously approved the Replacement Tire Efficiency Program on Aug. 17, 2026, setting minimum rolling-resistance and wet-grip standards for replacement car and light-truck tires. Phase 1 covers tires made on or after Jan. 1, 2029; stricter Phase 2 begins Jan. 1, 2033. It reaches every tire retailer, including repair dealers that sell tires. CEC puts the added cost at \$1.50 per tire in Phase 1 and \$6.50 in Phase 2, against \$179 in fuel savings over a set's life at \$4.60-a-gallon gas and \$1 billion a year statewide. Competition, large off-road and all-weather winter performance tires are exempt; compliant tires are already on the market. Ask your program group which SKUs in your fastest-moving sizes comply, so you are not repricing a whole wall in 2028.

CEC Approves Nation's First Replacement Tire Efficiency Standards - California Energy Commission

SUPPLY

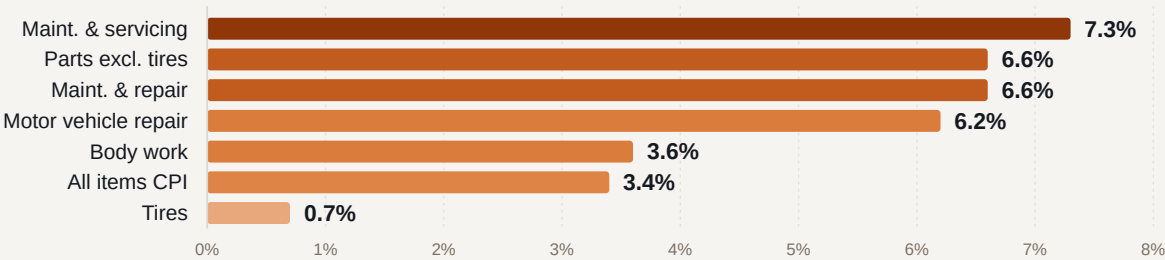
Mavis closed its roughly \$700 million cash purchase of Pep Boys on Aug. 20, taking its network past 4,400 service centers across the United States and Canada.

Why it matters: An Icahn Enterprises 8-K dated Aug. 20, 2026 reports Icahn Automotive Group completed the sale of The Pep Boys-Manny, Moe & Jack Holding Corp. to Mavis Tire Supply for approximately \$700 million in cash. Nearly 800 Pep Boys locations join a Mavis network now above 4,400 owned and franchised, with a much larger Western U.S. presence. Icahn kept the real estate previously transferred to it from Pep Boys, plus AAMCO and Precision Tune Auto Care. Mavis already owns Mavis Discount Tire, Midas, Express Oil Change & Tire Engineers, Brakes Plus, Tire Kingdom, NTB, Town Fair Tire and Tuffy. For an independent this is a buying-power event, not a signage change. Put any Pep Boys in your trade area on your price-shop list and re-shop your distributor terms this quarter.

Form 8-K, Icahn Enterprises L.P., Aug. 20, 2026 - Mavis Completes Acquisition of Pep Boys

INFOGRAPHIC 1 / SHOP PRICES VS PREMIUMS
Vehicle repair and parts prices rose at roughly twice the headline inflation rate in the year to July 2026.

Unadjusted percent change over the twelve months to July 2026, CPI-U, U.S. city average; BLS Consumer Price Index detailed expenditure table (Table 2), July 2026.



Everything you sell got more expensive to produce faster than the economy at large, and tires barely moved at 0.7%. The number not on this chart is the one your customer sees: motor vehicle insurance prices fell 4.5% over the same twelve months. Carriers are cutting the price of the policy while the cost of honoring it climbs, which is why estimates draw more argument than they did a year ago. Source: CPI Table 2: detailed expenditure categories, July 2026 - U.S. Bureau of Labor Statistics

REGULATION

The California Motor Vehicle Glass Act was enrolled Aug. 28 after the Senate concurred 37-0, sending Gov. Newsom a bill that writes calibration disclosure into the Civil Code.

Why it matters: SB 988 passed the Assembly Aug. 24, the Senate concurred in the Assembly amendments 37-0 on Aug. 26, and it was enrolled Aug. 28, 2026. It would add Title 1.5C, commencing with Section 1784.50, to Part 4 of Division 3 of the Civil Code. As amended it covers businesses primarily engaged in automotive glass replacement, requiring them to disclose ADAS calibration needs, confirm calibration results in writing, and follow new claims-authorization procedures before completing an insured repair. Newsom has until Sept. 30 to sign or veto; it is enrolled, not law. Signed or not, its disclosure text is the template other states copy. Draft the two documents it would require — a pre-work calibration notice and a post-work confirmation — and start issuing them now.

SB-988 California Motor Vehicle Glass Act - Bill Status, California Legislative Information · SB 988 Glass Bill Heads to Governor as California Advances Airbag, Tire, and Storage Rules - Autobody News

INSURANCE

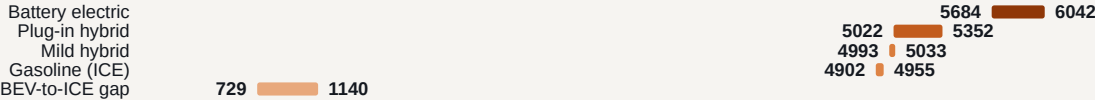
Insurer-funded researchers published an analysis on Aug. 11 finding collision claim severity runs about 10% higher on vehicles with driver-assistance sensors, and 15% higher under property damage liability.

Why it matters: IIHS and its Highway Loss Data Institute compared otherwise identical 2017-22 model year vehicles with and without driver-assistance bundles. Collision claim severity ran about 10% higher on the equipped vehicles and property damage liability severity about 15% higher, with calibration named as part of the reason: replacing those sensors usually requires one. Overall losses — frequency times severity — ran about 5% lower on equipped vehicles, since the systems prevent many small, cheap crashes that dominate claim counts. The 5% is what carriers will quote; the severity numbers, from a research arm their own members fund, are what help you. Put the 10% and 15% into your next calibration reimbursement appeal with the OEM procedure that required the work.

IIHS-HLDI: Sensor-Equipped Vehicles Show Higher Claim Severity but Lower Overall Insurance Losses - Autobody News

INFOGRAPHIC 2 / SEVERITY BY POWERTRAIN
The repair-cost gap between an electric car and a gasoline one narrowed by \$411 in a single quarter.

U.S. average repairable claim severity, first quarter 2026 to second quarter 2026, dollars per claim; Mitchell Plugged-In: EV Collision Insights, Q2 2026 report released Aug. 20, 2026.



Almost all the movement came from the electric side: BEV severity fell \$358 between quarters while gasoline severity rose \$53, cutting the premium to a record-low \$729. Do not read that as EV work getting easy. OEM parts still account for 84.74% of parts dollars on a BEV estimate against 61.44% on a gasoline one, and Mitchell warns tariffs and shipping could push those parts costs back up. Source: [BEV Repair Cost Premium Hits Record Low as Mitchell Warns of Parts Volatility](#) - Autobody News

TOWING & ROADSIDE

REGULATION

California closed a third comment round on Aug. 28 on storage-fee rules that would force repair dealers to base storage rates on documented costs and publish a searchable rate benchmark.

Why it matters: BAR's storage-fee rulemaking — amending Title 16 Sections 3303 and 3351, adopting 3351.8.1, 3351.8.2 and 3351.8.3 — took comment Nov. 14–Dec. 31, 2025, March 27–April 13, 2026 on modified text and Aug. 13–28, 2026 on second modified text. No adoption date is published. A dealer would set storage rates from documented costs — rent, mortgage, market value, utilities, labor, liability insurance — store them at its registered primary address, notify the customer before a move and get written authorization past 20 miles. BAR would publish average and median rates by locale; insurers could not use them to suppress an individual rate. BAR's file includes a June suspension over \$4,000 charged to store a car for hours. Start a cost file justifying your posted rate line by line.

Regulatory actions - California Bureau of Automotive Repair · SB 988 Glass Bill Heads to Governor as California Advances Airbag, Tire, and Storage Rules - Autobody News

MONEY

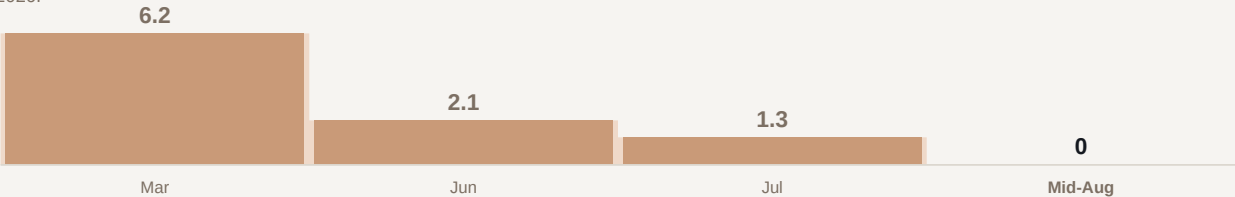
California's bandit-towing bill died on the Assembly suspense file Aug. 13 after passing the Senate 38-0, leaving its bond and fine provisions unenacted this session.

Why it matters: SB 1112 would have let a registered owner, lienholder or insurer post a bond with a county court to force release of a vehicle from a tow yard or storage lot, capped at \$6,250 for a company owner and \$500 for an individual. Its notice-posting and fine provisions named "auto body shop" alongside towing companies and storage lots. It passed the Senate 38-0 on May 20 and cleared Assembly Judiciary 12-0 on June 16, but Assembly Appropriations held it on the Aug. 13 suspense file, so it is not moving this year. Exposure shifts back to existing law and BAR's storage-fee rulemaking, which is live and further along. The bond mechanism and the four-times-wrongful-charge penalty will return; operators who document release procedures and itemize every storage day will be ready.

SB 988 Glass Bill Heads to Governor as California Advances Airbag, Tire, and Storage Rules - Autobody News

INFOGRAPHIC 3 / TOTAL-LOSS MATH
Wholesale used-vehicle values have decelerated from a 6.2% annual gain in March to flat in mid-August.

Manheim Used Vehicle Value Index, year-over-year percent change, 2026; Cox Automotive mid-August 2026 report published Aug. 19, 2026.



The index sat at 207.4 in the first half of August, down 1.2% from July and level with a year earlier. This is the input insurers use for actual cash value, so a flattening index means fewer borderline cars getting pushed over the total-loss line by rising values — and more staying in your queue. CCC put total-loss frequency at a record 23.1% of all claims in 2025. Source: [Manheim Used Vehicle Value Index: Mid-August 2026 Trends](#) - Cox Automotive

MONEY

A single newly built express wash in Lake Elsinore, California sold for \$3.4 million on a 20-year absolute triple-net ground lease, closing before construction was finished.

Why it matters: Hanley Investment Group announced Aug. 26, 2026 that it arranged the \$3.4 million sale of a single-tenant Super Star Express Car Wash on a pad at a Stater Bros.-anchored center in Lake Elsinore. The terms: a 20-year absolute triple-net ground lease with 10% rent increases every five years through the base term and each option period, minimal landlord duties, and a 115-unit multistate operator as tenant. The broker

secured a 1031-exchange buyer pre-sale, before construction finished. Buyers are paying for 20 years of contracted growth from a credit operator, not wash volume. If you own your dirt, that is what prices your site; if you lease, expect a landlord to want those escalators. Get a broker opinion of value on the real estate separately from the business.

Hanley Investment Group arranges \$3.4M sale of Super Star Car Wash - Professional Carwashing & Detailing

CAR WASH & DETAILING

CONTINUED

DEMAND

Only 54% of car wash retailers run a digital loyalty platform even though personalized offers are the single strongest reason consumers say they would switch washes, ICA reported Aug. 17.

Why it matters: ICA's Q3 2026 CAR WASH Pulse (Aug. 17, 2026) finds 29% of consumers, and 36% of current members, say personalized offers and rewards would most likely make them switch washes — ahead of every other technology upgrade tested. Yet only 54% of retailers run a digital loyalty platform and 31% use AI to personalize offers. Reliability outranks novelty: 48% of consumers say confusing or broken app,

payment or entry tech makes them less likely to return, 53% among former and never-members. Apps retain but do not recruit — 16% of never-members say an app would move them, 31% are app-averse — while 56% of retailers say an on-site employee is their best channel for signing up members. Fix the pay station that fails, and staff the entry during your busiest four hours.

ICA releases Q3 2026 CAR WASH Pulse report - Professional Carwashing & Detailing

THE BACKGROUND SIGNAL

The fraud that reads your invoices before it sends one

The FBI's Internet Crime Complaint Center took 24,768 business email compromise reports in 2025, with losses of \$3.05 billion — a record, after dipping to \$2.77 billion in 2024 from \$2.95 billion in 2023. Across all internet crime it logged 1,008,597 complaints and \$20.88 billion in losses. Reported cases only, so read it as a floor.

who pays you, then sends a real-looking progress billing with different bank details. No malware, no warning — just a payment that never arrives and an argument about who eats it. A shop that emails estimates, supplements and parts invoices all day is the shape this is built for. The quieter number is adoption: under 20% of firms with fewer than 20 staff use AI at all.

Business email compromise, not ransomware, is the one that should concern a shop owner. Someone gets into a mailbox, reads until they understand how you invoice and

What to do about it: You don't need a security program. You need multi-factor authentication on email and your accounting login, and one rule everybody follows: nobody changes bank details on the strength of an email or a call — you ring the number you already had on file and confirm. That covers most of it, and costs nothing. The part it doesn't — how the systems are set up — is the day job of our parent company, CyberSainya.

FBI Internet Crime Complaint Center, 2025 Internet Crime Report — reported cases only, rounded from \$2,946,830,270, \$2,770,151,146 and \$3,046,598,558. U.S. Census Bureau, Business Trends and Outlook Survey, May 3, 2026.

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EVERY LEAD

Phone call

Inbound text

After-hours

Web / ad

Referral

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Capture every lead

Answers, qualifies, books — around the clock

Answers every call & text, 24/7

Qualifies & captures the job

Live warm transfer to you

Books onto your calendar

Instant text-back to callers

Custom intake questions

Spam & robocall screening

Call recordings + transcripts

Booking reminders

Review requests

Pushes every lead to your other tools, in real time

Emergency escalation to cell

Bilingual (on request)

Multi-location

Outbound campaigns

Monthly ROI report

"Your front desk never sleeps."

Reception \$209 · Growth \$439 · Full Engine \$899 /mo

CERNO · DEAL DESK · LIVE

Close every deal

Turns the call into a priced quote that books itself

AI drafts the estimate from YOUR price book

Itemized good / better / best options

You approve from your phone

Customer page: options, photos, plain English

Accept → book a time window

Automatic follow-up until booked

Tech photo line (techs text photos in)

Financing & maintenance-plan display

Shared job room (AI, tech, owner, customer)

Works with your stack or standalone

"From first call to booked job."

Deal Desk \$149 · Pro \$249 · Bundle +\$100 /mo

Booked, paid job

The lead becomes revenue

SEEN IN YOUR DASHBOARD

2SEE EVERYTHING — YOUR DASHBOARDS

Read-only, branded, one-key login. Two clean views of the money.

CERNODESK · OWNER DASHBOARD

example view · this month

ANSWERED312

BOOKED88

CAPTURED124

MISSED0

47 calls caught after hours — a 9-to-5 desk would have missed them

CERNO DEAL DESK · OWNER DASHBOARD

example view · this month

OPEN12

AWAITING4

SENT18

WON71

6 min average from request to quote sent · 71% estimate → won

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