

Thought Leadership.

Have you found a need to expand your network to multiple suppliers and broaden your reach in order to maintain operational stability?

The New York Times described 2019 as 'the best year ever' and the vehicle repair industry would be inclined to agree. Looking back with rosy retrospection we recall a golden age of lower repair bills, shorter VOR times and plentiful supplies of courtesy vehicles and vehicle parts...

Before our sentimental longing undermines the present, it's important to acknowledge the fundamental shifts that have reshaped the industry since 2019. The combined effect of Brexit, the Ukraine conflict and Covid severely disrupted supply chains, causing parts delays, a skilled workforce shortage and soaring utility costs still keenly felt today, alongside the challenges of serving the rapid adoption of EV's.

Here at FMG there was once a time when we thought we could put a timescale on the recovery of Vehicle Off Roads times and parts delay, but there's been little in the way of light at the end of the tunnel. So, when the green shoots of recovery failed to emerge, we planted our own and developed the right conditions to thrive.

In the past year we have strengthened our repair network to provide a long-term boost to repair capacity and capability. We've added over 100 new repairer relationships to our quality assured independent network. Together with the introduction of our sister company FMG Repair Services in 2020, this brings our network total to over 400 repairers all fully equipped with the latest technology, skill and training to repair structural composite materials, hybrids and EVs.

To strike a balance between future-proofing our expanded network and delivering value to our customers, we've benchmarked across the industry and introduced a fair and equitable rate increase for all repairers, along with a short-term repair surcharge to support energy costs. We've also invested in business leadership support, recruiting additional Network Managers to provide all the support our repairers need, and introduced image capture technology to facilitate efficient repair estimation.

We can't resolve worldwide parts delays, but we'll continue to introduce new ideas to mitigate where we can. Our parts hubs enable all our repair sites to source delayed parts from within dealership supply chains and when parts simply can't be sourced, we've introduced a larger range of alternative options including high-quality green (recycled) parts and non-OEM parts.

It's true, 2019 was a great year for vehicle repair, but nostalgia undermines innovation and creativity, and perhaps the perfect storm of the past three years will be remembered as the catalyst for the fastest evolution within the repair industry.