

Statement of Support : New York state Auto Collision Technicians Association:
(NYSACTA)

Upon receipt of the information that North State Customs a Certified Multi-Line Collision Center in Bedford Hills, NY has commenced a \$40 Million lawsuit against Progressive Insurance Company along with some of its affiliates as well as approximately seven of its appraisers and adjusters. The law suit alleges a laundry list of claims that Progressive engaged in a massive scheme whereby it steers its insured's to its DRP program shops by making claims that the independent shops might not be guaranteed, or fully covered, or overpriced, or that the work will be unduly delayed. It has allegedly implemented this massive scheme by having its servants, employees, adjusters and/or appraisers make misleading and knowingly false and/or exaggerated statements concerning NORTH STATE (Collision Services), and other independent auto body shops, to its insureds/claimants, in an effort to coerce the insured/claimant to have their car repaired at Progressive's DRP shop. Among other things "illegal steering" is the main focus. NYSACTA strongly believes in the enforcement of steering laws. Ed Kizenberger, NYSACTA Executive Director said, "Illegal steering is the major defect in the current system of claims handling whereby insurers and their representatives illegally coerce insured's to preferred auto body shops after a loss. Mike Orso, President of NYSACTA today said, "We all know the tricks and games that are being played by a majority of the insurance companies, their appraisers and adjusters. The inside information obtained in this lawsuit only confirms our suspicions, understand this is only one company. The collision industry needs to rise-up and support not only NORTH STATE CUSTOMS but realize this type of illegal steering is the root of every single industry problem. Today is the first day of the rest of this suit." Ed Kizenberger, said "These are very serious allegations. Should these prove true it would substantiate many complaints that have been filed regarding illegal steering in New York State."