



MARCH 2025 BULLETIN

ASSOCIATION CONTEST

CONGRATULATIONS TO THE FEBRUARY 2025 TRIVIA CONTEST WINNER, DOWNEY AUTO REPAIR INC., PAWLING NY. Please read through this bulletin for your chance to win!!! Call the office or email ssdgn@ssdgn.org with the correct answer to the trivia question to be entered in the monthly drawing for a chance to receive a free month's dues; a \$45 value.

ATTORNEY'S CORNER

Vincent P. Nesci, Esq., General Counsel for SSDGN

CREDIT CARDS

As of February 11, 2024, New York State law requires businesses to disclose credit card surcharges or eliminate them. This law applies to gas stations, which can now use a two-tier pricing system to display both the cash and credit prices.

What Does the Law Require?

The NYS Court of Appeals recently clarified NYS GBL 518 as follows:

- Merchants can charge two different prices for purchases - by credit card and by cash.
- The higher price charged to credit card users must be tagged and posted for consumers in actual "dollars and cents" form.
- Merchants can call the price differential a surcharge.

An extra fee for credit card purchases is allowed but must be clearly set forth in the posted or tagged selling prices for goods or services, not only on the bill at the end of the transaction. Merchants must either display both prices (cash and credit) or the higher credit card price only. Failing to do so is a violation of the law.

If the merchant only displays the cash price and states that the credit card price is a certain percentage higher, it is a violation. Merchants cannot lure consumers by only posting the lower cash discount price.

Consumers should be fully notified of the total price from the start of the transaction, and businesses should post clear and conspicuous signage to assist consumers.

Key Compliance Requirements for Businesses

- Businesses must disclose the total cost of goods or services, including any surcharges.
- Businesses cannot present the surcharge as a discount on cash purchases.

- Businesses cannot put up a sign that says a fee is applied to all credit card sales.
- The surcharge for credit card payments cannot exceed the fees imposed by the card issuer.

How Can Businesses Comply?

- Businesses can list the total credit card price and the total cash price.
- Businesses can list the total credit card price and notify consumers that there is a discount for paying with cash.
- Businesses can charge the same price regardless of whether the consumer uses cash or a card.

Penalties for Non-Compliance

The penalty for failing to comply is up to \$500 per violation.

The New York State Division of Consumer Protection reminds consumers that credit card surcharges are prohibited in New York State. Businesses are not allowed to advertise a price and then add a surcharge at the point of sale when a consumer elects to pay with a credit card. Instead, businesses are required to inform consumers of the higher credit card price for a product or service by posting the higher price. Businesses are also able to offer a discount to consumers who pay in cash.

New Yorkers using debit cards do not enjoy the same protection as those using credit cards. A surcharge or higher fee for the use of a debit card is permitted but must be accompanied by clear disclosure.

If you have a question regarding your practices, call the association to get a docket number.



JOIN OUR TEAM

Do you have a passion for the Automotive Industry? Do you have ideas on how to make it better? If so, join our team. We are looking for industry members to join SSDGN's Board of Directors. You must be a member in good standing to join. This is a volunteer position. Board members meet monthly, via zoom, 9 months out of the year. Be a guest at the next board meeting to see what it is all about. Contact our office at 914-698-5188 if you are interested and would like to learn more.



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OPUS IVS, ELITEK VEHICLE SERVICES RELEASE ADAS MAP TOOL FOR REPAIR SHOPS

Powered by technology from Opus, the ADAS MAP allows shops to easily generate records of each calibration, programming, and scanning event.

Opus IVS has partnered with Elitek Vehicle Services to release ADAS MAP, a tool to help shops properly diagnose, calibrate, and repair Advanced Driver Assistance Systems, according to a press release.

Powered by technology from Opus, the ADAS MAP allows shops to easily generate records of each calibration, programming, and scanning event, with clear documentation on what was done and why, based on original equipment manufacturer specifications. It also provides simple documentation on what work is completed in the shop and how long it took.

“We are excited to partner with Elitek, leveraging our leading-edge technology to enhance repair accuracy while fostering greater trust and collaboration across the industry,” said Opus IVS CEO Brian Herron.

As reported on ratchetandwrench.com



DMV/VERIFI MESSAGE #125

Subject: Dealer and Transporter Plates with Unpaid Tolls

Facilities are responsible for all assigned dealer/transporter plates to ensure that tolls are paid timely. DMV is auditing these plates for compliance with payment of tolls. Unpaid toll suspensions are taken very seriously with respect to a dealer/transporter license.

DMV will be sending targeted messages to all facilities who are found to be in violation of toll payments.



WORKMANS COMPENSATION NYSIF SAFETY GROUP #485

Marshall & Sterling has been doing an amazing job managing our group with a 45% dividend and upfront discount of up to 25%. However, you must be in compliance and run your shop safely and efficiently. The New York State Insurance Fund has been known to come around to inspect facilities and to ensure payroll is as reported. They will do this unannounced, therefore please always keep your facility in compliance and report all earnings accurately.

If you are enrolled in the NYSIF Safety Group #485 you will be receiving, via email, a Voting Proxy Nomination Form and a Group Manager as Voting Proxy Conflict of Interest Disclosure Form that must be filled out and returned to the Association. This is a requirement from the State Fund.

Please remember, in order to remain in The Safety Group #485 and receive a wonderful dividend and discount you must be current with your dues/fees/premiums to Service Station Dealers, Marshall & Sterling, and The New York State Insurance Fund. If you have a discrepancy with their notice, please contact the Association at 914-698-5188 and we will be happy to help you.

MADE PAYABLE TO....

Effective immediately, we ask that you please make your monthly payments as follows:

- Membership dues and legal fees payable to Service Station Dealers
- Health Insurance and DBL premiums be made payable to Inter-City Insurance Fund.

Automatic monthly payments will be processed accordingly. We no longer accept credit cards for insurance premium payments.

We also offer automatic monthly payments by ACH or Credit Card. If you are interested, please contact the association to enroll.

We appreciate your cooperation and understand that this may be a small inconvenience and will take some time to get used to.



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SINGLE-SHOP OWNERS HAVE OPTIONS AS THE COLLISION REPAIR INDUSTRY CONTINUES TO CONSOLIDATE

A small shop may not be attractive to regional or national consolidators, but owners can consider other routes when looking to exit the industry.

As consolidation in the collision repair industry continued to pick up in 2024, *Focus Advisors*, an M&A advisory firm, estimated hundreds of single shops closed their doors over the year without an exit to a buyer.

Autobody News spoke to **Chris Lane**, president of Focus Advisors, about why single shops are leaving the industry, and the opportunities owners have to move forward.

Lane said the collision repair environment has been difficult for all shop operators since the COVID-19 pandemic in 2020, but especially so for smaller ones that don't have the same access to scale as large MSOs, which make it easier to run more efficiently.

2024 was particularly difficult because of a drop-off in claims counts after the "blip" of inflated work in progress during the pandemic. "That hit pretty much everybody in the U.S.," he said.

Fewer claims means less revenue, and the value of a business to a potential buyer is in its profitability. In an industry like collision repair, which already operates on thin profit margins, Lane said many smaller shop owners start trimming discretionary costs -- which usually means "the workplace just isn't as pleasant to be in as it was before, or maybe the quality of service that you're giving your customers isn't quite what it used to be.

"There aren't that many levers to increase profitability if you're finding that your sales are slumping and your margins are decreasing," Lane said.

here are only a few items in a shop's profit and loss statement that can be manipulated to try to increase profits: sales; operations efficiency in vendor contracts; and expenses, the largest of which are usually rent and labor.

"There's not much you can do if you're not going to cut people's salaries, and good luck getting your landlord to rethink your rent," Lane said. "So there isn't a lot there to take a store that is struggling and turn it around easily."

Focus Advisors is selective about the clients it represents, Lane said, but has worked with sellers who seem to have a great business operating profitably, but can't find a buyer.

"Sometimes it's location," Lane said. "You can't pick up a business and move it somewhere else."

Private Equity Considering Smaller Deals to Gain Entry

In its 2024 review, Focus Advisors said some private equity firms showed a new willingness to move further downstream in the growth process, considering operations with just a few locations and modest profits. Until early 2024, private equity firms would only consider partnering with owners of platforms that had five or more locations and \$20+ million in revenue.

"A lot of these larger private equity firms have a lot of money that they have to put to work," Lane explained. "That means that they need to write a check that's \$10 million, \$20 million, \$30 million, not a \$5 million check. So, you've got to start with something big."

However, they realized that such transactions were few and far between and faced intense competition. As a result, they began approaching entrepreneurs of much more nascent platforms. This shift became evident in November when *TRP Capital* acquired a three-shop MSO in Long Island to launch a new platform called *Driving Force*. That same month, *Envest Capital Partners* acquired a one-shop operator, *Authentic Auto Body*, to launch a platform.

"Our thesis is that getting into collision repair specifically at that kind of size has been so competitive, and is such a rare opportunity, that private equity firms have decided that an alternate strategy might be to start a little bit smaller in a region with an operator who they think is excellent," Lane said.

Lane said those deals are still "more the exception than the rule," but they allow a private equity firm to build a platform that it can then sell to a larger firm in the next five to seven years.

It could also mean an opportunity for a single shop operator looking to sell, or one looking to partner with private equity to help grow the business, rather than through routes like taking out loans, which currently might have prohibitively high interest rates.

"This might be a good alternative," Lane said. "You've got capital, you've got somebody who can write checks, but more importantly, they've got the experience and know how to get from your two or three locations to 12 pretty quickly. They've



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done it in other industries, so they've got formulas to that that are proven to work."

Despite headwinds like increasing costs to repair, private equity firms are still highly interested in the collision repair industry and see there is ample opportunity for consolidation.

"It's still what would be called highly fragmented," Lane said of the industry. Currently, about 30% of the shops in the U.S. are owned by consolidators, but that means 70% are not.

Advice for Single Shop Owners Hoping to Sell

Lane said if a shop isn't attractive to a regional or national buyer, it's highly unlikely a local entrepreneur will "write you a check and let you walk away."

He said there are a couple other routes for single shop owners hoping to sell.

The first is to help an existing employee, or group of employees, to take out a loan to purchase the business, or offer options -- "some way to have them be vested in the business, give you a little bit of money for it. And then hope that they succeed over time.

And that's one way to sort of exit and get some value for what you have."

The other is to sell the business at a bit of a discount, but hold on to the real estate and rent it to the new business owner.

"If you own your real estate, the value of that real estate could be a lot more than the value of your business," Lane said. "Let's say your business isn't very profitable, but you're in a good location and you know your real estate's probably worth something.

You can sometimes get a national or regional buyer to come in and give you very little for the business, but secure a nice lease.

"That will give you not just 'mailbox money,' but also increase the value of that real estate, because now you have a tenant in there who has credit a good balance sheet," Lane said.

"We've actually done this with a couple people when we see a business that might not be incredibly attractive to a national or regional buyer because of its profitability," he said. "That ends up being a better walk-away value than trying to maximize the business value."

As reported by Abby Andrews on autobodynews.com



LETTER TO GOVERNOR HOCHUL

As many of you know, we have been working with the DMV for some time now to update the safety inspection program regulations and increase the inspection fee. We need your help to make an impact. In conjunction with other NY Associations, we hope to gain Governor Hochul's attention to this important matter.

We can only do this with your help! We want to overwhelm Govern Hochul's office. We ask that you please print the letter found on the last page of this bulletin, sign and print your name at the bottom, include your station name and facility number, then send it to Governor Hochul's office.

If you are unable to print the letter, please email our office at ssdgnny@ssdgnny.org and we will have Bill bring you a copy.

Change can only come if we persistently work together!



As a member of SSDGNY you are entitled to an array of amazing member benefits such as discounted Insurance programs, Legal Counsel, Compliance & Site Service Maintenance & Management just to name a few.

What are we missing? As a shop owner, tell us what we can do to help you. What services or products would you like us to add to our member benefits package?

Please email us at ssdgnny@ssdgnny.org and let us know what else we can do to help you manage and streamline your business.



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TRAINING

TST Seminars

TST BIG EVENT
SATURDAY, MARCH 29, 2025
WHITE PLAINS MARRIOTT

KEYNOTE SPEAKER

Carm Capriotto Remarkable Results

CLASSES:

- Making Sense of Sensors with Bill Weaver
- Real Problem Vehicles from the Bays with Josh Weaver
- Scan Data Analysis: How to Maximize your Scan Tools Abilities for Drivability Diagnostics with Eric Zigler

Click the QR Code for more information or to register



NYS TOBACCO SALES TRAINING

Retail tobacco and vapor product dealers are not required by the Public Health Law to become certified trainers or to attend a training program. However, section 1399-ee of the Public Health Law allows tobacco and vapor product retailers a reduced penalty for a sale-to-minor violation if the clerk who made the sale **previously** attended a State Certified Tobacco Sales Training course and holds a valid certificate of completion.

Service Station Dealers is an approved NYS authorized Tobacco Sales Trainer. We offer the online training program to members and non-members; however, members get a special SSDGN discount.

Please contact the Association for more information.

REFERRALS

If you know of a station that needs our services and is interested in becoming a member, refer them to us and upon signing you will receive a \$50.00 Amazon gift card. If you know of someone interested, please contact our office at 914-698-5188 or at ssdgn@ssdgn.org.

CLASSIFIEDS

FREE: Old Mechanic Books, Manuals & Videos. If interested, please call 914-484-7083 to speak with Shalom.

To place an ad in our bulletin, please email the specifics to ssdgn@ssdgn.org or call us at 914-698-5188.

WELCOME NEW MEMBERS

Motor Classic & Competition - Bedford Hills, NY
Tris Star Ossining - Ossining, NY
Al's Rye Neck Auto Service - Mamaroneck, NY
Hartsdale Automotive Service - Scarsdale, NY
Robo West, LLC - Jamestown, NY
Tallman Auto Repair - Tallman, NY

Follow Us



@ssdgn @ssd_gny

TRIVIA QUESTION

How often do SSDGN Board of Directors meet via zoom?

Call the office at 914-698-5188 or email us at ssdgn@ssdgn.org with your answer for a chance to win a free month's dues.

We hope you enjoyed reading this month's bulletin. If you have any questions, feel free to call the association. We are here to help you and your industry.

Best Regards,

*Service Station Dealers & Automotive Services
of Greater NY, Inc.*



**SERVICE STATION DEALERS AND
AUTOMOTIVE SERVICES OF GREATER NY, INC.**
AFFILIATED WITH: SSDA/NCPR-AT

Honorable Kathy Hochul
Governor of New York State
NYS Capital Building
Albany, New York 12224

Dear Governor Hochul,

I am a New York State registered inspection Station. My trade association Service Station Dealers & Automotive Services of Greater New York, Inc. (SSDGNYS), has been engaged in active discussions with the New York State Department of Motor Vehicles (DMV) on the current requirements of the safety inspection program. We recognize that the current safety inspection regulations need to be updated to ensure driver and passenger safety. Guidance should also be provided for safety inspections of electric vehicles. A draft regulation was prepared by DMV they are the result of a lengthy process which included outreach to the trade associations, inspection station owners to solicit their opinions.

I am now writing to you to voice my concerns over the delay in releasing the regulations to update the safety inspection program and appropriately adjust the inspection fee.

We, the registered inspection stations, perform a vital service for motorists to ensure driving safety. Additional safety inspection requirements mean that certified inspectors need to spend more time conducting the inspection. The most recent change to the inspection regimen was mandated by legislative fiat with the addition in 2017 of the examination of tinted window. Previous, and now anticipated further expansion of motor vehicle safety inspections must recognize that the current fee is grossly inadequate. The fee has not been increased in almost four decades and remains at \$8 for the actual inspection with an additional \$2 to DMV for the inspection sticker, which is printed at the stations' expense and placed on the customer's vehicle by the certified inspector.

The current safety inspection fee does not come close to reimbursing us for the cost of performing the inspections. Fees imposed by the state are required to be reasonably related to the cost of the service provided. There is no justification for this impact on the small businesses that operate as inspection stations in a highly competitive market.

A reasonable increase in the safety inspection fee is a matter of fundamental fairness. There is no necessity for legislative or budget approval for this fee adjustment. A regulatory increase may be adopted by the DMV with your approval.

It is respectfully requested that enhanced DMV regulations on safety inspection requirements be published in the State Register and adopted as soon as possible to meet the state's commitment to highway safety along with a well-deserved and justified fee increase that more closely reflects the actual costs to conduct the safety inspection.

Sincerely,

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