



IMPACT COLLISION SOLUTIONS

Recovering the Cost of Low-Use Toners

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The cost and complexity of refinishing materials continues to increase as vehicle manufacturers seek to differentiate themselves with new colors, textures, and finishes. These new finishes sometimes require tri- or quad-coats ([see June 2021 Production Tips](#)) that include extra materials and labor operations that are “not-included” in the allowances afforded by insurers and/or estimating databases. These require additional itemization on damage reports to properly recover the costs of the repair.

There is one **NEW** cost-recovery problem for collision centers having to do with **Low-Use Toners (LUT's)**. This is, by definition, a specific toner called for in a color formula that is used so infrequently that it is not normally stocked on the intermix system of the relevant paint manufacturer. When this occurs, the shop must order the special toner as a separate item from their distributor, regardless of how much or how little of the toner is used. While the cost of the few ounces or grams of toner is included in the cost of the mix on the color computer, that does not account for the fact that the entire container must be purchased. And, of course, the standard material allowance afforded by the insurer or estimating system **DOES NOT** consider the special toner **at all**.

The need for a low-use toner arises from an OE manufacturer's specific color code and the formula developed by the paint manufacturer to replicate the factory finish. All major paint lines have low-use toners that are specified in certain formulas. **The critical factor is to identify the need for a low-use toner during the damage appraisal process so that 1) it can be ordered; and 2) you can include the cost in the appraisal and negotiate reimbursement.**

While the cost of low-use toners varies by paint line and specific toner, a sampling of four paint codes (one Ford, two GM, and a Toyota) for one major paint manufacturer revealed that the cost of the low-use toner, alone ranged from over \$200.00 to nearly \$500.00 per 0.5 liter container (or as much as \$1,000 for certain really special toners). The amount of low-use toner in the mix was between 1% and 25%. The reality is that a shop must purchase a half-liter toner and use a small portion of it in the mix, depending on the size of the job.

A few collision centers have simply charged the purchase cost of the low-use toner as a separate line item on the repair order. (This practice might be appropriate but does not deal with the ethical issue of what happens to the unused portion that may, or may not, be used in the future. Even using a much more sophisticated materials job-costing system does not fully resolve this dilemma.)

Other shops have ordered pre-mixed color from their distributor that includes the low-use toner, and invoice separately for that cost.



Communication is Key

It is ALWAYS important to identify color as early in the appraisal process as possible. With the possibility of needing to purchase a low-use toner, it is ESSENTIAL.

Each paint manufacturer publishes guides to help identify LUT's and tri- or quad-coats, or any added labor operations required to achieve the desired effect or finish. Based on the paint line used in the shop, damage writers must be able to access this information to determine which paint codes require the use of LUT's or other special operations, such as tri- and quad-coats BEFORE completing the damage report.

Communication between damage writers and refinish technicians is critical: First, so writers are aware of the issue of special finishes and LUTs; and secondly, to have an ongoing process to communicate these special needs on a timely basis for each applicable repair.

A Tip to Consider

Properly identifying the need for low-use toners during the appraisal process is essential to both having the correct materials on hand, as well as developing an effective strategy to be correctly reimbursed for added out-of-pocket costs.

Writers must learn to itemize all added materials (i.e. LUT's) and all labor operations needed to complete the repair to OE specifications and pre-accident condition on the damage report prior to submission to the insurer or customer.

This TIPs flyer was written by John Halstead & edited by Georgia Thorson of RDA

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