

Repair Reporter



CALIFORNIA DEPARTMENT OF CONSUMER AFFAIRS

SUMMER 2000

Consumer Complaints Land Shop Owner in Jail

Three consumer complaints involving auto repair fraud resulted in a 32-month prison sentence for a Redding-area shop owner.

John Douglas Morgan, 33, owner of All American Auto Shop in Cottonwood, Calif., agreed to the state prison term in a plea bargaining agreement with the Shasta County District Attorney's Office on June 13.

"Morgan claimed to have overhauled a cylinder head when he hadn't done anything," said Cindy Campbell, deputy assistant district attorney. "And he was unlicensed when he did brake repair work on a driving school vehicle and signed a certificate under penalty of perjury that he was a qualified licensed mechanic."

A Bureau of Automotive Repair (BAR) investigation launched in February 1999 found Morgan in violation of several sections of the California Penal, Vehicle, and Business and Professions Codes. The violations include, among others, operating his shop without a valid automotive repair dealer (ARD)

registration, using a fictitious BAR registration number on an official Department of Motor Vehicles form, and defrauding his customers by accepting more than \$1,300 for auto repairs that were not performed.

"We hope this case sends a clear message to those unscrupulous repair shops that think they can rip off the public without consequences," said BAR field supervisor Richard Shedd.

In three separate instances, Morgan agreed to refund his customers for repairs he failed to perform; however, none ever received full refunds. Two unhappy customers took Morgan to Small Claims Court and won a judgment against him but have yet to receive restitution, they reported.

"Two of BAR's main goals are accomplished with Mr. Morgan's incarceration," Shedd added. "The public is better protected, and the playing field is now leveled for those honest auto repair dealers trying to compete in the marketplace." ■

MAKE SURE PRICE IS RIGHT FOR ENGINE REPAIR

By Dan Povey, BAR Staff

If you are in the business of selling and installing engines, pay close attention to the way your estimates are written.

According to Section 9884.9 of the Business and Professions Code, an estimate must list a specific job with a specific price for that job.

Each year, the Bureau of Automotive Repair receives hundreds of consumer complaints related to price quotes for rebuilt engines. Consumers believe they are getting an engine for a certain price, only to discover that their original engine cannot be rebuilt and that the total cost has gone up substantially.

There are only two choices when entering into this type of transaction. One option is use of the "tear down" estimate. The other is delivering the product for a stated price. A "tear down," as described in Section 3353(b) of Division 33 of the California Code of Regulations, is used to determine the condition of a component in order to prepare a complete estimate. This way a customer knows exactly what has to be done, along with the total cost.

So, when you write estimates or advertise for engines with a price based upon a rebuildable core, think carefully about your approach. You may have committed yourself to replacing the engine at the original agreed-upon (estimated) price, regardless of the core's condition.

To get more information about the proper procedures for writing a "tear down" estimate, consult Section 3353 of the California Code of Regulations or contact one of the field offices listed on the back page of this publication. ■

BAR Licensing Unit Moves to Systems Parkway

The Bureau of Automotive Repair Licensing Unit moved from 400 R Street to 10240 Systems Parkway in Sacramento in early July. All Licensing applications and correspondence should continue to be sent to:

BAR Licensing
PO Box 989001
West Sacramento, CA 95798-9001

The new telephone number for the unit is (916) 255-3145. All calls received at 400 R Street via the old numbers will be referred to the new number. ■

Inside . . .

	Page
Disciplinary Actions	2
"R&R" for Your Customers	3
The CAP Campaign's Big Summer Splash!	3
Examination Security	3
New Web Feature to Help Consumers	4
Air Conditioning Regulations Update	4

Disciplinary Actions

9th Auto Body Center—Santa Clara
Insoon Kim, Owner
Order: ARD registration permanently invalidated. (03/01/00)

Berkeley's Wrights Automotive Service, Inc.,
dba Wrights Automotive Service—Berkeley
David Charles Catanho, President
Order: ARD suspended for 90 days; stayed for 80 days; ARD placed on three years' probation on the following terms and conditions: ARD suspended for 10 consecutive days, comply with laws and regulations, report any financial interest in any other automotive repair business, provide BAR representatives unrestricted access to inspect all vehicles (including parts) undergoing repairs, up to and including the point of completion, post sign indicating dates of and reason for suspension, pay \$2,316 to BAR for costs of investigation and prosecution. (03/18/00)

Del Amo Three, Inc. dba Del Amo Dodge—
Torrance
James Clark, President
Order: ARD registration is permanently invalidated. (01/20/00)

Econo Lube N Tune #15—Hawaiian Gardens
Yang Chae Chung, Partner
Kyong Suk Chung, Partner
Order: ARD registration permanently invalidated, stayed, and placed on five years' probation on the following terms and conditions: comply with laws and regulations, ARD suspended for 30 days, post sign indicating dates of and reason for suspension, report any financial interest in any other automotive repair business, provide bureau representatives unrestricted access to inspect all vehicles (including parts) undergoing repairs, up to and including the point of completion, pay BAR \$27,037.26 for cost of investigation. (06/24/99)

Enterprise Auto Body & Paint—Los Angeles
Dan Dexter, Partner
Dima Satanovsky, Partner
Order: ARD registration permanently invalidated. (01/19/00)

Goodyear Tire & Service—Santa Cruz
Mahmood Khosravi Amarlou, Owner
Order: ARD registration permanently invalidated. (01/19/00)

Hallmark Motors Airport Body Service—
Inglewood
Mir Anoosh Besh Saei, Owner
Order: ARD registration permanently invalidated, stayed and placed on three years'

probation on the following terms and conditions: ARD registration suspended for five days, post sign indicating dates of and reason for suspension, comply with laws and regulations, report to BAR on prescribed schedule, report any financial interest in any other automotive repair business, provide BAR representatives unrestricted access to inspect all vehicles (including parts) undergoing repairs, up to and including the point of completion, reimburse BAR \$2,500 for cost of investigation. (01/24/00)

James Bros. Auto Body—Van Nuys
Jimmy Anthony Babuscio, Owner
Order: ARD registration permanently invalidated, stayed, placed on three years' probation on the following terms and conditions: ARD registration suspended for three days, comply with laws and regulations, report to BAR on prescribed schedule, provide unrestricted access to inspect all vehicles (including parts) undergoing repair, up to and including the point of completion, pay BAR \$4,000 for cost of investigation, pay Mercury Insurance Company \$2,600. (01/31/00)

K-1 Transmission—Wilmington
Chil Son Kim, Owner
Order: ARD registration revoked, stayed, placed on five years' probation on the following terms and conditions: ARD registration suspended for 15 days, post sign indicating dates of and reason for suspension, comply with laws and regulation, report to BAR on prescribed schedule, report any financial interest in any other automotive repair business, during probation retain and tag parts replaced for at least 60 days, submit advertising copy to BAR at least 30 days prior to its use, submit advertising copy to BAR at least 30 days prior to its use, submit any proposed printed invoices, work orders, or estimates to the bureau at least 30 days prior to their use, reimburse the bureau \$14,315.36 for cost of investigation and prosecution. (01/17/00)

KT Downtown Auto—Hayward
Klaus A. Torres, Owner
Order: ARD registration permanently invalidated. (01/19/00)

Kellys Coachcraft, Inc.—Los Angeles
Shawn Saborouh, President
Order: ARD registration revoked. (01/24/00)

Peninsula Automotive Service, Inc.,
dba, Midas of San Leandro—San Leandro
Roland Werner Buehler, President
Order: Application for ARD registration denied. (03/01/00)

Pro Auto Body Shop—Los Angeles
Kevin Shin, Owner
Order: ARD registration permanently invalidated. (01/19/00)

Pro Tech/SuperTech and Auto Service &
Repair—Canoga Park
Joe Assouline, Partner
Itzak Azary, Partner
Order: ARD registration revoked, stayed, placed on three years' probation on the following terms and conditions: ARD registration suspended for seven days, post sign indicating dates of and reason for suspension, obey laws and regulations, report to the bureau on prescribed schedule, report any financial interest in any other automotive repair business, provide BAR representatives access to inspect all vehicles (including parts) undergoing repairs, up to and including the point of completion, pay to the bureau \$3,000 for cost of investigation. (01/31/00)

Regency Transmission—Sepulveda
Dean A. Nyland, Partner
Henry Martini, Partner
Order: ARD registration revoked; Nyland and Martini ordered to pay costs of \$6,200. (02/03/00)

Purrfect Auto Service #42—Granada Hills
Robert Eliasyan, Partner
Zhirayar Eliasyan, Partner
Order: ARD registration and smog check station license revoked, stayed and placed on three years' probation on the following terms and conditions: ARD registration and smog check station license suspended four days, comply with laws and regulations, report to bureau on prescribed schedule, report any financial interest in any other automotive repair business, post sign indicating dates of and reason for suspension, provide bureau representatives unrestricted access to inspect all vehicles (including parts) undergoing repairs, up to and including the point of completion, reimburse the bureau \$2,500 for cost of investigation. (01/18/00)

Purrfect Auto Service #38—Reseda
Teresa C. Brown, President
Order: ARD registration and smog check station license revoked. (02/23/00)

R & R Bodyworks—Vallejo
Richard Rose, Partner
Lynell Ann Rose, Partner
Order: ARD registration revoked. (02/23/00)

Disciplinary Actions

(continued)

Regency Transmission—Sepulveda

Dean A. Nyland, Partner

Henry Martinin, Partner

Order: ARD registration revoked, Nyland and Martini ordered to pay \$6,200. (02/3/00)

South Oaks Auto Body—South Pasadena

George Hechavarria, Owner

Order: ARD registration permanently invalidated. (01/19/00)

Star Auto Repair—Los Angeles

Willie Floyd Morris, Owner

Order: ARD Registration permanently invalidated. (01/20/00)

Tonys Auto Body Works—Redwood City

Tony Luis Araujo, aka Tony Araujo, aka Richard

Escalante, aka Richard Calderon Escalante,

aka Tony Araujo Alvarado, aka Tony Alvarado,

aka Pedro Santillan, Owner

Order: ARD registration permanently invalidated. (03/01/00)

U.K. Enterprises, Inc. dba Albany Automotive—Albany

Kenny U. Kim, President

Order: ARD Registration revoked, stayed, respondent placed on three years' probation on the following terms and conditions: ARD suspended for three days, shall reimburse BAR \$5,000, comply with laws and regulations, post sign indicating dates of and reasons for suspension, report to bureau on prescribed schedule, report any financial interest in any other automotive repair business, provide bureau representatives unrestricted access to inspect all vehicles (including parts) undergoing repairs, up to and including the point of completion. (02/28/00)

U.K. Enterprises, Inc.

dba Berkeley Tire & Service—Berkeley

Kenny U. Kim, President

Order: ARD registration revoked, stayed, placed on three years' probation on the following terms and conditions: ARD registration suspended for three days, shall reimburse BAR \$5,000, comply with laws and regulations, post sign indicating dates of and reason for suspension, report to bureau on prescribed schedule, report any financial interest in any other automotive repair business, provide bureau representatives unrestricted access to inspect all vehicles (including parts) undergoing repairs, up to and including the point of completion. (02/28/00) ■

“R&R” FOR YOUR CUSTOMERS

By Richard K. Mundy
Deputy Chief, Field Operations
and Enforcement

Those of us in the automotive repair industry frequently use abbreviations to describe parts or labor functions listed on an invoice.

Abbreviations such as R&R, EGR, or TAC may be an accepted part of our industry jargon. We understand what these abbreviations mean, but what about California consumers?

If “R&R” appears on an invoice, did you rest and relax? Did you remove and replace, remove and repair, or rebuild and reinstall? If it sounds confusing to you, imagine how confusing it is to your customers.

Business and Professions Code Section 9884.8 requires that the invoice describe all service work done and parts supplied. Section 3356 of the California Code of Regulations specifies further that the invoice “shall separately identify each part in such a manner that the customer can understand what was purchased.”

Such designations as R&R and TAC for service work performed may not meet the requirements of the above noted sections. Remember, the final word regarding your compliance with these laws and regulations may lie with your customers' understanding of the acronyms you use.

Rather than leave your customer guessing about what repair work your shop performed, or the parts supplied, spell it out.

The Bureau of Automotive Repair encourages you to use BAR's *Write it Right—A Guide for the Auto Repair Dealer*. This publication will get you on the right path to avoiding conflict and confusion in dealing with your customer and the Bureau.

Contact any Bureau of Automotive Repair field office to obtain a copy of this publication. Give your customers the “R&R” they are legally entitled to after they have had a successful repair transaction! ■

The CAP Campaign's Big Summer Splash!

By Chris Davis
Communications Staff Writer

The Bureau of Automotive Repair's new Consumer Assistance Program (CAP) recently forged a partnership with Californians in a push to clean up our air. Since July 1, consumers whose cars fail their biennial smog tests can qualify for \$1,000 in exchange for voluntarily retiring the vehicle.

The state is also making CAP's repair payments more consumer friendly. Consumers whose vehicles are directed to Test-Only stations contribute just \$100 for needed repairs when the cars don't meet California clean-air standards. CAP pays the rest, up to \$500.

“Everyone comes out ahead under the new Consumer Assistance Program,” said BAR Chief Doug Laue. “Those consumers who feel the heaviest burden in complying with our clean air standards can look to the state for help, and our air ends up a lot cleaner. Nothing is quicker at lowering emissions to zero than voluntarily retiring a vehicle.”

Income-eligible consumers whose cars fail a biennial Smog Check pay just \$20 for emissions-related repairs, while California pays up to \$500.

To find out if your customers qualify for voluntary retirement or repair assistance, pick up a CAP application from our Web site at www.smogcheck.ca.gov. If consumers qualify for repair assistance you can direct them to a qualified CAP station. All CAP repairs must be performed at CAP contracted stations, which include designated Gold Shield stations.

If your customers have questions about the program, they can call 1-800-622-7733. Stations interested in becoming a CAP station can call CAP at (916) 445-2010. ■

Examination Security

The Bureau of Automotive Repair is changing the license application forms for Smog Check Technicians, Brake Adjusters, and Lamp Adjusters. The revised forms require applicants to enter their names as they appear on their California Driver's License or DMV Identification Card. In addition, candidates will need to present their California Driver's License or DMV Identification Card when they appear for the examination. This will make it easier for our examination administration contractor to verify that the person who appears for the examination is the same individual who originally applied for licensure. ■



State of California
Gray Davis, Governor

Department of Consumer Affairs
Kathleen Hamilton, Director

Bureau of Automotive Repair
Douglas E. Laue, Chief
10240 Systems Parkway
Sacramento, CA 95827

BAR FIELD OFFICE PHONE NUMBERS

Bakersfield (661) 833-6304
Canoga Park (818) 596-4400
Culver City (310) 410-0024
Fresno (559) 445-5015
Fullerton (714) 680-7851
Oceanside (760) 439-0942
Richmond (510) 243-9410
Riverside (909) 782-4250
Sacramento (916) 255-4200
San Jose (408) 277-1860
South El Monte (626) 575-6934

DCA Cashiering (916) 322-7002
DCA Licensing (916) 255-3145

Consumer Assistance and
Referee Center (800) 622-7733

DCA HOTLINE (800) 952-5210

PRSRST STD
U.S. POSTAGE
PAID
OAKLAND, CA
PERMIT NO. 2101

New Web Feature to Help Consumers

The Bureau of Automotive Repair has added a new feature to its Web site that allows consumers to check the license status of automotive repair dealers online. The Web page, www.dca.ca.gov, also enables the public to look up information about smog, lamp and brake stations.

The site offers information about:

- ◆ Business Name and Address
- ◆ Owner's Name
- ◆ License Status
- ◆ Disciplinary Actions
- ◆ Related Licenses

Consumers can use this handy resource to help them make informed decisions about automotive repair dealers and Smog Check stations before they take their cars in for repair. ■

Air Conditioning Regulations Update

Following public hearings last January, our proposed air conditioning regulations have been simplified. They now require specified equipment and minimum system checks when using terms such as air conditioning "service" or "inspection."

As required by law, the Bureau of Automotive Repair also submitted the revised proposed regulations to all "Interested

Parties" for written comment.

Those comments have now come back and BAR's management team is busy reviewing them.

The BAR team will soon determine whether the current proposed regulatory package is adequate to protect consumers, as well as to promote a fair and competitive automotive repair marketplace. ■