

# Data Sharing in the Collision Industry and Its Unintended Consequences

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# Situation Overview

- ▶ CIECA EMS Standard released in April 1994
- ▶ Designed to allow shops to import P-page logic estimate data into a body shop management system
- ▶ Designed for internal shop use only
- ▶ External information security was not considered in the design
- ▶ The value of the EMS Standard soon became identified as an excellent external eCommerce tool

# Situation Overview

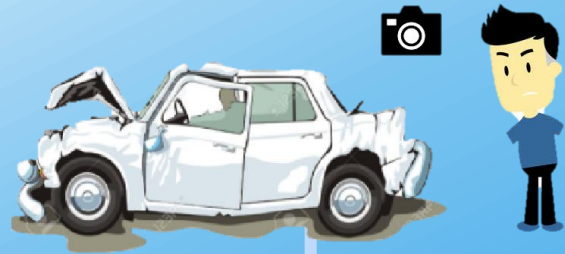
- ▶ Several start up companies have built their businesses around processing EMS estimate
  - ▶ Claims Processing
  - ▶ Integration with industry stakeholders
  - ▶ Data Mining for reporting purposes
- ▶ ActiveX controls and data pumps have become prolific on shop computer systems
- ▶ Once a data pump is installed on a shop computer systems, it can copy every estimate indefinitely (until it is uninstalled)

# Situation Overview

- ▶ Repair Data, “the new found gold” in the collision repair industry, has created opportunities to sell information gathered from the EMS estimate
- ▶ The data is being used way beyond what most people recognize
- ▶ It is a misnomer for shops to believe third party providers can successfully manage Personal Identification Information (PII) and repair data through IT providers with their integration partners



# EMS Personal Information & Data Flow



Collision Shop creates estimate. Calculate, saves and exports data.



Uploads to Estimating System Provider

Attaches EMS via ActiveX Control or Data Pump

- Parts Search Databases
- Parts Procurement Providers
- Third Party Claims Processors
- Business Mgmt. Systems
- Repair Information
- CSI

- ✓ Vehicle History Reports
- ✓ Parts Pricing & frequent replacement
- ✓ Vehicle Repairability
- ✓ Vehicle Owner Demographics

# The Unintended Consequences

- ▶ A complete lack of control of vehicle owner (customer) PII
- ▶ Data is being shared across multiple industries without vehicle owner or shop consent or knowledge
- ▶ State(s) regulations on PII are coming into play and your business may be subject to them
- ▶ Businesses can no longer ignore the potential liabilities by not protecting PII and associated data

# Data Security, Information Privacy

## Data Security

- Physical & Logical Security to prevent unwanted access
  - Routers, Firewalls, VPN, Passwords, Anti-virus software
- Keep the 'Bad Guys' out
- Every business is responsible for their own security

## Information Privacy

- A business's policies and procedures aimed at protecting information
- Each business should develop a program of 'controls' designed to ensure information is adequately protected and shared appropriately
- SOC 2 Certifications / Sarbanes Oxley Certifications

## Data Segmentation

- Designing systems, processes and integrations to only share the data that is necessary to do the job
- Understanding just what information is necessary to share with business partners
- An important design consideration in the CIECA BMS and CAPIS standards



# Addressing the Problem

- ▶ Awareness to this issue has become a well recognized concern in the collision industry
- ▶ The author(s) of the estimate and or repair must take responsibility to secure the information from being misappropriated
- ▶ A solution needs to be offered to shops that deletes the PII before sharing the estimate and controls the repair data based on trading partner need
- ▶ Based on current information, a solution for shops that will meet regulatory compliance and control the data flow will be available in 2022



Questions?



# Thank You!

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