February 15, 2022

Attn: Collision Repair Program Participants

RE: Paint and Body material rate increase and membership fee

Dear Collision Repair Partners,

I am writing to let you know ICBC is making adjustments to material cost allowances to recognize the challenges collision repairer suppliers are facing as a result of the escalating cost of materials. We are increasing the paint material rate to $50.81 and the body material rate to $6.52.

We will provide information about the effective date as soon as we can. We are aiming to have the new rates in place by the end of March 2022 – or sooner, if possible.

In determining the new rates, we worked with paint suppliers to collect data on cost increases and build an understanding of other factors that could influence prices in the future. The data provided by paint suppliers was critical to understanding how costs are evolving and key factors to be considered.

As you can appreciate, we are operating in an unusual time, with the pandemic creating supply shortages and driving up the cost of goods movement. Given the uncertainty in the supply chain and the potential for rapid changes in pricing and availability of materials as the current supply chain situation evolves, we will be conducting another review of material allowances next year. We know this is important to our business partners and commit to reviewing these cost allowances on an annual basis.

We want to thank Color Compass Corporation and Horizon Paint & Auto Body Supplies for their support. The data they provided and knowledge they were able to share with us was integral in building our analysis and review process.

We are also eliminating the $150 Annual Membership Fee. It will no longer be required as part of our Collision Repair Program going forward. The Collision Repair Program guide will be updated to reflect the removal of annual membership fee.

If you have any questions, please contact your ICBC Account Services Representative.

Sincerely,

Alden Li,
Director, Claims Customer and MD strategy