



The SEMA Show

Vegas was back in full swing!

AS A LONGSTANDING SEMA AMBASSADOR, WE REACHED OUT TO OUR COLLEAGUES IN THE US MEDIA AND THE SOCIETY OF COLLISION REPAIR SPECIALISTS TO GET A FIRST-HAND PERSPECTIVE ON THE SEMA SHOW FROM LAS VEGAS.

Cars, cars and more cars

As we here in Australia begin to ease restrictions both domestically and internationally, across the Pacific the SEMA Show was in full swing. Organisers delivered a COVID-safe event over the four days and, as it turned out, SEMA 2021 was the largest North American automotive trade show since the pandemic started.

The show was officially opened with an industry breakfast featuring some of the hottest new products and special guest Jay Leno testing a customised Mustang built for musician Keith Urban. With more than 1,300 exhibiting companies and 51,000 buyers committed, the week kicked off full of expectation.

Exhibitors wasted no time showcasing their new products and making industry announcements, as customers enthusiastically navigated the convention centre seeking to

reconnect and strengthen existing partnerships as well as developing new relationships.

Trending at this year's SEMA Show was electrification and electrified vehicles. Whether it was a modification for a new electric vehicle or the ability to modify an ICE vehicle with a new electric motor, exhibitors and builders demonstrated that the EV market is a rapidly-growing segment for the

aftermarket. Leading the way was the dedicated "SEMA Electrified" area where the latest innovations and cutting-edge technology took centre stage, with electric vehicles and products designed for modifying electric vehicles or converting vehicles to electric power really capturing the attention of the crowd.

SEMA Hall of Fame inductee Chip Foose displayed the largest collection of Foose-built vehicles featured in a special corral that highlighted some of the most influential and important vehicles created at Foose Design. Highlights include the '56 Ford F-100 "FD-100" built for Foose's "Overhaulin'" television series and the "0032", which won the Grand National Roadster Show's "America's Most Beautiful Roadster" award in 2000. It also featured several Ridler Award-winning builds including "Impression", "Imposter", "Grandmaster" and "Stallion".

One of the show highlights - and long-time crowd favourite - is the Battle of the Builders, which starts off with 40 entrants before being narrowed down to the 12 finalists across the Hot Rod, Sport



Keith Urban (L) with Jay Leno.





The Chip Foose Experience: photo Larry Edsall.



The awesome Ford display.

Compact, Truck and Off Road and, of course, the Young Guns categories. Young Guns winner this year was Dayton Jacobson with his 2000 Chevrolet S10, and the overall winner was Robert Matranga with the awesome 1955 Chevrolet Bel Air, "Brute Force".

Matranga said: "Every part of Brute Force has been scratch-built or heavily

modified to appeal to enthusiasts with a seemingly infinite number of details. Brute Force gets its name from the Mike LeFever-built 540ci Merlin engine that is topped with Arias Hemi cylinder heads and force-fed by a pair of Garrett turbochargers through a custom-built Hogan intake. We detuned the 1,400hp powerplant to a drivable 800hp."

Our Custom Corner correspondent, Owen Webb, added: "It was great to see so many of Foose's builds together in the one display and although there were no well-known builders, such as Ring Bros or Rad Rides, this year's Battle of the Builders was won by a great guy with a really great car."



Magnatude.



America's Most Beautiful Roadster.



Battle of the Builders Champion.



Young Guns Champion.



Classes and camaraderie

John Yoswick, our regular US correspondent, took the opportunity to attend some of the great face-to-face events in Las Vegas during “SEMA week” and gave a first-hand perspective of two of the big conferences: the MSO Symposium and the Collision Industry Conference.

MSO Symposium

The 10th annual “MSO Symposium” kicked off the week, bringing together owners and operators of multi-shop operations along with representatives

from insurers, investment firms, technology firms and other industry vendors. About 150 people attended the day-long event.

Industry consultant Vincent Romans said the pandemic didn’t halt consolidation within the US repair industry, saying the recent growth of MSOs has been “as aggressive as almost any year that we’ve been tracking this”. He said that in the first 10 months of 2021, 38 MSOs with 254 locations in the US and \$698 million in combined sales have been acquired, which is on pace to match the level of consolidation in 2020.

Romans added that there are currently 14 private equity firms with

investments in US collision repair businesses, with combined annual sales of \$9.1 billion, a market share of about 26% of the entire US collision repair market.

Another mainstay speaker at the MSO Symposium, Susanna Gotsch of CCC Intelligent Solutions, said overall claims in the first three quarters of the year were up about 9% in the US, although down a significant 15% compared to pre-pandemic 2019.

Looking ahead, she said, a key factor will be the degree to which the 30-40% of workers still working remotely return to offices, bringing a return to the congested rush-hour commutes that disproportionately contribute to crashes. Even if congestion rises, Gotsch doesn’t foresee a sudden drop in the higher levels of distracted driving and speeding that has taken root during the pandemic. “People do not unlearn bad driving habits quickly – they learn them quickly, but they do not unlearn them quickly.”

Overall, she believes it’s likely that claim counts in 2022 will remain down from what they were in 2019. “We expect to continue to see steady growth, month over month, so by 2023, we will likely be more on par with where we were in 2019.”

Gotsch concluded by saying that the overall cost of repairs has increased “way above anything I have seen historically”, citing one of the key reasons as the cost of parts. “CCC data shows that the average cost per part – across all part types – has been fairly stable over the past couple of decades, typically rising 1% or 2% a year. That all changed in 2021, with the average cost per part increasing by 7% so far this year, the largest increase we’ve seen for 25 years, as parts manufacturers pay significantly more for things like raw materials and shipping,” she concluded.

Collision Industry Conference

A panel discussion at the Collision Industry Conference (CIC) focused on how LiDAR works as part of a vehicle’s advanced driver assistance systems and what collision repairers will need



Vince Romans and Susanna Gotsch.



The Collision Industry Conference in full swing.

to know about the technology. General Motors, Lucid and Volvo have announced that some new vehicles in 2022 and 2023 will include LiDAR. “Most of the major manufacturers have a desire to put LiDAR on their vehicles by 2024 or 2025. It will be a major trend in automotive,” said Cibby Pulikkaseril, chief technology officer and co-founder of Baraja, an Australian company developing LiDAR systems.

Whether positioned at the front roof line, behind the windshield, or within the grill or headlamps, LiDAR needs a surface in front of it that is clean and free of abrasions. Typical laminated windshields are designed to block the type of infrared lasers used in LiDAR systems so any replacement windshield installed in a vehicle with windshield-mounted LiDAR will need to meet the proper specifications, including related to tinting. “The windshields have to be designed for LiDAR transmissivity, so you would not be able to replace it with just any windshield – you will need to get the specified one,” said Pulikkaseril.

Abrasions to the windshield from road debris or other sources, or other glass in front of LiDAR will also obscure the system’s “view” of the road ahead. “I think what you’ll see is that many of the LiDARs mounted to the vehicle will have ‘obscure detection’, so it will self-report that the windshield, or whatever the LiDAR is going through, has stopped

transmitting. It will indicate to the car that it’s not functioning anymore, and I think there’s going to be a need to have a regular recalibration just to verify that the LiDAR is operating as expected,” concluded Pulikkaseril.

Training for the future

Another panel discussion at the CIC demonstrated the value in collision repairers working closely with the schools that are training future technicians. Justin Clubb, the general manager of a shop in Iowa, was concerned the training program at a school in his area seemed to be more about “restoration” and “working on stuff that is not relevant to the collision industry”.

When the school announced a new dean, Ashlee Spannagel, for its career and technical education programs, Clubb asked to meet with her. Spannagel told CIC attendees at the meeting that she previously knew nothing about the collision repair industry other than being “a frequent flier of Campbell’s Auto Body because I kept running into things.”

Clubb spent a lot of time working with Spannagel and helped connect her with contacts at I-CAR, the Collision Repair Education Foundation and other industry organizations. Along with faculty and other volunteers, the two spent hours moving and sorting through dozens of totes of tools and supplies stored in the program’s shop,

including 3,000 rolls of electrical tape, and more than 12 pallets of bulk tools. “If you need 800 10-millimetre wrenches, I am your girl – I know where they are,” Spannagel said, soliciting laughter from CIC attendees.

About 18 months later, she said, their combined efforts have “completely transformed” the school’s collision repair program. “We now have invested over \$US500,000 into a state-of-the-art facility, and we now have a relationship with the industry. We are listening now, we are acting now, and we are changing as a result. We are undergoing a curriculum revision and will have more students who will be better equipped and better qualified in the future.”

Repairer Driven Education

As always, SEMA would not be SEMA without education and training, and it was the SCRS and their Repairer Driven Education (RDE) program that once again led from the front. We reached out to SCRS Executive Director Aaron Schulenburg to get his view on the show and the education program.

“Being a long-term partner of the SEMA Show, we had more insight than most into what we could expect as we saw the early registrations for the education program really take off, even outpacing 2019. We took this as an indication that people were really hungry to reconnect and be part of an event that has education as a key component.”



Justin Clubb at the CIC.



The SCRS Booth at SEMA.



Schulenburg went on to say that when the show began, it was clear that Vegas was alive. The industry was there, the exhibitors were there, and people were so happy to be walking the show floor once again. The halls were busy – even with the density limitations – and the show was just as vibrant and exciting as ever.

Although the international visitor numbers were down significantly on previous years (obviously), the domestic audience was over 80% of SEMA 2019 which, under the circumstances, was a phenomenal turnout. The attendees were focused on doing business and educating themselves and Schulenburg said the energy could be felt in the aisles and throughout the halls.

Turning to the Repairer Driven Education program, Schulenburg was absolutely thrilled with the turn out as attendees were once again circa 80% of the SEMA 2019 numbers which, given the challenges of the past two years is a real win for all involved.

“As an association, our job is to lift the industry, educate and be a voice of advocacy, which is all about helping people be more successful. This year the program really delivered and it’s something of which we are particularly proud. Although feedback was still being collected and collated, the initial response was that the material was exactly what the collision repair industry needed today. We delivered a wide variety of topics throughout the event and endeavoured to make sure there was something for everyone. The feedback thus far suggests that we hit the mark.”



Aaron Schulenburg.

The Repairer Driven Education program approach is three-fold: the “regular classes” are aimed at giving repairers tangible solutions to everyday challenges; the OEM Technology Summit is focused on the future and how best to prepare for it; and Ideas Collide is based on the Ted Talk approach, covering a range of unrelated topics in no more than 10 minutes each.

The OEM Technology Summit was built around:

- Electric vehicles, involving both Lucid and Rivian together for the first time, which was a real coup for SEMA.
- Telematics and how insurers use the data.
- ADAS and safety in the vehicles of today and those that are in the pipeline.

“At the Summit, we were able to get car manufacturers to open up and engage with the collision repairers, which is a real testament to the

respect they have for each other,” said Schulenburg.

The Ideas Collide sessions were delivered by the real movers and shakers of the industry. Topics included: the role of artificial intelligence in claims management; preparing for ADAS; the industry’s role in sustainability; and again, a short, sharp overview of the impact of telematics. “The feedback from these sessions was that although some of the topics were not quite front of mind, attendees were really glad they came along.”

Schulenburg was keen to highlight that this was the first year that they had a camera crew in every one of their education classes and they are really looking forward to uploading them to their platform to enable those who were unable to attend to see the entire program online.

“Overall, SEMA 2021, whilst not the biggest, was arguably one of our most successful events as it was delivered ‘against all odds’. It was testament to the leadership taken by associations such as SEMA and SCRS, who collectively led by example to make SEMA 2021 happen. As the attendance showed, there is no substitute for the face-to-face interaction you get at a show like SEMA, whether it’s doing business on the show floor or engaging in the education programs. This year it was the perfect event in an imperfect year, and I have no doubt that 2022 will be bigger and better than ever,” Schulenburg concluded.



The OEM Technology Summit.



Collision Industry Achievement Award winner Jeff Peevy.”.

Conclusion

As is tradition at SEMA, the curtain came down on the event with SEMA Ignited, where the public get to see (and hear) the biggest and the best of SEMA at this mind-blowing afterparty.

As it's been two years since the last parade of custom vehicles and the Formula Drift competitors that narrowly miss the cement drift box barriers, the crowd was out in droves and the event was quickly sold out. The combination of flames shooting from the chrome headers of vintage dragsters, the unmistakable smell of nitrous and burning rubber, and the sounds of squealing tyres and hard rock music had the crowd chanting for more. There was no doubt that SEMA Ignited was back.

Owen Webb summed it all up: "This is the first SEMA Show I've missed in 12 years and when the photos started to come through, I realised how much I missed it. Next year will be huge and I just can't wait to get back to Vegas."

Editor: Our thanks go out to Aaron Schulenburg, Juan Torres, Owen Webb and John Yoswick for their contributions to this report. It is clear that SEMA 2021 was a great success and will be back even bigger and better next year. Lock it in your calendars for 2022!



Seems like only yesterday.



SEMA Ignited.



The all new Las Vegas Convention Centre.