



**INDEPENDENT™
Glass Association**

News Update

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Glass Companies Garner Second Major Court Victory

The Connecticut Supreme Court has released its official opinion that the pricing communications sent by Safelite on behalf of Hanover Insurance Company did not bind the glass companies to Safelite's/Hanover's prices when the glass companies performed replacement services. In a series of consolidated cases brought by Auto Glass Express, Inc. and Ed Steben Glass Company, Inc. against Hanover, the insurer had argued that Safelite's pricing communications bound the glass companies to accepting the insurer's reimbursements on the theory that such communications constituted offers for unilateral contracts which were accepted by performing the work. The justices of the Connecticut Supreme Court unanimously disagreed.

Chief Justice Rogers wrote for the Court: "Nothing in the language of the pricing letters, either expressly or impliedly, suggests that the mere performance of glass repairs on automobiles insured by the defendant was sufficient to bind the plaintiffs to the defendant's prices." The Court further noted in a footnote that even if the letters had been interpreted differently, the insurer had still not established that the glass companies were bound by the terms contained in the letter even if they performed the work because the insurer would have to prove that the glass companies' conduct "objectively manifested acceptance of the defendant's offers." Chief Justice Rogers went on:

In the present case, the plaintiffs performed glass repairs and promptly sent the defendant invoices requesting payment in amounts greater than the amounts set forth in the pricing letters. Because the defendant received notice of the plaintiffs' requested reimbursement at the same time it received notice that the plaintiffs had rendered the requested performance, it was not objec-

tively reasonable for defendant to conclude that its offer had been accepted.

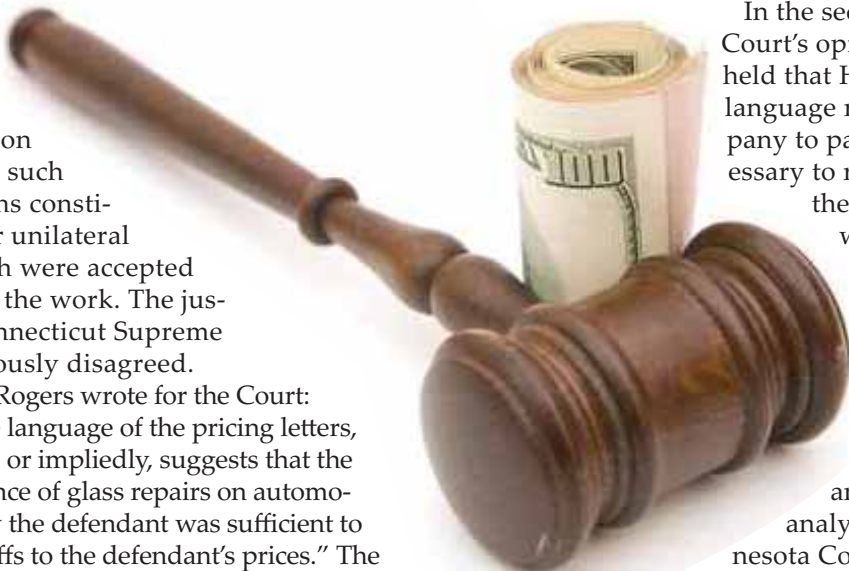
The unilateral contract defense had been gaining in popularity by insurance companies facing growing challenges to their short payment of glass invoices. The thoughtful and thorough analysis of the Connecticut Supreme Court, combined with the similar analysis of United States District Judge Patrick Schiltz (who also firmly rejected the defense when raised by an insurer), should seriously inhibit the persuasiveness of the defense in future cases.

In the second part of the Court's opinion, the Court held that Hanover's policy language requiring the company to pay the amount necessary to repair or replace

the damaged glass with other of like kind and quality to mean that Hanover is required to pay an amount that is reasonable in the market. This analysis mirrors the

analysis of the Minnesota Court of Appeals from nearly a decade ago in a case between Glass Service Company and Progressive. It means that insurers will be required to justify their reimbursements based on what glass companies are charging rather than what the insurer unilaterally chooses to pay.

IGA counsel Chuck Lloyd, a partner in the Minneapolis law firm of Livgard & Lloyd, was the attorney for the Connecticut glass companies. Following the Supreme Court's decision, he stated: "This opinion could not be better for glass companies in Connecticut and across the country. Insurance companies, when called to account for their short payments, typically try to avoid having to



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justify their reimbursements on the merits. Instead, they want to raise defenses that have nothing whatsoever to do with whether they have fulfilled their policy obligations. When they do get around to trying to justify their payments, they want to focus only on those payments and not what the glass company charged. The Connecticut Supreme Court, applying basic contract and insurance law that most states follow, made it clear that these defenses are misplaced and should not stand as a bar to a glass company pursuing reimbursements that are reasonable in the market.”

Lloyd went on: “The glass companies in this case, like all the glass companies that I have represented, do not ask the insurers to pay one penny more than the insurance policy requires them to pay. Nor should they accept one penny less. No glass company should.”

This is the second important legal victory achieved by glass companies this summer. In July, a group of Minnesota glass companies succeeded

in persuading the Minnesota Supreme Court to reaffirm the validity of post-loss assignments of insurance proceeds as a means of granting the glass companies standing in court to pursuit of short payments. Insurers had challenged glass companies’ ability to seek additional funds after being short paid.

The Connecticut case involved companies headed by individuals who should be very familiar to the independent segment of the auto glass market. Kurt Muller, president of Auto Glass Express, is a former president of the Independent Glass Association and was one of the very first advocates for shifting billing away from the glass and toward reasonable hourly rates for installation. Bob Steben, president of Ed Steben Glass, Inc., was formerly a member of the IGA Board of Directors and a frequent speaker at IGA conventions on issues involving short payments.

The case now returns to the trial court for a decision on the merits of the glass companies’ claims.

Don't Miss These Great Seminars at the IGA Fall Marketing Conference!

November 6-7, 2009 • Mandalay Bay Convention Center • Las Vegas, Nevada

Bear vs. Steer: The California Steering Battle

A warrior in the fight against steering will discuss what working on the California steering fight was like and what he learned from his experiences fighting against illegal practices. He will also talk about how to put this information into practice in your own state.

Twitter, What is That? Social Networking 101

Twitter and Facebook and Linked-In, oh my! They are not just for kids these days. Social networking plays an important role in today's business world and understanding how it works can give you the edge over your competition. Come learn about the different trends in social networking and what these tools can do to boost your business and bring in new clientele.

Internet Marketing: Optimizing Your Local Search

Using the Yellow Pages is old news. The majority of auto glass business is done right over the Internet and it's about time you get the Internet working for you. Learn how to market your company over the Internet in an effective and valuable manner that increases your company's business.

Selling Quality Over Price

The best selling point you have is good quality. In a world where cheap prices are a top priority, learn how to educate consumers on the importance of good quality and safety. This is an opportunity for glass shops to learn how to enhance and promote the quality of their work over the cheap prices that others offer.

And Many More!

IGA Marketing Conference

Where Independents Come Together to Learn



What is the IGA?

The Independent Glass Association (IGA) is the only association dedicated to the needs of the independent glass companies in North America. Its members are also dedicated to the professional and ethical installation of glass in a safe and proper manner. IGA members are located in all 50 states and ten countries.

IGA Mission Statement

The mission of the IGA is:

- To secure free and fair access to glass services for its members by defending and promoting the consumers' right to choose their glass service providers;
- To advance ethical business practices and encourage pure competition;
- To promote safe and proper glass

services to consumers in accordance with all applicable standards and laws;

- To be a source for education, resources and information to the glass industry; and
- To serve as an advocate for independent glass service providers before customers, insurers, regulatory and legislative entities and other groups.

Moving on Up!

Please note the Independent Glass Association's Marketing Conference will be held in the Surf Session Rooms which are located on the second floor of the Mandalay Bay Convention Center. For those of you returning to the event, instead of heading down to registration and the seminar rooms, we are now one level up from the show floor.



“After only one day at the conference, I was able to get plenty of useful information on marketing strategies to head home with a number of new ideas.”

—IGA member Adam Nulton, Northeast Auto Glass

November 6-7, 2009

**Mandalay Bay Convention Center
Las Vegas, Nev.**

Sponsored by the Independent Glass Association (IGA).



IGA Seminar Topics

- IGA Certification Training & Testing
 - Get Online: Quote Tools—Yes or No?
 - Get On the Tube: TV Commercials 101
 - IGA Steering Tracking Update
 - How to Get Free Publicity – All the Time
 - Internet Marketing Update: Social Networks & How to Use Them
- Visit www.iga.org/marketing.php for a complete listing.

Where to Stay

IGA has teamed up with Auto Glass Week™ to provide its attendees with great room rates at the local Las Vegas hotels. Take your pick from Luxor for \$109/night, MGM for \$109/night, Excalibur for \$41-83/night, New York-New York for \$119/night and Mandalay Bay for \$149/night. Simply visit www.iga.org/marketing.php and click on the Housing Link for the official housing block.

By Attending the IGA Conference You'll Receive:

- All the IGA Seminars and Workshops
- Networking Opportunities with Colleagues and Related Industry Peers
- Admission to the Welcoming Cocktail Party Friday Night
- Admission to the NACE Trade Show*
- Admission to the Walt Gorman Memorial Windshield Repair Olympics*
- Admission to the Pilkington Classic Auto Glass Technician Olympics*

* Learn more about these separate events on pages 24-33.

IGA Schedule at a Glance

Please note schedule is tentative and subject to change. Please check online for updates.

Friday, November 6, 2009

- 7:30 a.m. – 6:00 p.m. Registration Open
- 6:00 p.m. – 8:00 p.m. Welcoming Cocktail Party

Saturday, November 7, 2009

- 7:30 a.m. – Noon. Registration Open
- 8:00 a.m. – 8:30 a.m. Event Opening and Welcome
- 8:30 a.m. – 12:00 p.m. Seminars and Demonstrations
- 12:00 p.m. – 1:00 p.m. Lunch On Your Own
- 1:00 p.m. – 3:00 p.m. Seminars and Demonstrations

Note new location, all registration and seminars are now on the second floor.

Fees are:

	On-site Registration
Full Registration — Member of Either NWRA or IGA	\$225
Full Registration — Member of Neither NWRA or IGA	\$275
Combo Full Registration for NWRA and IGA Conferences for NWRA and IGA members	\$425
Combo Full Registration for NWRA and IGA Conferences for Non-members	\$525

*Note –NWRA Members receive the IGA Member discount pricing as a member benefit.

*Note – all prices will increase for on-site rates.

Use page 37 to sign up as an IGA Conference Attendee.



“In this day of rapid consolidation and tough economic trends, independents must be able to market their companies and build their own brands. The IGA Marketing Conference provides many of the tools necessary for a company to do so.”

—David Zoldowski, president of IGA