

Simplifying the Warranty Claim Process

New Standards-Based Tool Uses VMRS and TMC RP 807 To Cut the Cost of Reporting Vehicle Condition, Generating Repair Orders, and Filing Warranty Claims

Automobile owners with warranty claims have no idea how lucky they are. Everything on their vehicle is covered by a single warranty, from a single manufacturer, filed with a single claim process. In fact, the owner may never see paper work from warranty repairs and replacement, much less have to fill out the forms.

The world of heavy-duty trucking is very, *very* different.

*By Bharat Thacker
President, RapidWarranty.com*

The difficulty begins with the fact that there really is no such thing as a “standard” truck. Fleet buyers typically specify virtually all of the major components on the vehicles they purchase for reasons of compatibility with existing equipment, applicability of mechanic training, commonality and availability of spare parts, and other reasons. Each of those components carries its own warranty from the individual manufacturer, complete with proprietary claim codes and procedures.

It’s not at all unusual for a fleet to maintain a dozen or more dedicated computer terminals,

each of which is used to process claims for components from a single OEM or supplier. Those terminals are operated by groups of highly-skilled personnel familiar with the idiosyncratic processes and vendor specific codes. In many cases, claim filing is a full-time job for the operators, and a major component of maintenance overhead cost for the fleet that employs them. And that’s all after the warranty issue is discovered, repaired, and documented.

The Need for Standards

Obviously, the warranty claim filing process could be greatly simplified, and the cost to fleets reduced significantly, if there were a standard set of claim codes and filing procedures that applied to everyone involved. Fleets and repair facilities really need one identical way to file warranty claims, regardless of who they are being submitted to. Industry groups, such as Technology & Maintenance Council, have been working toward that goal, and significant progress has been made toward the creation of industry-wide standards.

However, the warranty claim is only the last step of a continuing process that begins with the generation of a daily driver vehicle inspection report (VMRS Form 40) by the driver. Much of the information required on the form is also required at subsequent steps in the process.

Existing paper-based systems

Existing paper-based systems force drivers, technicians, and claims specialists to duplicate a great deal of effort copying this data to meet their specific needs.



Claim Number:	UNKNOWN	Status:	New	Customer:	John Stock	<input type="button" value="Search"/>
Claim Date:	1/3/2008	Amount:	0	Account:		<input type="button" value="New Claim"/>

Customer	Description	Equipment	Failure Info	Failure Assy(Pri)	Failure Assy(Sec)	Parts	Labor	Progressive	Other Charges
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Failure Information - Failed Primary Assembly

Primary Failed Part	Primary Replacement Part	<input type="button" value="Save"/>
Model Number: <input type="text"/>	Model Number: <input type="text"/>	<input type="button" value="Save & Next"/>
Serial Number: <input type="text"/>	Serial Number: <input type="text"/>	<input type="button" value="Submit"/>
Part Number: <input type="text"/>	Part Number: <input type="text"/>	

Primary Component

Code (CK31) - System:	027 - Transmission - Main, Automatic
Code (CK32) - Assembly:	027-004 - Direct Drive Clutch Assembly
Code (CK33) - Component:	027-004-003 - Seal - Clutch Piston, Inner
Supplier Code (CK34):	<ul style="list-style-type: none"> 027-004-000 - Direct Drive Clutch Assembly 027-004-001 - Clutch Assembly - Direct Drive 027-004-002 - Seal - Clutch Piston, Outer 027-004-003 - Seal - Clutch Piston, Inner 027-004-004 - Piston Assembly - Clutch 027-004-005 - Ball - Clutch Exhaust 027-004-006 - Thrust Washer - Pump Cover To Drum 027-004-007 - Drum - Clutch 027-004-008 - Spring & Retainer - Clutch Return 027-004-009 - Spring - Clutch Cushion 027-004-010 - Hub - Direct Clutch

force drivers, technicians, and claims specialists to duplicate a great deal of effort copying this data to meet their specific needs. Each time the data is copied also represents an opportunity for errors and mistakes to enter the process. Any repair orders generated are also paper forms (VMRS Repair Order Forms 6 and 7) that need to be included in any comprehensive solution.

Clearly, the best answer for streamlining the entire process is a standardized system that uses common data fields and codes at each step from identifying a problem to processing a warranty claim. Ideally, a computer-based system designed to meet this need will provide the added benefit of performing data validation during data collection with no additional effort on the part of the operator, mechanic, or warranty claims specialist.

RP 807 and VMRS 2000

TMC took a major step with the publication of Recommended Practice 807, "Universal Equipment Claim Process," (formerly known as the Universal Claim Form) which is intended "to standardize the process by which equipment users file warranty and other types of claims with equipment and component manufacturers. This RP establishes standard fields for inclusion on claim process forms. This RP applies to all types of commercial vehicle equipment."

RP 807, in turn, builds on the work done developing RP 802, "ATA/TMC Vehicle Re-

porting Maintenance Standards," which is the foundational document of TMC's VMRS 2000. The objective of VMRS 2000 is to provide the vital communication link between maintenance personnel, computers and management. It establishes a "universal" language for fleets, OEMs, industry suppliers, computers, and those people whose responsibility it is to spec, purchase, operate, and maintain equipment.

Developed by and for equipment users under the auspices of the TMC, VMRS provides the discipline necessary for different industry segments to communicate with each other. VMRS is the shorthand of maintenance reporting, eliminating the need for extensive written communications with all the inherent problems of miscommunication normally associated with the written word.

The standards-based approach embodied in VMRS 2000 offers a number of important advantages to those fleets and repair facilities that adopt it.

Using VMRS 2000 helps:

- Support warranty claims;
- Improve PM programs;
- Benchmark equipment and labor productivity;
- Benchmark component performance
- Assist equipment replacement decisions; and
- Satisfy reporting requirements

What VMRS 2000 gives the industry is a comprehensive system for generating and pro-

"What we've done is develop a system that uses the universal codes and data fields developed for RP 807 and VMRS 2000 to automate the process of submitting warranty claims."
 — Bharat Thacker

NEW PRODUCT SHOWCASE

Claim Number: UN9NCHN Status: New Customer: John Stock
Claim Date: 1/2/2008 Amount: 0 Account:

Unit / Equipment Information

Unit Number: Vehicle Hours: Save
VIN: Part Hours: Save & Next
Model: Odometer: Submit
Date In Service: Part Odometer: Miles / Kms
Service Part? Yes / No

Vehicle Manufacturer (CK3): VLVNA-Volvo Trucks North America, Inc.
Equipment Activity (CK1): 10-Linehaul (non-refrigerated)
Equipment Category (CK2): 11-Combination Service (predominately linehaul, non-refrigerated)

The system is designed to accurately format and route claims information to manufacturers using only the standardized information from the RP 807 and VMRS 2000 forms.

processing vehicle maintenance information in a seamless, consistent process. It offers standards for driver reporting, generating repair orders, documenting maintenance performed, and filing warranty claims.

The codes used in all phases of VMRS 2000 are consistent, and mean the same thing whether they are used by a driver to report a problem, a mechanic to generate a repair order, or a claims specialist to submit a warranty claim.

Of course, the RP 807 and associated VMRS codes also have to be accepted by the OEMs and suppliers as well. The Truck and Heavy Equipment Group of the Automotive Industry Action Group (AIAG) handled this portion of the task. In technical terms, they “harmonized the XML version of the EDI Transaction 142” with RP 807. In layman’s terms, that means all the fields and codes mean the same things at both ends of the transaction, and the whole process can be done electronically.

Automating the Process

VMRS 2000 is a powerful advance for the industry, with significant benefits for all who use it. A number of computer software vendors have incorporated VMRS 2000 coding into their stand-alone products intended to automate shop floor processes. But, that’s as far as it has gone in terms of computer-based systems.

That’s changed with the introduction of RapidWarranty.com’s web-based implementation of RP 807 and VMRS 2000 for industry-wide warranty claims processing. The system that uses the universal codes and data fields developed for RP 807 and VMRS 2000 to automate the process of submitting warranty claims. It’s designed to accurately format and route claims information to manufacturers using only the standardized information from the RP 807 and VMRS 2000 forms.

It doesn’t matter what kind of shop floor

system a fleet or repair facility may be using, as long as the data fields and codes comply with the VMRS 2000 standard, the data can be used to submit the claim. Even if the fleet or repair facility is using paper forms, they will still be able to submit their warranty claims quickly and efficiently using the web-based service.

One set of codes, one terminal, one web-based application, and the warranty is quickly, efficiently, and automatically formatted and routed to the appropriate manufacturer. The claim submitter only needs to know how to log on to the web and accurately enter the information — the software handles everything else.

TMC members can demonstrate the service by logging on to the RapidWarranty.com website: <http://www.RapidWarranty.com>. Simply follow the instruction on the home page to log in and see how it works.

What’s in it for You

Standards-based reporting systems have a long history of improving the efficiency and accuracy of many activities. The widespread adoption of the various ISO-9000 series quality assurance systems is only one of many examples. For fleets and repair facilities, standards-based reporting using VMRS 2000 codes and data fields offers the potential to significantly reduce the time and cost associated with generating vehicle condition reports, repair orders, and warranty claims.

Implementing such a program can also provide the increasingly important documentation necessary to prove that urgent, safety-related maintenance operations have been performed on a timely basis. The bottom line for such a web-based warranty claims system can easily mean savings in the hundreds of thousands of dollars for even a mid-size operation.

OEMs and suppliers could potentially benefit from the streamlined process that lets users file warranty claims without disturbing the OEM or supplier’s existing warranty fulfillment processes. They will also be assured of receiving validated data that will reduce the errors, and subsequent interaction with filers that now complicate the warranty process.

Standards-based automation of vehicle reporting, maintenance, and warranty claims is clearly a solution whose time has come.

Bhrat Thacker has been an active member of the TMC’s VMRS Codes Committee since 2001 and chairs TMC’s Electronic Repair Order Task Force. He can be reached at 248-909-8224 or 248-909-3580.