

**Accident repair does not disqualify a car if it was done correctly**

## **Repairs yes, fraud no**

**Buyers avoid used cars rebuilt after accidents like fire. Is there really anything to fear? carVertical presents its position on the matter. The topic is complex, as not all damages are similar in scope, and not all repairs are carried out with equal care.**

One of the keywords that are most often typed into the search engines of advertising portals is the word "accident-free." It is not surprising that we want to buy used cars in perfect condition that have no accidents on their record. This gives rise to two market consequences. First, we are willing to pay a little more for such a car than its average market value. Second - cars with a transparent history that shows documentation of repairs are relegated to the background or completely ignored and wait for buyers for months.

### **No-fault decoy**

Unfortunately, this - as justified as it may be - approach to the matter even encourages scammers who want to make extra money on these market expectations. The word "accident-free" therefore appears in a large number of advertisements and is, unfortunately, just a buzzword with no cover to attract customers. Dishonest sellers count on the fact that if the car has been well or.... cleverly repaired, the buyer will not notice. And if something raises his doubts, one can always go into denial, explaining that "I, the seller, did not have any accident with this car" or that "damage to the hood or fender is not an accident, just a minor bump, so the term - accident-free - is as honest as possible."

One of carVertical's primary activities is to expose such cases and counter market pathologies. However, it should be noted that carVertical does not disqualify cars after body and paint repairs. The system's task is to present the true past of the car to protect buyers from overpaying. It's about pricing cars fairly with a transparent history and fighting scammers who make money by hiding inconvenient facts. Properly repaired cars are, after all, as drivable as possible, but they should not cost as much as cars with a crystal-clear past.

### **Polish "total damage" - a relative matter**

Many drivers are panicky about repaired cars, not even bothering to check what the extent of the damage was and how it was repaired. carVertical reports very often reveal such important details. Unfortunately, not everyone can draw reasonable conclusions based on them. For example, many people mistakenly assume, for example, that "total damage" is the verdict of an appraiser, who concludes that due to the extent of the damage, the car is not repairable, and the workmanship should be stigmatized.

This is total nonsense, because in Poland the concept of total damage was introduced by insurers and is related only to... the relation of the estimated repair costs to the market value of the vehicle. In fact, no regulation defines the term "total loss" in Poland. Insurance companies use the term when the estimated cost of rebuilding the vehicle stands in a certain relation to its market value. Interestingly, in the case of liquidation of damage from a third-party policy, it can be a situation when the repair estimate exceeds the market value of the car, and in the case of an AC policy it is higher than 70% of its market value (such rules may vary depending on the insurance company). Already at this stage you can see that total damage, total damage is unequal. The concept of "total damage" becomes even more discretionary/relative if we consider the market in which appraisers operate. This is because the cost of repairing the same vehicle in Poland and in Germany, for example, is presented differently. This is absolutely not necessarily due to the procedures for performing repairs, but, for example, to the labor rate per hour. It can be assumed that a very well-equipped Polish body shop will perform a given repair cheaper than an average service in Germany or, for example, Norway.

Differences in prices without differences in quality can also be seen within our market. Different prices for the same repair will be offered by an authorized service and different prices by an identically equipped unauthorized service. Thus, if the injured party has, for example, a year-old car and is entitled to a post-accident repair at an ASO, he may receive a total loss report from the insurer. If he had returned the same car to an independent service - total damage would perhaps not even be mentioned, and the car would have been properly repaired.

In conclusion - a trace of "total damage" in the history of a vehicle is undoubtedly a serious matter, but it does not disqualify the car in question.

Undoubtedly, a car in whose history there was a record documenting "total damage" could have been rebuilt in accordance with the art and is as driveable as possible, only that the seller should honestly inform the buyer about it and negotiate the price more flexibly.

Of course, total damage recorded in other countries may be of a completely different nature than in Poland. There are some countries in the world where total damage means a ban on re-registration within the country. The question of whether such a ban also carries over to Poland is already a topic for a separate study.

### **Traces of repairs may speak in favor**

Paradoxically, clear documentation of the extent of body and paint repairs may speak in favor of the car. The fact that they were done at a professional service center, which can show a complete list of replaced parts and present the scope of work done, should inspire credibility. It is much worse if the car's history suddenly breaks off and the vehicle is back on the market six months later. The break is clearly visible if only from the mileage, which was significantly lower in the year of repair than in other years. Here we no longer have any knowledge of the quality of the repair performed, which may indeed have been done haphazardly, without following procedures and geometric measurements. It is therefore better to know the full history of a car than to see white spots in it. This is the assumption CarVertical is making, working to the benefit of buyers.

Matas Buzelis, automotive expert / Head of Communications, carVertical:

*"We have never claimed that all repaired cars should be eliminated from the market. Our system serves to reveal the true history of cars, which should be the basis for their fair valuation. We fight against scammers who try to make money on rebuilt cars by telling buyers that they are selling accident-free cars. We have nothing against honest sellers. On the contrary, carVertical's reports confirming the stories claimed by the seller only builds the seller's credibility and helps get a fair price for the car, adequate to its value."*