

Parts Grading Guidelines

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Automotive Recyclers Association

3975 Fair Ridge Drive, Suite 20 Terrace Level North Fairfax, Va 22033 USA Toll-free: (888) 385-1005 Telephone: (703) 385-1001 Fax: (703) 385-1494

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Purpose

The ARA Parts Grading and Description Guidelines are intended to improve communication between automotive recyclers and their collision repairer, mechanical repairer and insurer customers. Many customers cannot decipher the codes used to describe the conditions and options of a recycled part. As a result, the part sale goes to another vendor or the recycled part is returned because it did not meet the customer's expectations.

This document brings standardized part descriptions and terminology to the parts inventory process. It identifies common parts and terms used to describe part conditions and part options. By standardizing part descriptions, the recycling industry can more easily set customers expectations and increase sales of recycled parts to companies in the repair process.

The E-Commerce committee is consistently analyzing additional ways of standardizing the parts grading process. In doing so, we have identified part types that fall into the following categories: Body Parts, Mechanical Parts, and MISC Part types. The categories are fundamental to ensure that automotive recycled parts are being graded by their appropriate format. Miscellaneous Parts are those parts where neither mileage nor units of damage best describe their quality. Instead Miscellaneous Parts are ONLY downgraded with NIQ. Please refer to <u>www.a-r-a.org</u> for more details.

Term	Definition
Unit	A "unit" is defined as damage not exceeding the surface area of a standard sized credit card.
Hours	A common, but subjective, description of damage where hours represents the time needed to repair a part. As recyclers and collision repairers seldom agree on the hours needed for repair.
A Grade	The highest quality part. An A grade part contains a minimum amount of damage.
B Grade	A second level quality part. A B grade part contains a moderate amount of damage.
C Grade	The third level quality part. Although still useable, a C grade exceeds a moderate amount of damage.
X	Un-graded part
NIQ	Negative Information or Quality

Terms and Definitions

Damage Types

B = Burn	K = Buckle
C = Crease	L = Lip
D = Dent	P = Parking Lot Dings
E = Bent	R = Rust on Surface
F = Finish	S = Scratch-Surface Only
H = Hail	T = Paint Problem
J = Rip/Crack	* = Not Specified

PART GRADING REQUIREMENTS

Body Part Grading

Sheet Metal Body Parts: Grading is based on any necessary repair time required to make the panel "Like New." Damage is represented by unit amounts. A unit, (which is defined by a whole number) represents damage that can be covered by a credit card sized object.

A Grade Body Parts

"A" grade parts are 1 unit or less of repair necessary.

Example: A front door assembly with a parking lot ding in the center of the door (5P1).

An entire front end or rear body sheet metal assembly in "A" condition will have three units or less of repair necessary.

Example: A front end assembly with a creased in the hood (6C1) and dented fender (5D2).

B Grade Body Parts

"B" grade parts greater than 1 unit and are 2 units or less of repair necessary.

Example: A roof with hail damaged (5H2).

An entire front end or rear body sheet metal assembly that is "B" grade will have 6 units or less (but more than 3 units) of total repair necessary on the entire assembly.

Example: A front end assembly with collision damage (6E4) on the bumper and rust (7R2) on the fender.

C Grade Body Parts

"C" grade parts are more than 2 units of repair necessary.

Example: A bent tailgate (2E4).

An entire front end or rear body sheet metal assembly that is "C" grade will have *more than* 6 units of total repair necessary on the entire assembly.

Example: A rear clip with collision damage on the tailgate (4E4) and quarter panel (4J5).

X Grade Body Parts

An X graded part does not contain enough data for the information provider to grade the part.

NIQ (Negative Information or Quality)

An abbreviation code recyclers use to have a part automatically downgraded to a "C" grade part that otherwise would have met the mileage or damage units guidelines to be classified as an "A" or "B" grade part.

A Grade Mechanical Parts

"A" parts have less than 60,000 total miles, or if over 60,000 miles, must be less than 15,000 miles per model year of age.

Example: An engine assembly with 50,000 miles.

B Grade Mechanical Parts

"B" parts have equal to or greater than 60,000 and less than 200, 000 total miles on them and have 15,000 miles or more per model year of age. "B" parts must have less than 200,000 total miles regardless of age.

Example: A 2003 transmission assembly with 90,000 miles.

C Grade Mechanical Parts

"C" parts have equal to or greater than 200,000 total miles on them regardless of age.

Example: An engine assembly with 250,000 miles.