



JARA NEWS

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JARA supports disaster reconstruction efforts after heavy rainfall in western Japan

The Japan Automotive Recyclers Alliance Corporation (JARA) was involved in the salvage of damaged vehicles in the western Japan area where record rainfall fell in July this year. Although JARA's activities still continue three weeks since the start its the group-wide efforts, in which 170 members from across the country are involved, are close to completion.

Immediately after the disaster, the JARA emergency response office was set up, led by director general Yuki Yoshi Domon, the JARA Group Chairman. The office decided to start damaged vehicle salvage efforts in the hardest hit areas such as Mabi Cho of Kurashiki City, the eastern part of Hiroshima Prefecture, where many vehicles were damaged by the flood due to the river's bursting its banks. The JARA emergency response team secured a temporary yard for damaged vehicle storage in the northern part of Mabi Cho and began salvage jointly with local member companies, in the beginning, however, the work was extremely difficult because the disaster-hit areas were extensive and road traffic was stagnant. Nevertheless, the group-wide efforts progressed, thanks partially to those who were involved in such disaster reconstruction efforts in the Great East Japan Earthquake in 2011. No accidents or injuries involving the participating members were reported.

This time, a video chat app exclusively for smartphones greatly helped communication and information sharing with a major insurer. The app, which was used for the first time in

assessments, allowed insurance adjusters to effectively determine the damage to the vehicles in the storage yard using online images (*JARA Public Relations*).

JARA Group holds front desk staff step 1 workshop

The JARA Group held its "2018 JARA Front Desk Staff Step 1 Workshop" at the Higashi Fuji Center of Nissay Aioi Dowa Automobile Research Institute, located in Susono City, Shizuoka Prefecture. The three-day workshop was designed to improve the participants' response abilities through practical training courses for front staff operations concerning recycled auto parts sales as well as vehicle body paint (BP) works.

"The vehicle body repair and paint (BP) work lesson" was a part of this year's as well as last year's workshop. Using an exterior panel of the vehicle, participants were expected to understand the process of repairing dents or scratches. A door panel with dents was chosen as the teaching material. After an Automobile Research Center lecturer outlined the repair work process, all participants experienced the whole process of the repair work from the coating film detachment, and pulling out of the dent to puttying, polishing, and applying primer to the surface. Participants then attended a lecture on recycled auto parts from the viewpoint of vehicle body repair and maintenance operators that covered the many uses of recycled auto parts. Some participants commented, "I realized that the BP work is difficult," and "I want to promote recycled parts in response to the extent of the damage."

Vehicle body repair operators suggested that they want to use recycled parts for exterior panel repairs even if those parts have scratches or dents. JARA is going to encourage the



operators to use more recycled parts by providing accurate information and comment on the shape of the damaged portion (*Daily Automotive News*, Aug. 16 issue).

Asian Automotive Environmental Forum to take place in India this fall

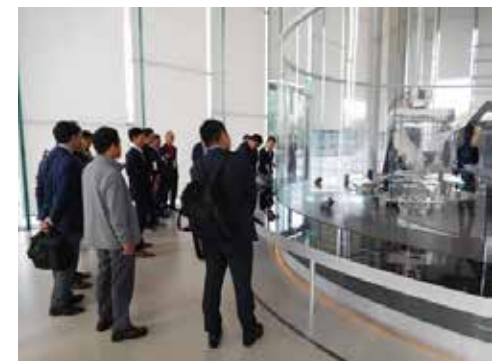
starts accepting applications

The 11th Asian Automotive Environmental Forum (AAEF) will take place in New Delhi, India, on October 31–November 2. The AAEF Japan Secretary Bureau, through its liaison, non-profit organization (NPO) JARA, is now accepting applications for attendance and inquiries.

The AAEF first took place in Seoul, South Korea in 2008. The international conference was held to exchange information on the automotive-related environmental issues and recycling industry in each Asian country among Asian automotive recyclers (dismantlers), government authorities and agencies, automakers and others.

The theme of the 11th AAEF is "Automotive Recycling in India Pathway to the Future: Toward a Sustainable Society."

The AAEF tour package includes a recycling market study in India, in addition to attendance at the main conference meetings. India is the world's second-largest importer of scrap steel, including end-of-life-vehicles (ELVs), especially from Asian countries (*Daily Automotive News*, Aug. 16 issue).



A scene pictured at AAEF 2017



Causal relationship between inappropriate repairs and car accident damage was recognized.

Photo is for illustrative purposes

U. S. repair shop receives 3.5-billion-yen compensation instruction due to inappropriate repair

A warning to the Japanese repair industry

In the fall of 2013, a used Honda Fit with repairs not recommended by the OEM (carmaker) was involved in a collision with a Toyota Tundra in the United States, resulting in a fire and injuries to the driver and occupants. It was found that the Honda Fit had been

fitted with an adhesive-bonded roof when it was repaired at an auto repair shop. Last fall, the repair shop received a 31.50 million dollar (approximately 3.5 billion yen) compensation instruction. The adhesive-bonded roof repair was not recommended by the carmaker. Similar cases may occur in Japan in the near future.

It was found that the owner purchased the used Honda Fit but the car's roof had been replaced by the previous owner after it suffered hail damage. Despite spot-welding being recommended by the carmaker, the repair shop made repairs using adhesive. The inappropriate adhesive-bonded repair had been demanded by the previous owner's insurance company in order to lower the

repair cost. The lawyer for the victim said, "The insurer forced the repair shop to put priority on profit rather than the safety of the car user."

The repair shop insists, "we think that the adhesive-bonding repair has a similar effect to that of welding." However, the repair shop also was also certified by the carmaker "I-Car", which complies with recommended repair processes. The repair shop did not use welding to repair the roof. A jury recognized the causal relationship between the inappropriate repairs and the passenger injuries, and then, last fall, ordered the repair shop to pay compensation.

The compensation may include punitive damages, which are acknowledged in the U.S. In Japan, such punitive damages are not included in compensation payments. Therefore, in Japan, this figure may be viewed as simply a huge amount of compensation. However, repair shops in Japan may be involved in an unexpected dispute unless they comply with the carmaker-recommended tools and work processes, and keep a record of work. Repair shops are still required to work with demanding requirements such as difficult repairs of high-tensile steel panels and aiming (function adjustment) for advanced safety equipment installed on the vehicle (*Daily Automotive News, Aug. 24 issue*).

Automobile dismantlers still in decline, more than a thousand locations cut in a decade

The number of automobile dismantlers registered under the Automobile Recycling Law declined by more than a thousand in the past ten years. In fiscal year 2017, which ended March 31, 2018, the figure declined by 13.7 percent from a year earlier to 4,933, which was 1,674 fewer than that recorded in FY2008. The trend means the declining generation of end-of-life-vehicles (ELVs) in the market, and fluctuating market prices of scrap steel and other materials, as well as shortage of successors to their businesses. The business environment of dismantlers is becoming harder.

On the other hand, the proportion of

active dismantling companies increased to 71.5 percent in FY2017, surpassing 70 percent for the first time since 2010. The rate had stagnated at around 65 percent in recent years.

In terms of the handling volume of ELVs per single company, most ELVs go to larger operators. In the past ten years, the number of small operators with a handling volume between 1 and 10 units declined by 17, while 110 operators with a handling volume of 11-100 units closed down. In contrast, the number of operators with a handling volume of 101-1,000 units increased by 16, while the number of operators with a handling volume of more than 11,000 units increased by 4.

The registration category of dismantlers includes "dismantling/shredding" and "new car sales," "used car sales," and "auto repair service." Dismantling/shredding takes approximately 80 percent part of the total, with 3,892 operators in FY2017,

956 fewer compared to the 2008. The acting operators also declined by 916 to 3,161 (*Daily Automotive News, Aug. 23 issue*).

CO2 Reduction Effect (based on JARA System)

The use of Reuse Parts saved
2,547 tons of CO2 emissions
in July 2018

The reference figure represents the difference of carbon dioxide (CO2) emissions at the vehicle repair using genuine (new) parts and recycled parts.*

*: Based on "Green Point System", which was jointly developed by the Japan Automotive Parts Recyclers Association and Waseda University Environmental Research Institute using a life cycle assessment (LCA) technique.

Asian Automotive Environmental Forum

11th in India

From Wed. 31st October to Fri. 2nd November 2018



Conference theme:

**AUTOMOTIVE RECYCLING IN INDIA
PATHWAY TO THE FUTURE
– TOWARD SUSTAINABLE SOCIETY –**

Holiday Inn New Delhi International Airport

Registration Fee : US\$200 per person

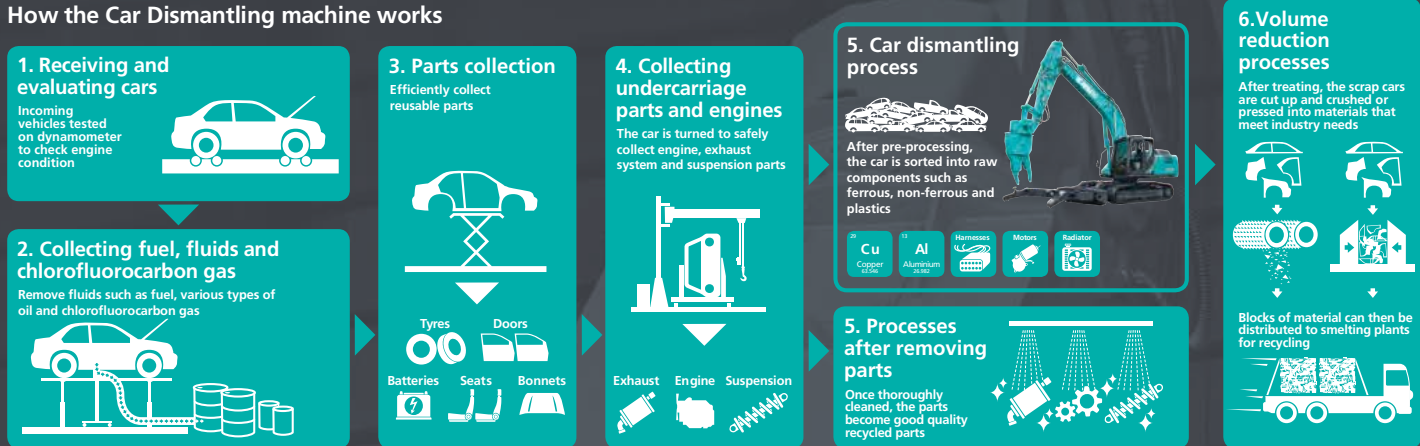


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Dismantling process flow chart

How the Car Dismantling machine works



The Evolution of car dismantling industry by Kobelco

Four times* the vehicle dismantling capability compared with hand dismantling.

*In one day (Kobelco test figures)

15 vehicles >
One operative working by hand.

60 vehicles >
One operative in a Kobelco Car Dismantling machine.

Engine, Catalytic Agents, Body Steel, Seats, Windows, Wheels/Tyres, Suspension, Radiator, Brakes, Front & Rear Bumpers, Transmission, Doors, Harnesses

The machine's special attachment is designed to strip materials from End-of-Life Vehicles (ELV) safely and thoroughly

Improved recovery rate of rare earth metals

Fe Iron	Al Aluminum	Cu Copper	Pt Platinum	Pd Palladium
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Separation of these valuable materials is quicker and easier and can be performed with one Kobelco machine.



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