

Mitchell: Auto Total Loss Trends On Decline

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Auto insurance collision claims involving total losses have declined since 2004, according to a claim consultant's report.

That finding was made by San Diego-based auto collision claims consulting firm Mitchell International, which released its first-quarter 2008 edition of its Industry Trends Report, a quarterly publication highlighting industry-related trends, news items and statistics.

Mitchell's quarterly report, titled "Total Losses Trending Downwards Since 2004," found a clear decline in the number of total loss insurance claims over the past few years.

The report finds that cost of repair and total loss have increased over the years, but the increase in total loss is rising at a faster pace than cost of repair.

The increase in Asian vehicles on America's roadways over the years has lowered the total loss cost because the vehicles' value was less than that of domestic vehicles, according to the report.

The report also notes that:

- At \$13,649, the average actual cash value of vehicles appraised for collision losses during the fourth quarter of 2007 was \$331 more than in the fourth quarter of 2006, and also reflects the presence of slightly older vehicles.
- The U.S. passenger car population is now the oldest on the road in our history, with the Truck, Van and SUV category driving overall average age and value of the total vehicle population.

The complete report is available at www.mitchell.com.