



## LIVE MARKET VIEW

### **vAuto: Beyond Leading Edge Technology**

vAuto is the nation's fastest growing provider of Internet-based, used vehicle inventory management systems. It was founded in 2005 by auto industry veterans who recognized a need to improve both profit and turn in used vehicle departments throughout the United States. The vAuto system has evolved into a suite of solutions that provides the auto industry's only "live, real time" analysis of used vehicle markets with up-to-the-minute information about used vehicle supply, demand and pricing tailored to specific dealership market areas. Headquartered in the Chicago suburb of Oak Brook, Illinois, vAuto also maintains a world class research and development center in Austin, Texas. The vAuto team is comprised of individuals possessing decades of automotive expertise.

#### **vAuto Philosophy**

The vAuto philosophy and strategy of management have been pioneered by Dale Pollak, vAuto's founder and chairman. With years of automotive retail experience and a broad educational and professional background, Pollak recognized that the used vehicle marketplace has undergone a fundamental transformation requiring management practices to evolve and adapt to the realities of what he calls "the new used car marketplace". Accordingly, vAuto provides a philosophy of management as well as a technology designed to support the implementation of the necessary new approaches and new practices. The vAuto system combines new strategic management imperatives with cutting edge technology.

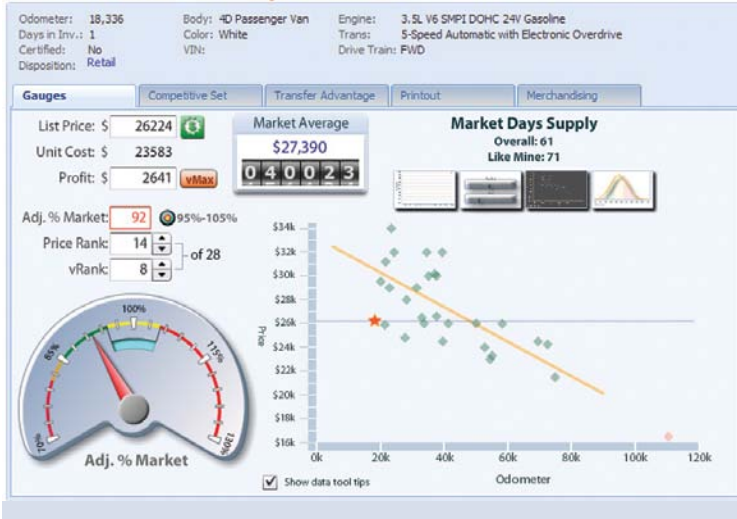
vAuto's industry-leading Live Market suite of tools, includes the Stocking, Appraisal, Pricing and Merchandising modules. While

the vAuto system provides state-of-the-art tools that make these regular functions and tasks easy and more efficient, its primary purpose is to change the manner in which used vehicle management decisions are made.

This new used car dominance is based on a management methodology called Velocity. Dale Pollak has written two books on the Velocity Method of Management, *Velocity: From the Front Line to the Bottom Line* and *Velocity 2.0: Paint, Pixels & Profitability*. These books serve as guides for the used car department and compile Pollak's more than 20 years of observations, best practices and strategies.

The cornerstone of vAuto's Velocity Method of Management is that decision makers know a used vehicle's real time supply, demand and price sensitivity metrics when making stocking,

### Stock #STK181624 - 2008 Toyota Sienna XLE



**Easy Control:** vAuto dealers can green-light any vehicle to attract more buyers and maximize gross with an interactive dashboard that shows a car's current position in the market and previews the effects of any price adjustments.

appraising, and pricing decisions. Using proprietary technology, vAuto is the first and only inventory management system to provide decision makers with actual, real time, supply, demand, and price sensitivity data. The recognition of the importance of this data and the technology to accurately provide such data are the keys to enabling dealers to leverage the natural forces of a rational market.

Prior to the Internet, used car buyers lacked the ability to easily find similar choices and alternatives in the shopping process. Consequently, used vehicle buyers often paid more money than they needed to if they had been able to locate other similar vehicles at lower prices. Because used vehicles were relatively unique and they were not easily shopped and compared, the marketplace was inefficient and balanced in favor of vehicle sellers.

Today, however, the Internet has given used car shoppers the ability to easily find identical choices and alternatives. This new transparency has transformed the used vehicle marketplace to what Pollak calls an "efficient or rational market" defined as a marketplace where buyers and sellers have relatively equal knowledge. The recognition of the transformation of the used vehicle marketplace to one that is efficient is the foundation of vAuto's philosophy and technology.

### vAuto Product Suite Live Market Pricing

Today, pre-owned showroom traffic is highly dependent upon performance on the Internet. Each Internet search produces a

list of hundreds of similar vehicles available in a local market. Potential customers rank vehicles with the best price and mileage at the top of their lists, never even considering the rest. vAuto customers know where each car and their dealership ranks on a number of factors with a Live Market View.

### Live Market Appraising

What should a dealer pay for a given car? The truth is that it depends. A dealership's goals and their competition determine the profit potential before a customer even gets into the car. But, with real time access to retail pricing on identically equipped vehicles in their market, vAuto dealers know what to pay on every appraisal to help ensure a quick and profitable sale. Leading vAuto dealers around the country are experiencing increased closing ratios and building a superior mix of used vehicle inventory trade-ins.

### Live Market Stocking

What should a dealer stock on his or her lot? In the past, dealers may have focused on history and staying true to a comfortable core vehicle mix. Today's decisions should not be



Dale Pollak, vAuto's founder and chairman, has 13 years of dealer leadership experience and is a highly sought-after best-selling author and recognized speaker on maximizing dealership profits from pre-owned vehicle operations.

Pollak educates, challenges and motivates his audience, working extensively with dealer 20 groups, dealer associations and large dealer enterprises across the country.

Pollak received his B.S. in Business Administration from Indiana University and is a graduate of the General Motors Institute of Automotive Development. He also holds a law degree from DePaul University's College of Law, and is a four-time winner of the American Jurisprudence Award.

driven by yesterday's data and vAuto's Stocking Tool is the best solution available to effectively utilize live market information. For the first time ever, dealers can make every stocking decision based on the actual supply and demand of their specific retail market. If a vAuto dealer's market is shifting, the dealership knows first. If the 'hottest' car in a zip code is one a dealer has never stocked before, he or she will know before the competition.

### Live Market Merchandising

For the first time ever, with vAuto's Live Market Merchandising module, dealers can know if all of their used vehicles have current and correct information online. Also, vAuto dealers are able to generate compelling descriptions to guarantee that every online listing is working to drive more traffic to their dealership. This Virtual View gives dealers the ability to confirm that all of their vehicles are being displayed with current and correct prices, odometer readings, and photos and descriptions. Simultaneously, dealer personnel can correct problems to ensure their dealership is achieving maximum results from their online investments.

### Virtual View

A quick snapshot of the completeness and correctness of each vehicle's information as it appears online. At a glance, a dealer can now review their virtual inventory vehicle-by-vehicle to determine what actions need to be taken to maximize effectiveness of advertising spend.

### AutoWriter

With just a few clicks, dealers can create rich, customizable descriptions tailored to each car that will never be the same. With vAuto, dealers find it easy to have 100% of their cars selling themselves with the right words.

### Listings / Photo Management

Upload vehicle photos from any digital camera and attach them to the appropriate listing. Dealers can market each one of their vehicles individually, highlighting unique features of each photo with banners, watermarks and CARFAX Certified or one-owner designations.

### Window Stickers

A robust option detail broken down by category, much like manufacturer's stickers. This allows you to customize and print professional window stickers for your lot and showroom, including options for OEM-certified, dealer-specific templates as well as FTC Buyers Guides.



***Prove to your customers that you have a fair price with vAuto's RealDeal.***

### RealDeal

In February, 2010, vAuto released RealDeal, an innovative price validation and delivery system. RealDeal.com is the industry's first live and objective price check on pre-owned vehicles. vAuto's RealDeal system provides dealership personnel with the technology to quote prices and offer detailed documentation on the prices and attributes of identically equipped competing vehicles. Every time a RealDeal report is presented, both the shopper and sales representative have the experience of knowing that the dealership prices vehicles based on facts and fairness. Providing proof of a fair price will help to minimize or eliminate negotiation while increasing margins, closing more deals and improving overall customer satisfaction.

RealDeal is available to dealers that utilize vAuto's industry-leading Live Market suite of tools. The RealDeal system allows dealers to select the appropriate criteria for performing price checks including geographical distance, make, model, color, mileage, specific equipment and trim. Dealers can then offer RealDeal to customers in several ways, including guided web tutorials, printable reports and in online advertising. With RealDeal, dealers can market themselves in the showroom, on the phone and over the Internet as being fair price—or even as price leaders—and effectively defend their assertions. Closing ratios and gross profits rise as the new system replaces negotiation with compelling and credible documentation.

### Additional information

Dale Pollak was awarded the 2010 Ernst & Young Entrepreneur Of The Year award for Emerging Companies in the Midwest Region. In addition, for the second consecutive year, vAuto was named to the Inc. 500 list as one of the nation's fastest-growing, privately held companies in America. Further information about vAuto is available at [www.vauto.com](http://www.vauto.com). Dale Pollak maintains a blog for the discussion of used-car trends at [www.dalepollak.com](http://www.dalepollak.com).