



PRESS RELEASE

MAXIMIZING INVENTORY VALUE

FOR IMMEDIATE RELEASE:

Frost Motors Turns Dealership's Pre-owned Operations Around Using vAuto

Dealer nearly triples results by recognizing "equity" in used vehicle department

Oakbrook Terrace, IL and Boston, MA (April 12, 2007)— When Thomas Keery, owner of Frost Motors in Newton, Mass., sold off his Nissan store in May 2006, he decided the time was right to get fired up again about the state of operations in his Cadillac dealership's pre-owned department.

"For too long, our store had been the poster child for poor performance in the used vehicle department," said Keery. "I finally got the time, determination and need to focus on this ailing department."

On first look, Keery's \$2,265 average gross per vehicle was respectable. However, his average departmental gross hovered at just under \$25,000 per month. Keery said holding out for higher target grosses per vehicle came at a larger expense.

"Trying to hold the same gross on a car, when you have less equity in it, simply leads to over-age inventory. Forty percent of our 73 units were over 60 days old," he said.

This realization led Keery to adopt new disciplines in his pre-owned operations, "We started our process by recognizing that equity was a real determinant in both the profitability and speed with which we sold our units."

vAuto's scoring system enabled Keery to track his investment in vehicles and gauge the likelihood of a car to achieve its target gross profit. Using "equity reports," he tracked his position on each vehicle by assessing the acquisition and reconditioning expenses and quantifying the cost of letting the vehicle age.

Equipped with a heightened awareness of the relationship between turn and profitability, Keery adjusted his internet merchandising and pricing practices to accelerate turn. He analyzed competitors' internet listings and adjusted his own pricing on a weekly basis to maintain a leading price position.

Following his new strategy, Keery's average sales climbed from 11 to 43 per month, his average department gross increased nearly 290% and his inventory turn more than tripled.

"We have come to realize that 'turn' is the key and by capitalizing on the efficiency of the internet and recognizing the power of pricing competitively, we have produced a dramatic turn-around and look forward to continued growth," said Keery.

"The impressive improvements in Thomas Keery's business are another example of the results our clients experience and it is gratifying each time we help our dealers improve their variable operations," said Thomas Jung, Chief Marketing Officer for vAuto. "Dealers who embrace the concept that profit is dependent on turn and turn is sensitive to 'equity,' are reporting dramatic performance increases, whether they are selling dozens or several hundreds of vehicles a month."

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2006 FROST MOTORS PRE-OWNED OPERATIONS RESULTS		
Measurement	Jan. – Aug.	Sept. – Dec.
Inventory Dollars	\$1,440,192	\$1,252,294
Units	73	60
Days Supply	129	36
Percent Over 60 Days	40%	5%
Avg. Sales per Month	11	43
Used to New Sales Ratio	0.74	1.55
Avg. Departmental Gross per Month	\$24,919	\$72,172
Inventory Turn	3	10.14

About vAuto

vAuto, formerly known as mPower Auto, is the creator of the industry's first and only vehicle scoring system, providing a better way for automotive dealerships to appraise, manage and price pre-owned inventory. The vAuto Score acts like a Beacon® or FICO® score for every vehicle and provides financial insight into the acquisition, wholesale disposition, reconditioning, pricing and desking decisions that dealers make every day. This solution has significantly improved the volume, gross and age of pre-owned inventories for many of the most successful dealerships in the country. Users of the system include the highest-volume U.S. retailers for three of the six largest automobile manufacturers.

vAuto is located at One Lincoln Centre, 18W140 Butterfield Road, 15th Floor, Oakbrook Terrace, IL 60181. For more information contact Thomas Jung, Chief Marketing Officer at (888) 676-9370 or marketing@vauto.com.

About Frost Motors

Thomas Keery II is the third generation of Keery's in the auto business and Frost Motors has represented Cadillac in the greater Boston area since 1955. Each of the Frost dealerships operates service, parts, pre-owned sales and new vehicle sales. It is the mission of each Frost Motors employee to identify, satisfy and finally exceed the automotive needs and expectations of our customers.

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