Press Releases

SmartAuction Remarketing Sales on Record Pace

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No longer an exclusive captive channel, dealer to dealer sales help drive growth

TROY, Mich. (June 26, 2009) -- SmartAuction, the industry's leading upstream remarketing Web site, is on a record sales pace having facilitated nearly 210,000 online transactions year-to-date through May, an annualized pace of 500,000 vehicle transactions per year.

SmartAuction with more than 7,700 active users, continues to see growth among its diversified dealer population. While SmartAuction's history extends back to General Motors, SmartAuction today has more than 2,100 non-GM dealers using the Web site for their remarketing needs.

"In a challenging economic environment, SmartAuction's ability to bring value to the dealer has actually led to our dealer population growing by 500 to 600 dealers so far this year," said SmartAuction Managing Director Mark Newman. "We now also have the chance to welcome more than 2,000 new Chrysler dealers to SmartAuction, as we continue to diversify our operations from a captive finance provider to a more independent company serving multiple customers."

Through May, SmartAuction recorded a 33 percent year-over-year increase in sales between dealers, a major component of the nearly 40 percent increase in volumes from non-GM/GMAC consignors so far this year. Dealers as a group are now one of the major consignors on SmartAuction and join new rental car, fleet and financial institutions in continuing to grow the SmartAuction buyer and seller community.

"It makes sense that independent and diversified franchise dealers will become one of the largest growth segments within SmartAuction," said Newman. "The decline of leasing by finance companies will further drive dealer remarketing volumes and SmartAuction's upstream remarketing model can allow dealers to optimize their pre-owned vehicle business. SmartAuction's sales conversion rate is in excess of 60 percent and is still the best in the industry at keeping the cars successfully moving through the process."

SmartAuction's continued diversification is reflected in the composition of the vehicles on the site with some 45 different vehicle makes sold so far this year. In addition, the inventory mix continues to reflect the consumer's needs during this economic cycle with nearly 30 percent of the transactions involving vehicles sold at or below $10,000.

Later this summer, SmartAuction is expected to record a historic milestone with its three millionth online sale since its inception in 2000. Newman noted that it took roughly 44 months to record the first million; 33 months to reach the second million; and likely only 27 months to reach the third - even in a stressed economy.

"SmartAuction is the established leader in this area because we deliver real value to our customers," said Newman. "Not only do we have about 10,000 vehicles listed on any given day in SmartAuction for all dealers to see, but we offer complete remarketing solutions like our QuickTurn inventory management suite, and the Virtual Showroom interface for dealers to work side-by-side with their customers, and a growing list of other services at great values for our users."

About SmartAuction
Launched in 2000, more than 2.9 million vehicles have been sold through SmartAuction since its inception.
In 2008, approximately 435,000 units were sold on SmartAuction representing 40 different vehicle makes. With more than 7,700 registered SmartAuction users, more than 4,200 franchise and non-franchise dealers log in daily to SmartAuction.

For more information about SmartAuction, call SmartAuction at 1-877-273-5572 or visit www.smartauction.biz.

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