

The Good, Bad & Ugly:

Outsourcing versus Insourcing the Extended Warranty Process and Claims Management

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PRESIDENT & CEO

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- 30+ years of industry experience
- Founded PCMI in 2012



Built for OEMs

Custom interfaces that give you competitive advantage

OEM incentive program based upon vehicle penetration (RDR)



F&I reporting as a percentage of new vehicle sales



Field and BDM reporting



A link on your OEM portal



Billing through the Parts Statement



CFC and NCFC Reinsurance Module



GL/AR SAP Interface (Debit and Credit Level)



Interface to import OEM Parts and Labor times to automate claims



OEM Service Drive

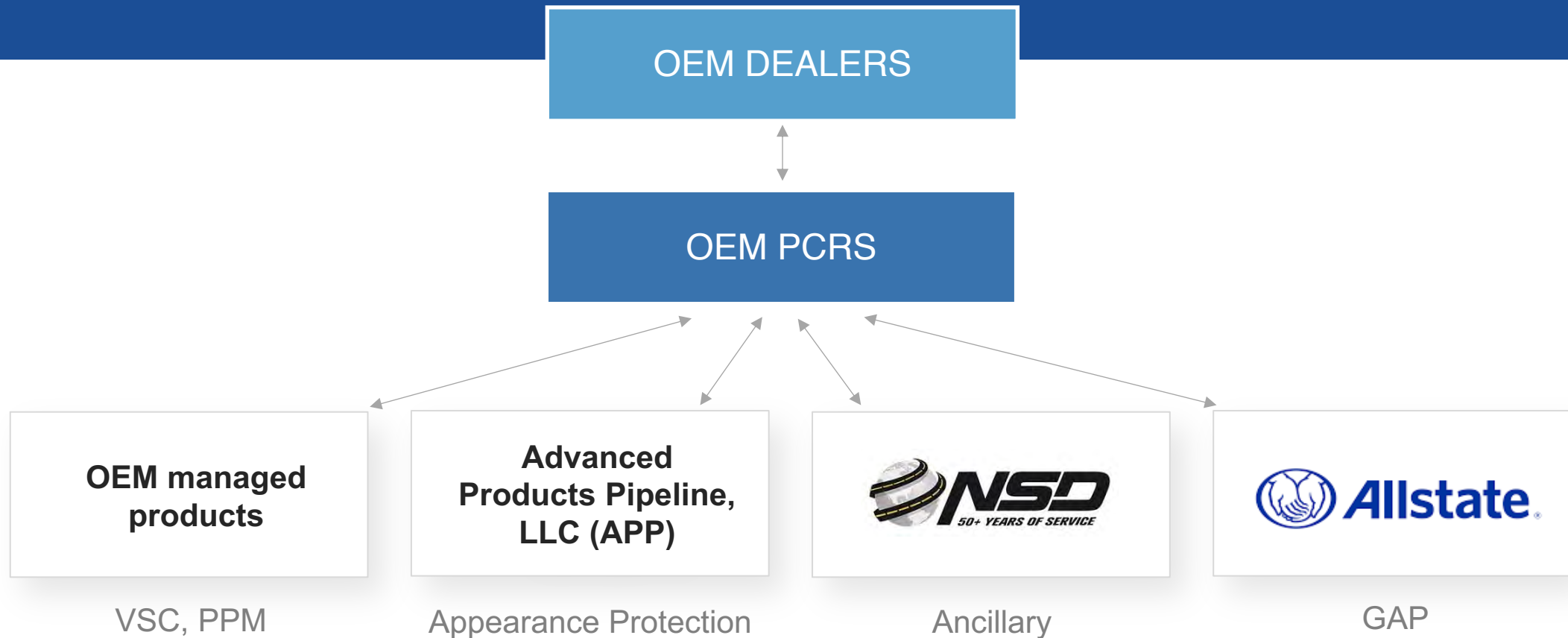


Our OEM Customers



Control your sales channel

PCRS offers a hub for you to offer best-of-breed products to instantly diversify and expand your sales channels. One example below:



Benefits



Complete Visibility

Complete visibility for the administrator, dealer, and dealer group to see sales and cancellations in four key areas of the dealership:

- F&I Office
- Service Drive
- Dealer Consumer Portals
- Finance shop at home buy your car portal



Centralized billing and accounting

Centralized billing and accounting allows the dealer to receive and pay for a single invoice which leads to additional automation that reduces administration expense



Comprehensive participation statements

Comprehensive participation statements for F&I Managers who make the sale and dealer incentive programs for achieving targets

Benefits



Risk Management

- Compliance
- Protected from market disruption
 - Acquisitions
 - Management changes



Vendor Management

- Maximize pricing and underwriting results
- Best in market products
- Global platform that handles multiple currencies



New Dealer Technology with no impact to Mercedes



Benefits



Reduce integration costs with our Open Sales Platform



A photograph of a car dealership lot with a row of silver SUVs parked in front of a modern building with large glass windows. The image is overlaid with a semi-transparent blue filter. The text "Automation at the dealership" is written in a large, white, sans-serif font across the center of the image.

Automation at the dealership

CUSTOMER SERVICE

Dealer claims submission

Streamline Claim Entry

- Redesigned VSC/TW/PDR Claim Screens
- Deployment of Service Redemption Process

Automated Adjudication Rules

- Parts Pricing Comparison
- Loss Code Exceeds Maximum Amount
- Overall Claim Limits
- Automated Inspection Dispatch

Workflow to Support Processing

- Configurable Rules to Automate Processing
- Processor Assignment Queues

e-Mail Alerts to Stakeholders

- Change in Claim Volume
- Large Claim Notice
- Inspection Dispatched Notice

Audit & Risk Management Reports

The background of the slide is a close-up photograph of two hands shaking in a firm grip. The hands are positioned in the center of the frame, with fingers interlaced. The person on the left is wearing a light blue long-sleeved shirt, and the person on the right is wearing a white long-sleeved shirt. The entire image is overlaid with a semi-transparent blue filter. Centered over the handshake is the text "Allows OEM to have a direct relationship with consumers, lenders, and dealers" in a white, bold, sans-serif font.

**Allows OEM to have a direct relationship
with consumers, lenders, and dealers**

GAP claim consumer and lender portal

JMA GROUP

Help Center ? **My Claim** Lender Access ▾

Attention New Jersey Residents Attention Colorado Residents

We're here to help.

Start Your Claim **How It Works**

STEP 1

Gather Documents

We've listed the required documents below. They are needed to process your claim, so it's best to gather them all before getting started.

Learn More

STEP 2

Create Your Account

Set up a username and password so you can keep track of your claim's progress and we can stay in touch with you.

Register Now

STEP 3

Start Your Claim

We'll need some information about your vehicle, lender and insurance company. Then, submit your documents and we'll get to work.

Get Started

<https://mygapclaim.com/>

DOUG BELL

PRINCIPAL

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- 30+ years of industry experience
- 32 years with Nissan Extended Services N.A.
- Founded Extended Warranty & Service Contract Consulting in 2020



8 short slides/4 key takeaways

Technology is as the center of everything we do today.

Things to consider?

What keeps you up at night?

It's a simple business, really!

To Insource or To Outsource?

Things to consider?



What is your Business Health Assessment (BHA)?



Where are you winning business?
Where are you losing business?



What are the Revenue & Profit Contributions of your Core Business(es)?



What are your YoY:

- Same Store Sales?
- Buy/Sells?
- Conquests?
- Defections?



What are your Pain Points?
What do your customers wish you had but don't?



How old is your Administration System?
Mainframe or Cloud?
Part of the Dealer Portal?
SSO?

Strategic GAP Analysis?

Technology is at the center of everything we do today?

PRODUCTS

TECHNOLOGY

FIELD FORCE

TRAINING

Does your Administration System:

- ☐ Constrain your ability to maintain or add new accounts and grow the business?
 - Add New Products? Bundle Products?
 - Add External Providers?
 - Add Financing Sources?
 - Make a global pricing change with a future effective date?
 - Update forms in seconds?
- ☐ Allow you to be regulatory compliant (GAP Claims)?
- ☐ Provide for dealers choice of 30+ eMenus?
- ☐ Provide DMS Integration (no Menu) with all major DMS Providers
- ☐ Produce your own Cession Statements or are you still doing them in Excel?
- ☐ Offer a 360 degree view of the customer whether you're in Policy Administration or in Claims?
 - Or are these still two separate mainframe applications?
- ☐ Configure User Permissions (for everything) based on "Role"
- ☐ Allow you to sell and remit with non-OEM branded dealers (same ownership, other brands?)

What parts of the business do you outsource now?



Ancillary Products

Some or All

Particularly those with service networks

Risk

Profit (now or earn over term)



Insurance/CLIPs/Reinsurance

OEMs are typically the obligor for
VSC, PPM, CPO, LW

TPAs unless vertically integrated
outsource all Underwriting



Roadside Assistance

Specialized service

Network Driven

Technology has taken the lead

Security Risk Assessment

What keeps you up at night?

IT Speak

- ✓ **Security**
- ✓ **Redundancy**
- ✓ **Disaster Recovery**

Business Unit Language

“Business Continuity”

- You and your Dealers are out of business if your system is down?
- Do you even still have a rate book and paper contracts that dealers can use if your system is down for hours or days?

PCRS Solution

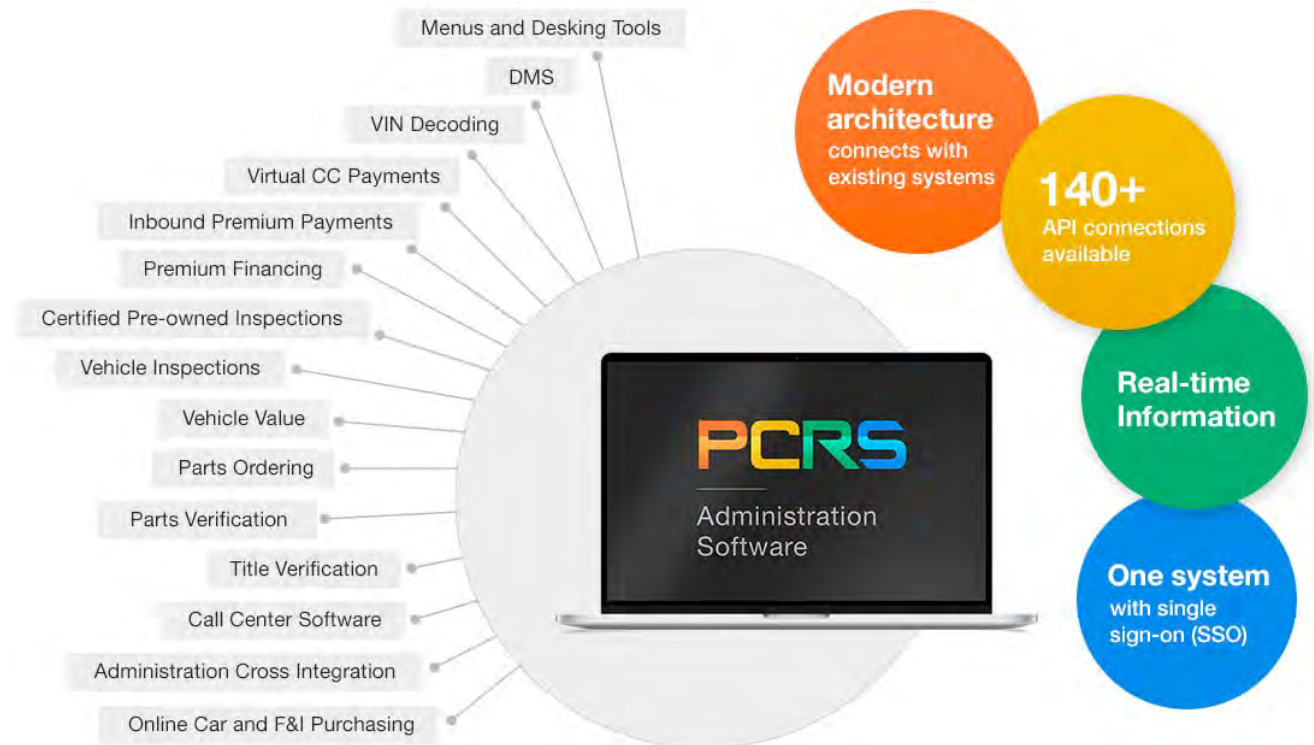
- Global platform
- Designed to OEM specifications
- Protection from market disruption
- Triple locations



It's a simple business really!

- 1) Chances are the IT personnel who built your proprietary system no longer work there
- 2) The business rules look different to the BU and IT speaks and writes a different language
- 3) Do you have the staff, the time and the resources to write your own code for all of this?

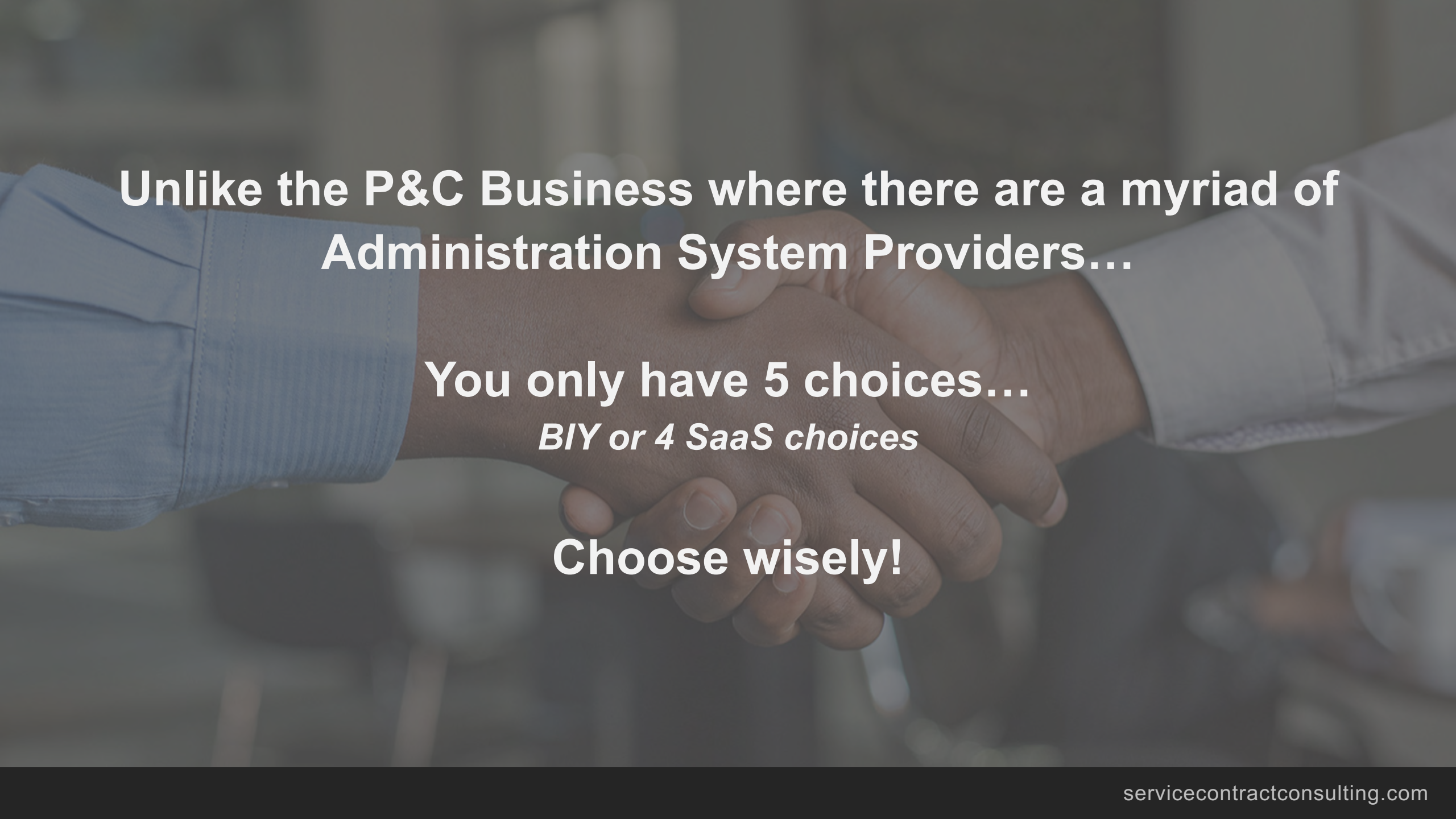
✓ **Reduce your cost,
development and
deployment time
with PCRS's
Open Sales Platform**





Seamless Business Transformation

if Dealership is already using a Menu



**Unlike the P&C Business where there are a myriad of
Administration System Providers...**

You only have 5 choices...
BIY or 4 SaaS choices

Choose wisely!