

Taking the Plunge with Online Auctions to Increase Efficiency

As one of central North Carolina's top repossession companies, Hickory Auto Recovery takes operational efficiency very seriously. Offering the latest in automobile recovery technology to its lenders, Hickory Auto boasts stellar customer service, a fully-secured storage lot and trained repossession agents that are running 24 hours a day, 7 days a week. The company handles all its clients' repossession needs, including basic skip tracing, timely updates and complete condition reports.

Chris Pence, owner of Hickory Auto has always been focused on customer service and prides himself on seeking new opportunities for expanding the company's service offerings. So when Les Cook, executive director of the American Recovery Association (ARA), gave Pence an "insider" tip and recommended he look into using online auctions to resell repossessed vehicles, he jumped at the possibility.

"We have a full-time remarketing manager on site at all times and are always prepared for company expansion, if the right opportunity presents itself," said Pence.

Following up on Cook's tip, Pence discovered OPENLANE's online auction and the services it offers to recovery agents to resell recovered vehicles to dealers directly online. This strategy fit in nicely with Pence's focus on customer service because he could add another offering for his clients and ultimately save them time and money in the remarketing process. Since Hickory Auto had not sold repos before discovering OPENLANE, Pence wasn't sure whether the process would be difficult and, more importantly, how it would be received by existing clients.

Pence says that after dealing with the challenges of the economy over the past few years and the reluctance of local banks toward lending, he was willing to test it out. He took the plunge and listed a vehicle online – a Jeep Grand Cherokee – that he sold on behalf of a local credit union.

"The car was in rough shape, and I was so excited when it sold. The process of selling the vehicle was so fast, the credit union was impressed and said they would continue using us to sell their repossessed vehicles." Just like the credit union, Pence was sold on OPENLANE and began incorporating the online auction into Hickory's offering for its clients.

In the time that online auctions have been integrated into Hickory Auto's operations, Pence has been impressed with how much visibility this has gotten the agency from new and existing clients. Lenders

he has worked with for years are very happy with the fact that they don't have the expense of having to repeatedly transport the vehicles to and from a physical auction. "It's like they get to skip a step in the selling of the repossessed assets," adds Pence.

Pence has also noticed an increase in the number of assignments he receives from his clients. He also credits OPENLANE and the new service offering with the company being able to sign on several new contracts with clients that had never used Hickory in the past. The best bonus of all is that the company has increased its net income per repossession.

"The way that OPENLANE has set us up has made it seamless for us to integrate into our business – we haven't had to invest much time or labor at all for selling these vehicles online."

That's operational efficiency at its best.