

# IMPOUND STORAGE FEES, A BILLION-DOLLAR PROBLEM

Section 01 |  GoldStar  
BY SPIREON

According to Experian, there are approximately 25.3 million vehicles financed to below-prime consumers on the road today. Spireon data indicates that about 76,000 are impounded each day. Considering average daily storage fees, vehicle impounds cost these consumers, dealers, and lenders \$3.04 million a day or \$1.1 billion per year nationwide — and this isn't even taking into account a wide range of flat fees that vary wildly from lot to lot.

This is a problem.

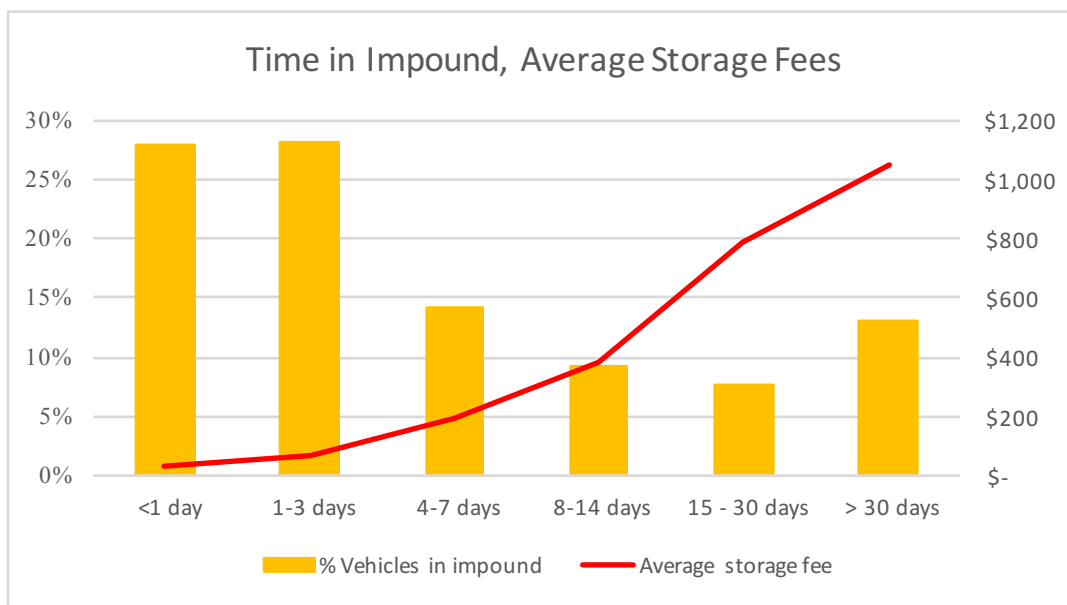
Spireon has tracked more than 360 billion driving miles from nearly 4 million active telematics devices in consumer and commercial vehicles through its NSpire technology platform. The resulting 700 million data events per month cross-referenced with sophisticated algorithms and more than 10,000 hand-drawn geofences around impound lots across the United States

provides incredible insight into this billion-dollar problem.

A TechValidate survey queried used car dealers across the country about their impound experiences. According to respondents, it takes seven days on average to receive notification about a vehicle that has been impounded. In one instance, the bill for seven days in impound reached \$645 in the Nashville, Tennessee, area. The average number of impound recoveries per dealer per year, conservatively, stands at four.

The numbers don't lie: each passing moment in impound is costly. If consumers don't pick up their cars, BHPH dealers and lenders are on the hook and must recover their vehicles as soon as possible — or face the expensive consequences.

## Time in Impounds



~ Year-to-date Spireon NSpire analytics (through July 2018) and June 2018 TechValidate dealer survey

## Time Is Money

Based on Spireon NSpire analytics and research, approximately 44 percent of impounded vehicles remain on an impound lot for four days or more, incurring excessive per-day storage fees. About 22 percent stay even longer at 15 days or more when recovery costs really begin to soar. These costs don't even account for a wide range of varying flat fees.

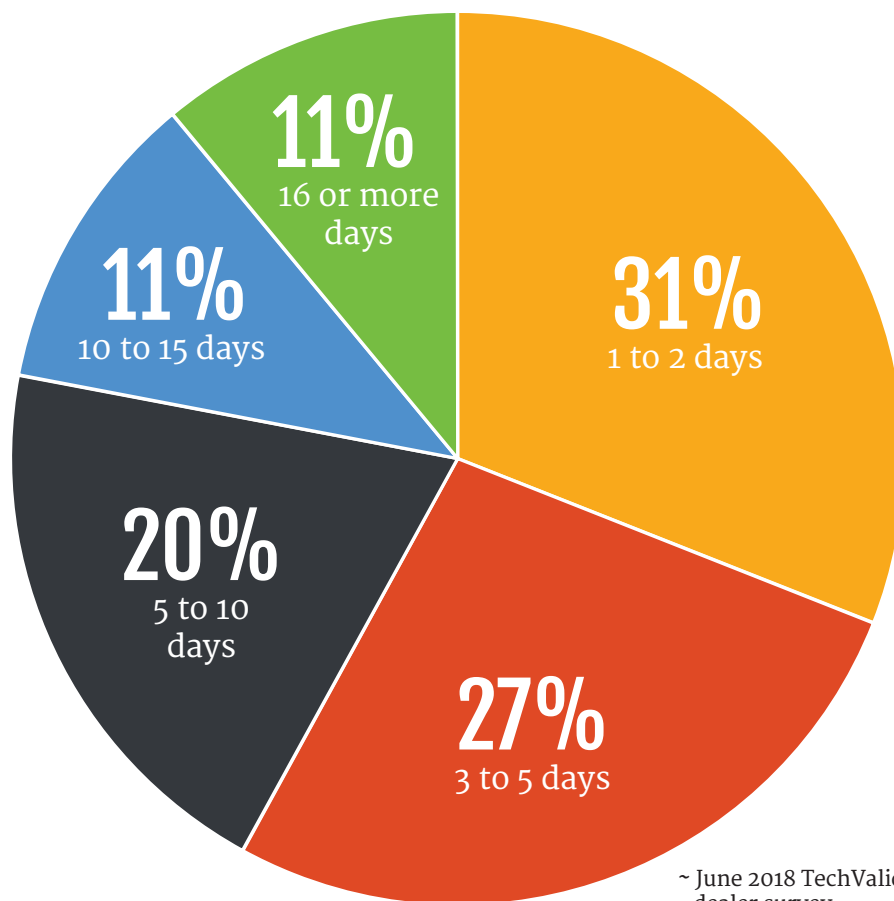
## Survey Says

Q: What is one thing you as dealer would like to know when it comes to impounds?

A: “Where new lots pop up so we don’t lose money.” — BHPH dealer via June 2018 TechValidate survey

Impound isn’t a static problem. The information dealers need to combat it is dynamic, including the latest impound lot locations and faster impound notifications. The sooner a vehicle is recovered, the lower the chance of storage damage and reconditioning costs.

**On average, how long is a vehicle in impound before receiving notice from the impound lot?**



### Highest Impound Incidents by State

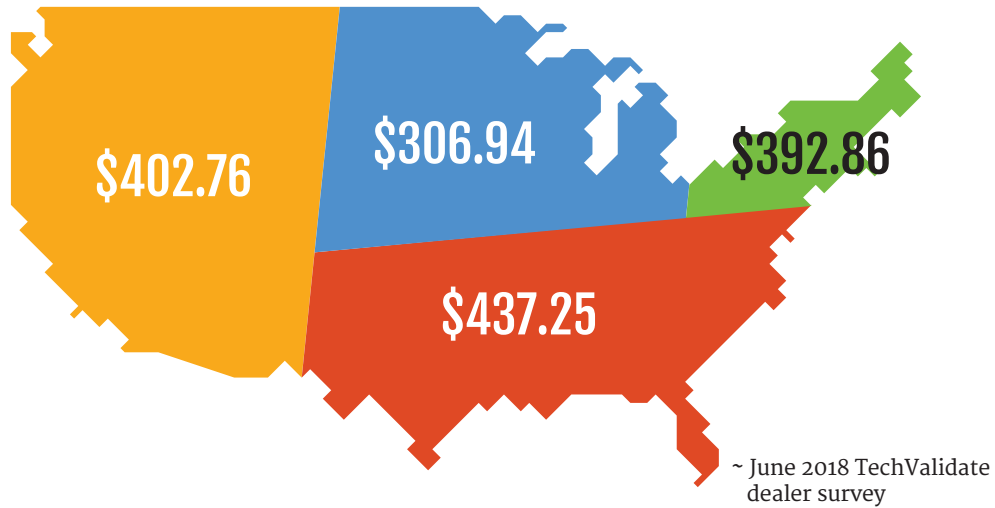
1. Ohio 9.49%
2. Utah 7.38%
3. Minnesota 6.15%
4. Illinois 6.04%
5. Nebraska 5.79%

### Vehicle Make and Model with Highest Impound Rate

1. Nissan Altima
2. Chevrolet Impala
3. Toyota Camry
4. Hyundai Sonata
5. Ford Focus

~ Year-to-date Spireon NSpire analytics (through July 2018)

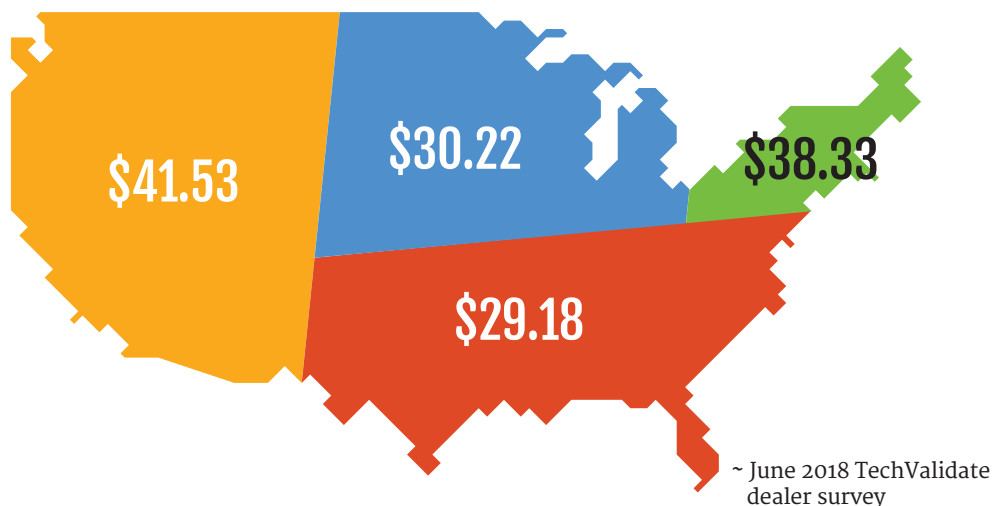
### Avg Total Recovery Costs by Region



#### Go (Mid)West, Young Man

Average total recovery cost for impounded vehicles is lowest, by nearly \$100, in the Midwest. Southerners, on the other hand, take the brunt of the damage at nearly \$200 more than the Midwest.

### Avg Total Cost of Storage Fee by Region



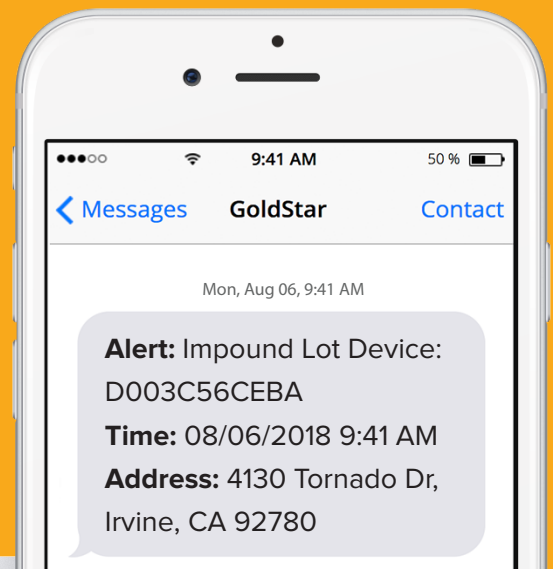
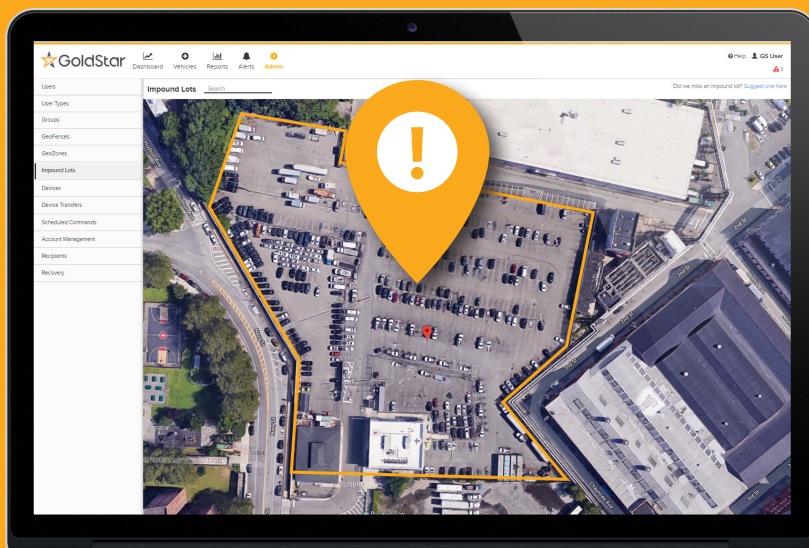
#### Southern Charm

Average daily storage fees are lowest in the lower states, whereas the West suffers the highest average fees. The differences between average daily storage fee and average total recovery cost may be due to variances in flat fees and time spent in impound.

# The Billion-Dollar Solution

# GoldStar Impound Lot Alerts

Impound lot fees are a \$1.1 billion industry problem.  
The #1 GPS provider has a solution.



Nationwide impound lot database | Early impound notification  
Lower storage and reconditioning costs | Operational efficiency, higher profits

Nearly 4 Million  
Active Devices

20,000 Devices  
Shipped Weekly

97% of Orders  
Shipped Same Day

24/7 Award Winning  
Customer Service



Find out why GoldStar is the best option for impound recovery, bar none.  
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