AutoGrade™ Service

How It Works

a. The AutoGrade™ platform allows auctions to submit vehicle damage information and generate condition report scoring while preserving the anonymity of the auction, the consignor, and the vehicle. In short,

    i. Auctions collect and submit vehicle damage information to Auto Auction Services Corporation ("AASC") via AutoIMS;

    ii. AASC strips from that information all identifiable vehicle data and auction name, and transmits the data to the AutoGrade™ platform;

    iii. The AutoGrade™ platform then generates scoring and reporting information back to the auction via AASC.

Defining the Purpose of the AutoGrade™ Service

- To providing consistency of condition grade assessment, across the industry, by removing subjectivity in the condition grade assignment.
- The AutoGrade™ platform uses a Manheim-developed algorithm, known as the AutoGrade™ Vehicle Condition Scale, and makes this scale available to the entire wholesale vehicle inspection industry via AASC (U.S. Patent No. 8,230,362).
- AutoGrade™ Vehicle Condition Scale is based on the concept introduced in the NAAA established Condition Grade Scale Guidelines.
- Additionally, extensive research, data analysis, customer and user input has been included to ensure accuracy of a vehicle's calculated condition grade.

What are the Benefits

a. The AutoGrade ™ platform helps auctions and sellers across North America maintain a consistent vehicle grading system.
b. The AutoGrade™ platform encourages reporting consistency in the automotive wholesale marketplace.
c. This consistency helps sell more cars.

How is AutoGrade™ Vehicle Condition Scale Calculated?

- AutoGrade™ Vehicle Condition Scale is a calculation of the overall vehicle condition based on an inspection process that provides a thorough disclosure condition report that captures vehicle conditions, damages and disclosures.
- AutoGrade™ Vehicle Condition Scale compliant condition reports are written based on an industry standard instruction process to support consistency.
- AutoGrade™ Vehicle Condition Scale takes into consideration the collective existing and repaired damages captured in the condition report when determining the grade.

What does impact the AutoGrade™ Vehicle Condition Scale? Item , Damage Type & Damage Severities and their impact on the grading calculations		
Major Grade Reductions	Moderate Grade Reductions	Minor Grade Reductions
- Hail Damage* - Poor Previous Repairs – Body - Body Damage/Panel replacement * - No Keys Present/Non-Drivable - Structural Damage - Mechanical /Engine Damages - Fire – Flood – Biohazards	- Glass / Windshield* - Wheel Damage* - Body Damage /Repair* - Tire Replacement Required* (3/32nd or less tread depth) - Interior Damages* - Damaged / Missing Parts*	- Body Damage / Cosmetic* - Bumpers / Partial* - Tire Wear* (4/32nd – 7/32nd) - Acceptable Previous Repairs
*Damage Size / Severity /Number of Occurrences per damage line item may have a graduated impact on total grade.		
What Does Not Impact AutoGrade™ Vehicle Condition Scale?		
- Mileage – Odometer Reading - Model / Trim Level - Value Add Equipment - Announcements	- Model Year - Color - Estimated Repair Costs	- Manufacture / Make - Options - MSRP

Who Can Utilize the AutoGrade™ Platform

While initially offered only to NAAA member auctions, the AutoGrade™ platform service is now offered to all non-NAAA auctions and wholesale marketplaces as well as other support entities, including third-party inspection companies, software vendors and consignors.

Any organization involved in the wholesale vehicle remarketing process can access the AutoGrade platform™. Being an AutoIMS member is not required to utilize the AutoGrade™ Platform. A nominal transaction fee may be charged for access to the platform.

Q & A

Q: Does AutoGrade™ Vehicle Condition Scale consider the cost of repairs
A: No – Repair labor rates can vary from shop to shop skewing the grade. AutoGrade™ Vehicle Condition Scale remains consistent by using the damage descriptions.

Q: Does approving repair of high dollar damage line items impact the grade more significantly?
A: Making repairs based on the Major, Moderate, Minor columns above will return the appropriate post recon grade improvements. Grade is not determined by the price of the repairs.

Q: How does AutoGrade™ Vehicle Condition Scale help a buyer or seller determine the price of a vehicle?
A: When AutoGrade™ Vehicle Condition Scale information is combined with mileage, year, make, model, then used in conjunction with industry valuation tools, the most accurate value can be determined.

Q: How do I sign up for the AutoGrade™ platform or inquire for more information?
A: Contact Ken Goodwin at AutoIMS by phone at (678) 597-3900 or by email kgoodwin@autoims.com