OUR PURPOSE

To provide a program that exceeds our customers' expectations and maximizes their opportunity for ***Advancement***.

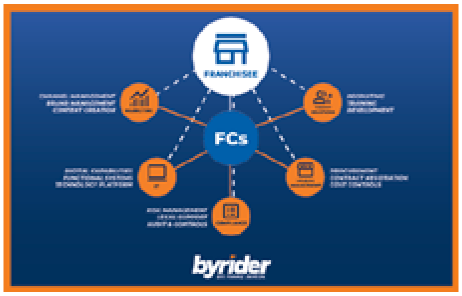
byrider
BUY. FINANCE. DRIVE ON.

THE DRIVE FORWARD!

MARCH 25, 2025 - VOLUME 3

INSIDE THIS ISSUE

About our newsletter: *This newsletter is designed to inform the entire franchise system. Our goal is to provide an additional forum to communicate changes, distribute information, highlight statistical data, and address items of interest.*



A MESSAGE FROM MIKE ONDA

Hello everyone –

We just held our March 20 Group Meeting in Miami Florida and I could not be happier with how it went. It was the first 20 Group event hosted by the new company and the feedback from Franchisees, staff, and Vendor partners has been overwhelmingly positive.

During the General Session I reinforced our unwavering commitment to supporting our Franchisees' success through consultative engagement and our customized software platform. Over the past six months Ben Goodman and his Executive Franchise Consulting team have significantly enhanced our direct support initiatives by implementing monthly composite reviews, structured train-the-trainer sessions, and rigorous onsite visits.

Our new VP of Marketing Kelly Phillips also spoke about all the exciting activity happening with her department to drive additional leads, applications, and sales for the system. One notable recent development is the introduction of the Check Availability button on our website—a strategic enhancement designed to engage potential customers who may not complete the Online Pre-Approval process. More details on Marketing initiatives can be found later in this newsletter.

On the technology front, John Krupnik and the IT department have been diligently working on a major upgrade—ARE 5.0. Developed in partnership with Equifax, this next-generation scorecard is built on newer data and represents a significant advancement over ARE 3.0. While more powerful, it remains a tool designed to enhance, rather than replace, sound underwriting practices. John will provide further details in this newsletter, but we are excited about the impact this enhancement will have and look forward to rolling it out in the coming months.

One of the key highlights of the meeting were the breakout sessions where Franchisees shared best practices and leveraged collective strengths to develop actionable strategies for improving operational and financial performance at the lot level.

As always, our focus remains on equipping you with the knowledge, tools, and capabilities necessary to compete and succeed in every dealership, every day.

Thank you for your continued support and partnership.

Mike Onda

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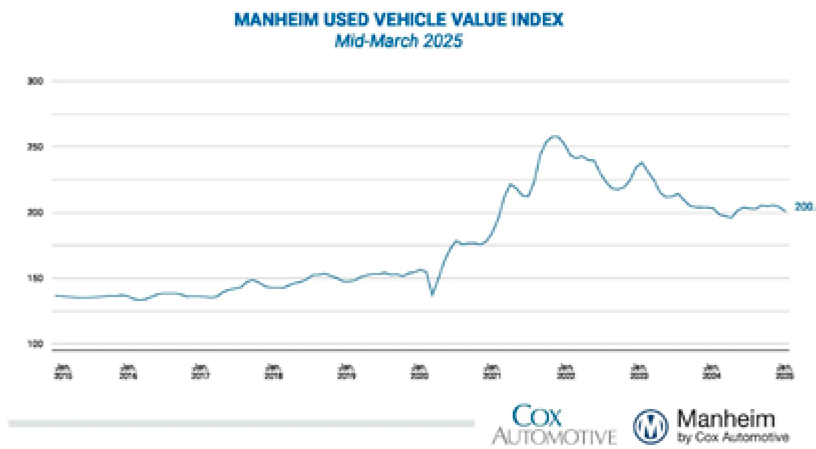
INDUSTRY ARTICLE

MARKET UPDATE: WHOLESALE PRICES SHOW MODEST GAINS AMID SPRING SELLING SEASON

In the first half of March, wholesale used-vehicle prices rose slightly but fell short of typical seasonal gains, according to the Manheim Used Vehicle Value Index. The first half of March dropped to 200.8—down 1.1% from the full month of March 2024 on a seasonally adjusted basis. Non-adjusted prices rose 1.7% from February, but that increase was less than what's typically seen in March.



WHAT'S DRIVING THE MARKET:

- ***Older Vehicle Mix***: Fewer lease returns are contributing to a less valuable mix at auction.
- ***Seasonal Trends***: While spring is usually a strong season for wholesale appreciation, gains are tracking behind historical averages.
- ***Tax Refund Season***: Increased consumer cash on hand is supporting demand, though not enough to drive stronger price increases.
- ***Tariff Talk***: Discussions around potential tariffs are creating hesitation among some buyers.

SEGMENT PERFORMANCE HIGHLIGHTS:

- ***Best performers***: Luxury vehicles (+0.2% YoY) and SUVs (-0.8%) held up better than the overall market.
- ***Largest declines***: Compact cars (-6.6%) and mid-size sedans (-4.9%) saw the sharpest drops.
- ***EVs vs. Non-EVs***: Electric vehicles continue to depreciate more rapidly, down 4.0% month-over-month compared to 0.8% for non-EVs.

ADDITIONAL INSIGHTS:

- ***Sales Metrics***: The average sales conversion rate hit 66.6%, outperforming last year's 61.5%.
- ***Wholesale Supply***: Declined to 24 days by mid-March, tighter than usual for this time of year.
- ***Consumer Sentiment***: March sentiment dropped to its lowest level since June 2022, Rising inflation expectations and worsening perceptions of vehicle pricing are dampening buyer confidence. Although, interest rate recaptions improved slightly.

As always, we'll continue to monitor trends closely to support our franchise partners and their teams with insights that drive smarter decisions in a dynamic market.

https://www.coxautoinc.com/market-insights/mid-march-2025-muvvi/

MAJOR MILESTONES (ANNIVERSARIES)

CONGRATUALTIONS ON 10 YEARS!

- *WI115 - Mt. Pleasant, WI*
  Opened on 3/13/2015
  - Rick Francois

CONGRATUALTIONS ON 1 YEAR!

- *AZ110 - Chandler, AZ*
  Opened on 3/1/2024
  - Steve Walden

- *OH158 - Cincinnati, OH*
  Opened on 3/1/2024
  - Harry Garber / Sean Garber

TOP PERFORMERS

TOP SALES LOCATIONS - ALL TIME!				
RANK	FRANCHISE	LOCATION	NET SALES	SALES
1	TX109	TX109	16,304	38
2	WI101	WI102	13,899	32
3	IN116	IN116H	12,112	29
4	FL118	FL139	11,491	29
5	FL118	FL118	10,977	29
6	WI101	WI107	10,917	28
7	SC105	SC105	10,099	27
8	IL105	IL105	10,056	26
9	VA102	VA102	10,004	25.5
10	TX112	TX112	9,647	24

TOP SALES ASSOCIATES - ALL TIME!				
RANK	FRANCHISE	LOCATION	NAME	NET SALES
1	IL115	IL133	Dusty Kaster	7,034
2	IN116	IN116C	Vance Kerns	6,292
3	IN101	IN115	Donne Moran	5,339
4	AR103	IN128	Khalil Jebari	5,141
5	IN116	IN116D	Scott Reiners	4,398
6	IL115	IL115	Angie Doctor	3,951
7	IN116	IN116A	Ladd Gorby	3,783
8	IL105	IL105	Jim Brookins	3,758
9	RI101	RI101	Antonio Fontes	3,685
10	OH159	PA124	Nathan Pilarcik	3,574

ASSOCIATE SPOTLIGHT

MEGAN LEE— FRANCHISE SALES COORDINATOR

Megan has been with Byrider for a total of five years, gaining experience in underwriting, sales, and in the insurance department before stepping into her current role as a Franchise Sales Coordinator. With a passion for building relationships and driving business growth, she plays a key role in supporting franchisees and expanding opportunities.

Outside of work, she enjoys reading, painting, collecting house plants, and spending time with her family and dogs.

20-GROUP EVENT RECAP AND PHOTO COLLAGE

We were thrilled to host our March 20-Group meeting in sunny Miami on March 17–18th! A big thank you to everyone who attended and contributed to making this event a success. Your energy, insights, and collaboration continue to drive the value of our 20-Group experience. A big thank you as well to our vendor sponsors—your support helped make this event possible! We're already looking forward to our next gathering in July—see you there for another great event!

PHOTOS FROM 20-GROUP MIAMI

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UPCOMING EVENTS

► SAVE THE DATE: APRIL'S TRAIN THE TRAINER
MONTHLY FINANCIAL REVIEWS!

Training Session

- **Monday, March 31st, 2025 @ 1:00pm - 2:30pm Eastern**

Follow-Up

- **Monday, April 7th, 2025 @ 1:00pm - 2:00pm Eastern**

Attendance

Owners, Operators and Controllers

- **We will invite the Owner, Decision Maker, and Accounting Email groups**

Purpose

To train the system on how to conduct monthly financial review meetings

Expectations

- **All Franchisees should hold a MONTHLY financial review**
- **Your EFC will join your meeting once per Quarter**

► SAVE THE DATE: MAY'S BOOTCAMP

Byrider Franchising Owner Bootcamp

- **May 13-14, 2025 | Location TBD**

Join us for two days of learning, networking, and growth. Details coming soon!

► SAVE THE DATE: JULY 20 GROUP

- **Lowes Chicago Hotel, July 14-15th**

We look forward to seeing you there for two days of valuable discussions, networking, and strategy sharing. Registration and more information to come.

TRAINING CORNER

SERVICE TIPS- TIPS TO INCREASE CUSTOMER PAY AND HELP CASH FLOW

CUSTOMER PAY GOALS:

The target for true customer pay (excluding insurance checks) is 0.01% of your portfolio, or $1,000 for every $1 million in receivables. Remember to apply all insurance payments in service as Speedpay and exclude them from this goal.

You can also monitor total cash collected using M-Dips. When combined with customer pay, the aim is between 0.012% and 0.015% of your portfolio, or $1,200 to $1,500 for every $1 million in receivables.

INCREASING CUSTOMER PAY COLLECTION:

One key to increasing customer pay is effectively presenting the bill to highlight the value of our service. This can be done over the phone or in person.

When presenting the bill, consider the customer's warranty coverage. Start by outlining the industry standard labor costs and parts markup, then emphasize the savings they receive as our valued customer (e.g., "You save X amount per hour, and we don't mark up parts"). Labor pricing and parts markups vary by store.

Alternatively, begin with the highest possible amount, including any warranty work. Then, explain the value of the warranty and the out-of-pocket savings they are realizing. Conclude with the final amount the customer owes and follow up with a question like, "That's a ton of savings, isn't it?" Finally, ask about their preferred payment method (cash or card).

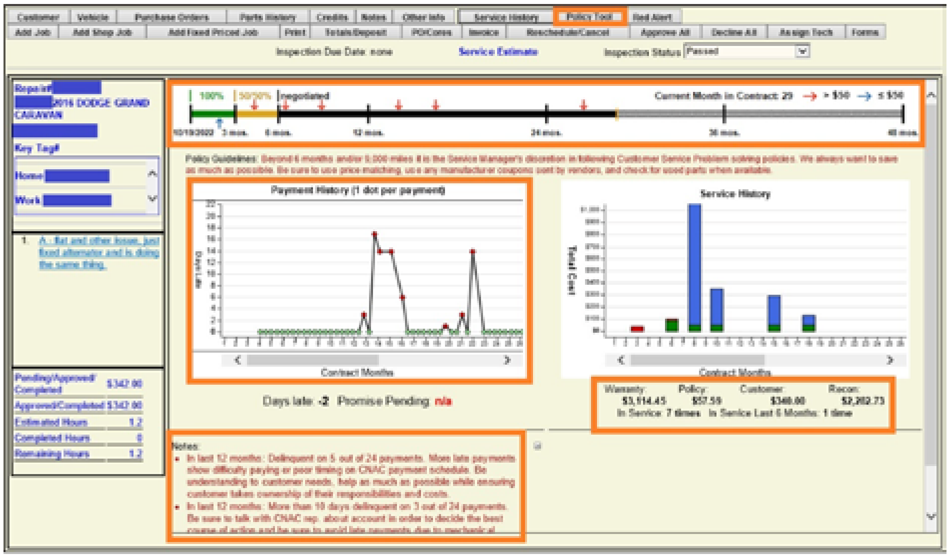
NAVIGATING CUSTOMER PAYMENT NEGOTIATIONS

Sometimes, customers may find it difficult to pay the full amount for vehicle repairs. In these instances, negotiation becomes necessary. When negotiating, it's crucial to consider the customer's past participation in paying for repairs, their payment history, and have a clear idea of your target outcome for the negotiation.

TRAINING CORNER

DON'T FORGET THE POLICY TOOL!

If a customer can't pay the full amount, negotiation may be the best tactic. The Policy Tool is a valuable resource that's sometimes overlooked. It provides customer pay, policy, and warranty spend details for a specific customer. You'll find pay history, notes, and a timeline to guide your negotiation tactics. The Policy Tool can be found in any open customer RO in service.



EFFECTIVE TRAINING: Here are some crucial points to focus on for Continuous Improvement: Ongoing training, call reviews, role-playing, and reviewing notes are vital for enhancing the customer experience.

MASTER THE 3 C'S: TO ENSURE CLEAR COMMUNICATION, ALWAYS REMEMBER:

- ***Concern: Precisely understand the customer's reported issue with their vehicle by asking specific questions. This helps reduce diagnostic time.***
- ***Cause: Clearly identify the problem the technician has diagnosed.***
- ***Correction: Explain the repairs performed in a way that the customer can easily understand***

UTILIZE THE SERVICE GENIE:

SERVICE Genie

Don't overlook the Service Genie on Ebyrider. It's a valuable resource for general and mechanical responses, service benefits, customer motivators, repair process communication, and diagnostic tools.

We can deliver excellent service and achieve our customer pay goals by focusing on these areas!

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VENDOR OF THE MONTH!

STREAM COMPANIES

WHY STREAM?

We are a Full-Service, Fully Integrated, Tech-Enabled Ad Agency:
If connecting your brand with customers and driving quality retail traffic is the goal, the advertising services you choose are the roads that get you there. As a full-service, integrated ad agency, Stream Companies helps you navigate the most effective route with data-driven strategies, transparency, and clear communication.

WHY CHOOSE STREAM?

- Custom strategy recommendations designed for your business
- Strong media relationships for maximum reach
- Full visibility into analytics and proactive strategy sessions
- First-party data utilization for smarter targeting
- Automated marketing and first-party shopper identification
- Certified OEM advertising partner for 25+ brands

THE RIGHT WAY TO MARKET – *STRATEGICALLY*

01
SET YOUR BRAND APART
Define & Market USPs Throughout All Channels

02
RETAIN YOUR CUSTOMERS
Protect Your House, Own Your Backyard

03
CONQUEST FOR COMPETITORS
Build Your Reputation & Your Market

04
DECISIONS THROUGH DATA
Let the Numbers & Data Guide You

OUR SERVICES

Digital Advertising
- Paid Search
- Power Search
- Facebook Advertising
- Display Advertising
- Video Advertising
- Native Advertising

Traditional & Digital Media Buying
From traditional TV and radio to the digital frontier of Connected TV, Online Video, and Connected Radio, we maximize your ad budget to ensure impactful brand placements.

Search Engine Optimization
Building the foundation of your website through custom, unique content and advanced strategies and getting it found by the right shoppers.

Reputation Management
Managing and improving your online image. Responding to each and every review with care and precision while managing the overall impression and reputation of your business.

Integrated Marketing Cloud Powered by fullthrottle.ai™
The Integrated Marketing Cloud is our industry-leading First-Party Data solution aimed at transparently identifying, transforming, marketing to, and measuring your entire potential customer base–making it easy to determine, lift, return, and make a profit.

Social Media Strategy & Management
Building and maintaining your social presence and online community to increase your brand identity and drive sales opportunities.

Creative Services & Branding
- Creative Strategy
- Email Marketing & Strategy
- Web Merchandising
- Copywriting
- Graphic Design
- Project Management

Audio & Video Production
Expanding your brand with premium audio/video content. From idea conception to execution, our team handles every detail to ensure you receive the highest quality of audio and video content.

Direct Mail
Bringing the customer to you–signed, sealed, and delivered.

Website Merchandising
Does your website really work? We fix what's broken, ensure the best user experience, add and remove specials and content, and work directly with your web platform.

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IT UPDATE

ARE 5.0

The Technology group has been working hard on getting ARE 5.0 ready for pilot on April 1st. While ARE 5.0 is new, the workflow for users is very much the same as ARE 3.0 so switching over will be very seamless! We have made a couple of small improvements to ARE 5.0 that we are very excited about. We've brought back the Budget Page that will allow users to calculate a customer's disposable income in Discover. With that, locations will be able to set up their own Disposable Income thresholds that will automatically program decline a deal if the customer does not have enough money at the end of the month to pay their car payments. In addition to the Budget Page, we've simplified the Decision Status screen to make it easier for users to interpret what the DS screen is saying.

MARKETING

MARKETING TEAM DRIVES FORWARD 2025 INITIATIVES

The Marketing team is making swift progress on our 2025 initiatives! Following an in-depth analysis of Byrider's digital footprint, we have identified key opportunities to enhance our online presence and better support our franchises.

A top priority is improving the website's SEO structure to increase visibility and performance. Additionally, we're working to provide franchises with more flexibility in managing their site content, enabling them to create localized, relevant messaging. Another important focus is enhancing conversion tracking, so franchises can make data-driven marketing decisions and optimize their budgets more effectively.

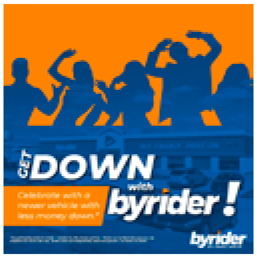
As part of our commitment to providing stores with high-performing creative assets, we have published a variety of materials for you to use across multiple media channels. Be sure to check out **eByrider.com** for our latest **"Let's Get Down"** promotion!

These ready-to-use assets are designed to help you maximize engagement and drive results. Take advantage of them today, and stay tuned for more creative updates coming soon!

If you have any questions or concerns please reach out to adsupport@byrider.com.

Last week, we reached a major milestone by completing the demo round of our website RFP process, bringing us one step closer to these improvements. As part of our broader SEO strategy, we are committed to optimizing our digital presence in the most cost-effective way possible. This includes ensuring all online business directories—especially Google Business Profiles—are fully completed and accurate. Additionally, we are auditing all franchise social media pages and will be reaching out for more information to help organize and streamline this data.

The final piece of our SEO strategy is creating high-quality content tailored for local searches, with more details on this coming soon.



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COMPLIANCE UPDATE

SPRING CLEANING FOR YOUR DESK: SAFEGUARDING CUSTOMER INFORMATION WITH A FRESH START!

As spring arrives and we embrace the season of renewal and decluttering, it's the perfect time to refresh not just our homes, but also our workspaces—especially when it comes to safeguarding customer information. Just like spring cleaning at home, tidying up and organizing at work isn't just about appearances. As a financial institution, we have legal obligations to protect sensitive data collected from our customers. Under the Gramm-Leach-Bliley (GLB) Act and the Federal Trade Commission's Safeguards Rule, we must ensure the security and confidentiality of critical information like Social Security numbers, credit histories, and bank account details.

But protecting sensitive customer data isn't just about compliance—it's also about earning and maintaining trust. By demonstrating that we value the privacy and security of our customers' personal information, we strengthen their confidence in Byrider and set ourselves apart as a company that truly cares.

So, let's use this "spring cleaning" season to revamp how we handle customer data. Here are some Byrider Best Practices and practical steps you can take to establish a Clean Desk Policy and ensure that we're staying compliant and secure all year long:

1. PROVIDE LOCKABLE STORAGE - Just like every home needs a good set of storage bins, your dealership needs lockable storage solutions. Desk drawers or filing cabinets that lock are essential for storing sensitive documents when they're not in use. This ensures that confidential information is kept safe, even during brief absences.

COMPLIANCE UPDATE

2. ENCOURAGE DIGITAL OVER PAPER - In a world where technology reigns, it's time to minimize the use of paper. Rather than handwritten lists of customers or leads, consider using a secure Google Sheet or your Google Calendar to organize information electronically. It reduces clutter while also cutting the risk of sensitive data falling into the wrong hands.

3. PROTECT INFORMATION WHENEVER YOU STEP AWAY - We all step away from our desks—whether for customer meetings, test drives, or just a quick break. Before you leave, make it a habit to do a quick desk check: Are there any sensitive documents in plain view? If so, file them away or put them in a folder. And don't forget to switch on your computer's password-protected screen saver (just hit Ctrl/Alt/Delete) for an added layer of security.

4. CLEAN UP AT THE END OF EACH DAY - A key to any successful clean desk policy is tidying up before you leave. Don't leave documents scattered across your desk overnight. To ensure the security of client and employee information, all documents should be either filed away or locked up at the end of the day. Additionally, make sure to shred any documents containing sensitive information like Non-Public Information (NPI).

5. MONITOR COMPLIANCE WITH REGULAR CHECKS

No policy is effective without oversight. Assign your office manager the task of doing a quick audit of everyone's desk at the end of the day. This doesn't have to be a major ordeal—a simple check for papers, Post-it notes, or sensitive documents left on desks will do the trick. As your team get used to the routine, you can move from daily checks to random spot checks.

6. REWARD CLEAN DESK CHAMPIONS

What's spring cleaning without a little fun? Recognize employees who achieve 100% clean desk compliance at your daily operations meetings (DOC). You can even take it a step further by organizing a contest among departments to see which team can best follow the policy. The winning department could be rewarded with a fun prize or team recognition!

By following these simple steps, we can make sure that your dealership is a secure and organized place to work, while also protecting the personal information of our valued customers. Let's make this spring cleaning season the start of a safer, more efficient way of working!

TRAIN-THE-TRAINER RECAP

TRAIN THE TRAINER SUMMARY & UPDATE

Train-The-Trainer sessions are designed to provide operational leaders with the skills and knowledge to effectively teach others. Continuous learning and development will improve individual and team performance.

THIS MONTH'S TRAIN-THE-TRAINER SUMMARY

March

- ***Internet Leads - Performance Metrics***
- ***Internet Leads - Google Best Practices***
- ***Non Internet Leads - Performance Metrics***
- ***Non Internet Lead Generation - Best Practices***
- ***Reporting and Accountability***

UPCOMING TRAIN-THE-TRAINER SESSION

- ***Monday - March 31st - 1pm-2:30pm Eastern***
  - *Monthly Financial Reviews*

FOLLOW-UP SESSION

- ***Monday - April 7th - 1pm-2pm Eastern***
  - *Owners are encouraged to add anyone to the invite that may benefit from this training.*
  - *Owners & Decision Maker and Accounting Email Groups have already been invited*
  - *We appreciate everyone's participation and look forward to continued engagement in 2025!*
  - *Let's continue to work together to improve!*

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