



WARRANTY UPDATE FROM THE RETAIL LEVEL

MSX INTERNATIONAL.



Pieter van Rosmalen

Global Vice President RNS

- Degree in Mechanical Engineering
- Since 22 years at MSX International
- Held various operational management positions with focus on Warranty and Retail Process Improvement
- Since 2009 global Vice President of Retail Network Solutions
- RNS is a Division with \$350M turn-over, 3500 heads
- RNS is solely focused on the automotive industry, Servicing nearly every major OEM in the Passenger car and Truck industry



MSXI IN A NUTSHELL.

MSX INTERNATIONAL.

over **500,000**
candidates world wide




cooperations
with nearly **EVERY** OEM

500
Million turnover



75
years of
experience



Experiences
based on
more than **25,000**
dealer consulting days
per year



represented in
50
countries.




600 local
300 global projects

1,400
Qualified staff
placed



Around
5,500
Employees world wide



MSXI SOLUTION PORTFOLIO.

Retail Network Solutions (RNS)

TECHNOLOGY & STRATEGIC CONSULTANCY
Developing successful retail strategies

TECHNICAL SOLUTIONS	WARRANTY SOLUTIONS	DEALER SOLUTIONS	TRAINING SOLUTIONS
Providing Dealer Technical Expertise	Reducing Warranty Costs	Driving dealer performance	Driving employee performance
<ul style="list-style-type: none"> ▪ Technical Publications ▪ Technical Training ▪ Technical Helpdesks ▪ Technical Pre-approval ▪ Technical Field Forces 	<ul style="list-style-type: none"> ▪ Warranty Analysis ▪ Warranty Training ▪ Warranty Assessment ▪ Warranty Pre-Approval ▪ Warranty Process Improvement ▪ Warranty Audits 	<ul style="list-style-type: none"> ▪ Customer Service Platforms ▪ CSI Measurement ▪ Sales & Service Leads Management ▪ Retail Compliance ▪ Sales Excellence <ul style="list-style-type: none"> ▪ private customers ▪ small & big fleets ▪ LCVs ▪ Service Excellence <ul style="list-style-type: none"> ▪ private customers ▪ small & big fleets ▪ LCVs ▪ Fast-Fit & Bodyshop ▪ Parts Wholesales ▪ Accessories & Loyalty Sales 	<ul style="list-style-type: none"> ▪ Sales and After Sales training ▪ Technical training ▪ e-Learning ▪ Training contents development ▪ Delivery through : <ul style="list-style-type: none"> ▪ classroom ▪ field ▪ e-learning

MSXI ANALYTICS AND TECHNOLOGY SOLUTIONS



WARRANTY AT THE DEALERS

REMEMBER THIS ONE?



WHAT HAPPENED AFTER.....

Some OEMs went Bankrupt.....

Some came into severe cash problems.....

Sales volumes (units) went down dramatically.....

Dealers went out of business.....

**A CLIMATE WHERE NORMALLY WARRANTY
COST GOES UP DRAMATICALLY**

BUT.....

Warranty cost went down

lower unit volumes

Cost per unit went down

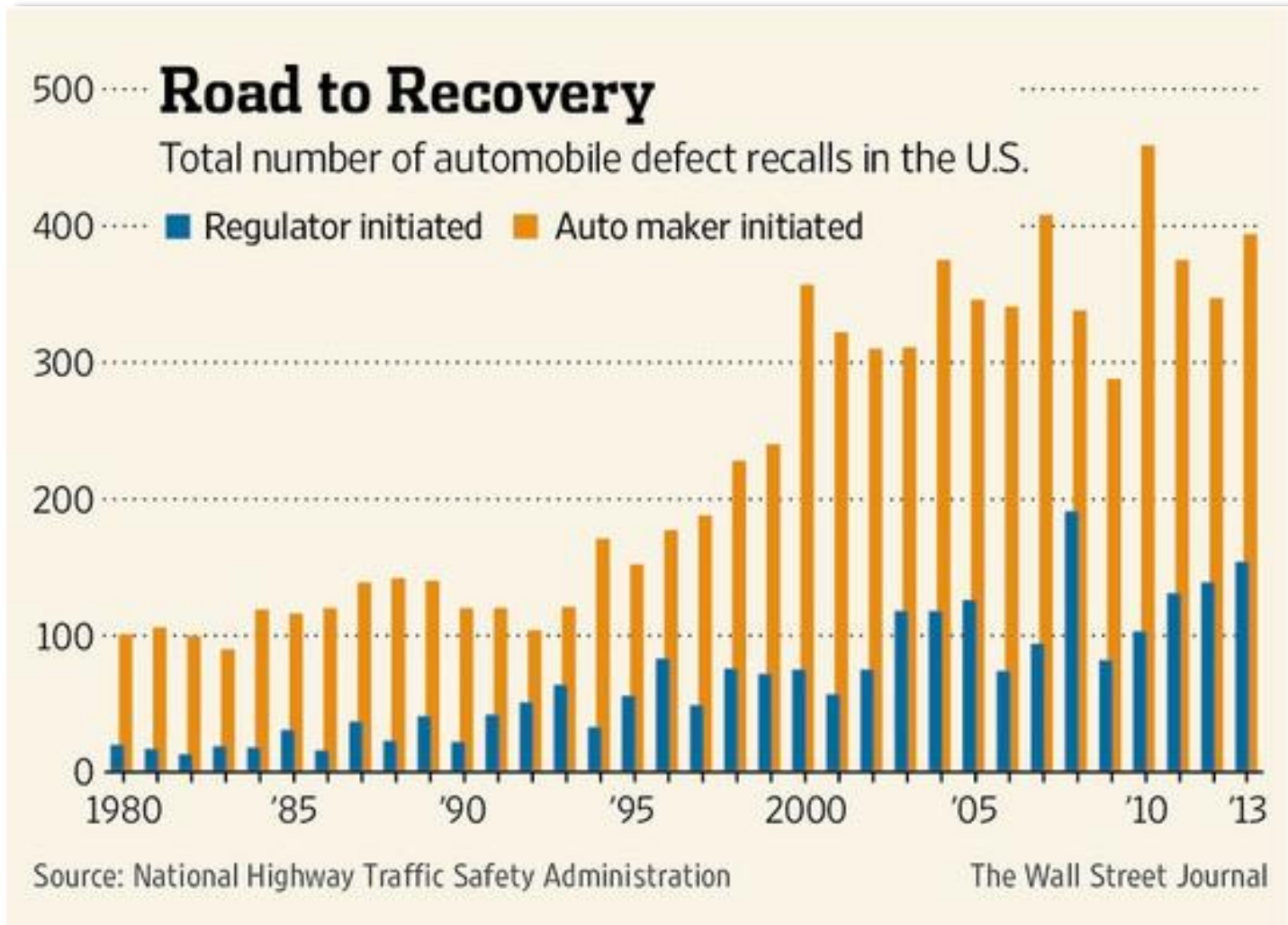
Improved quality

Accruals were released and
Warranty reserves brought down

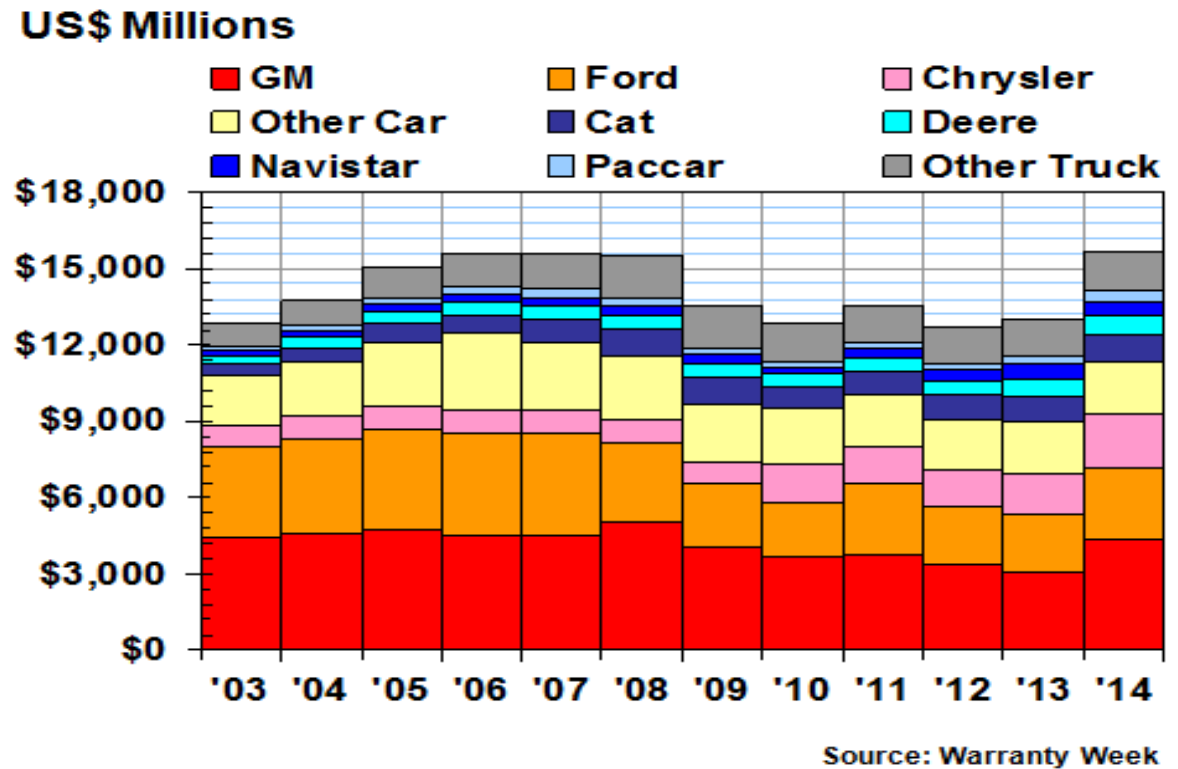
Improved quality

All OEMs had strong improved quality levels

OR SO THEY THOUGHT.....

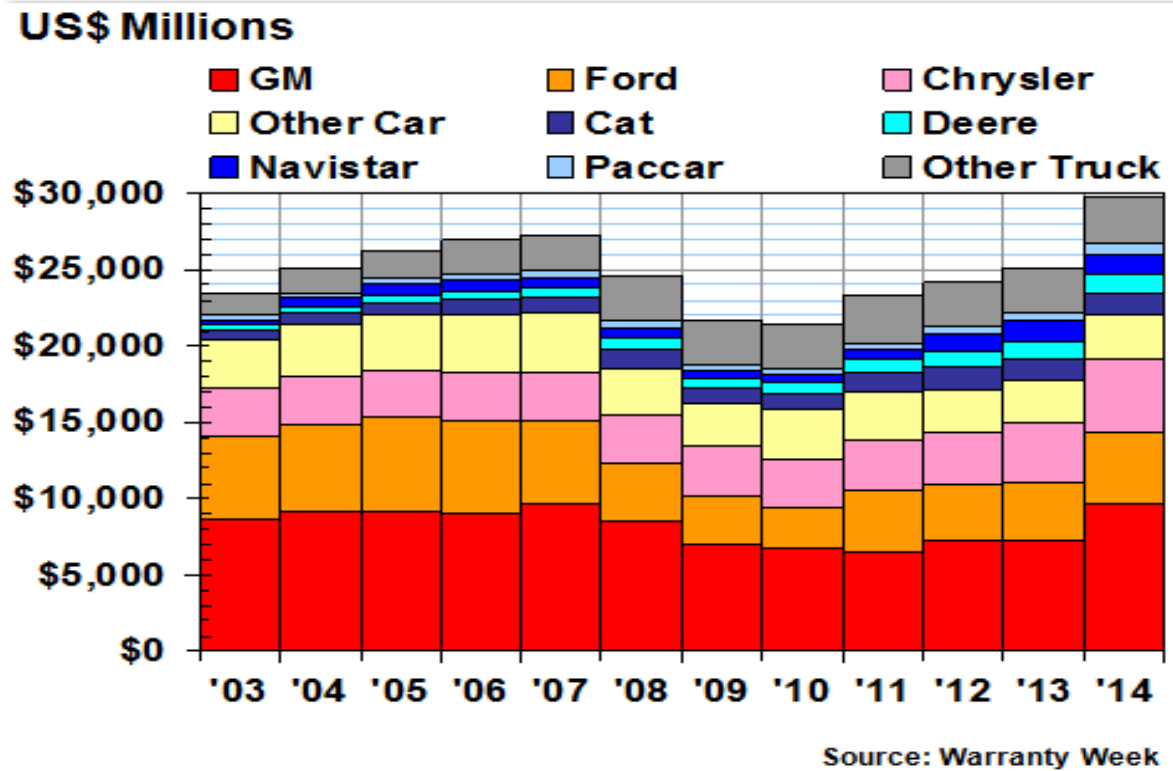


AND TODAY.....



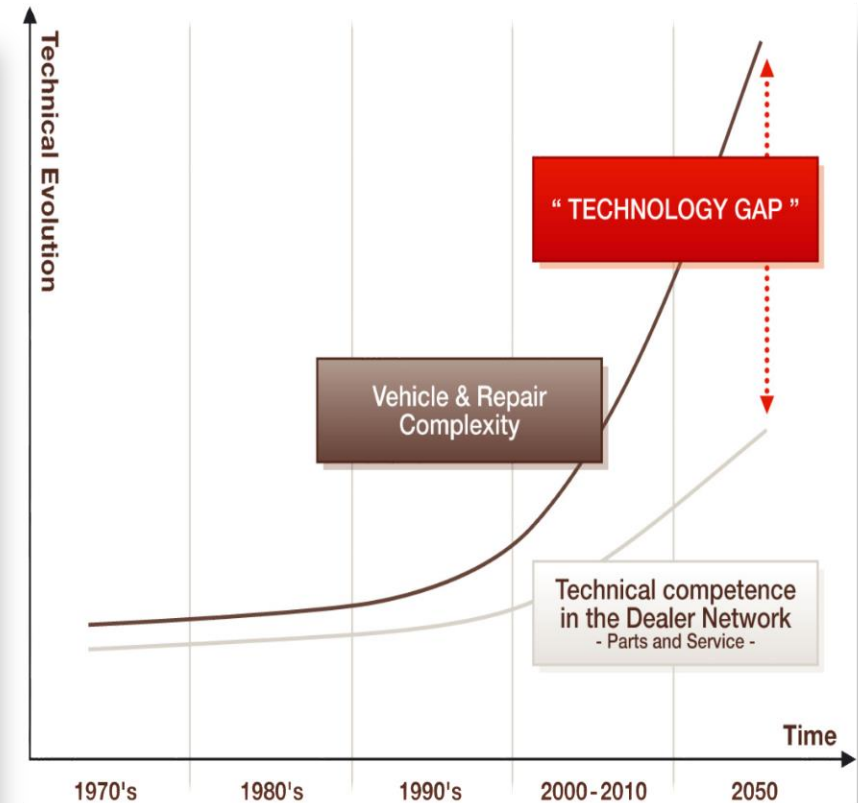
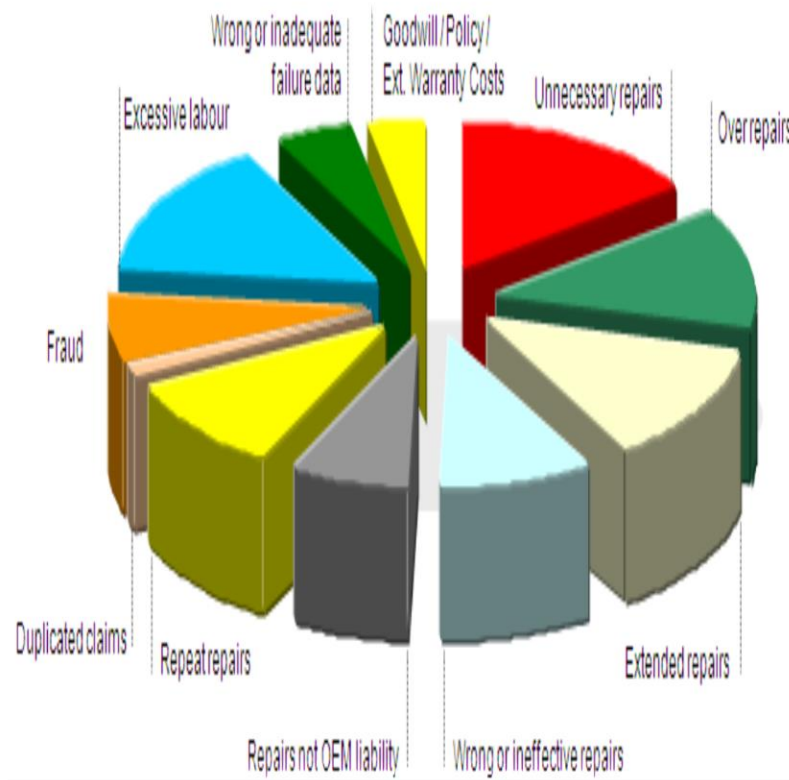
Warranty levels are back to pre crisis values

AND SO ARE WARRANTY RESERVES.....



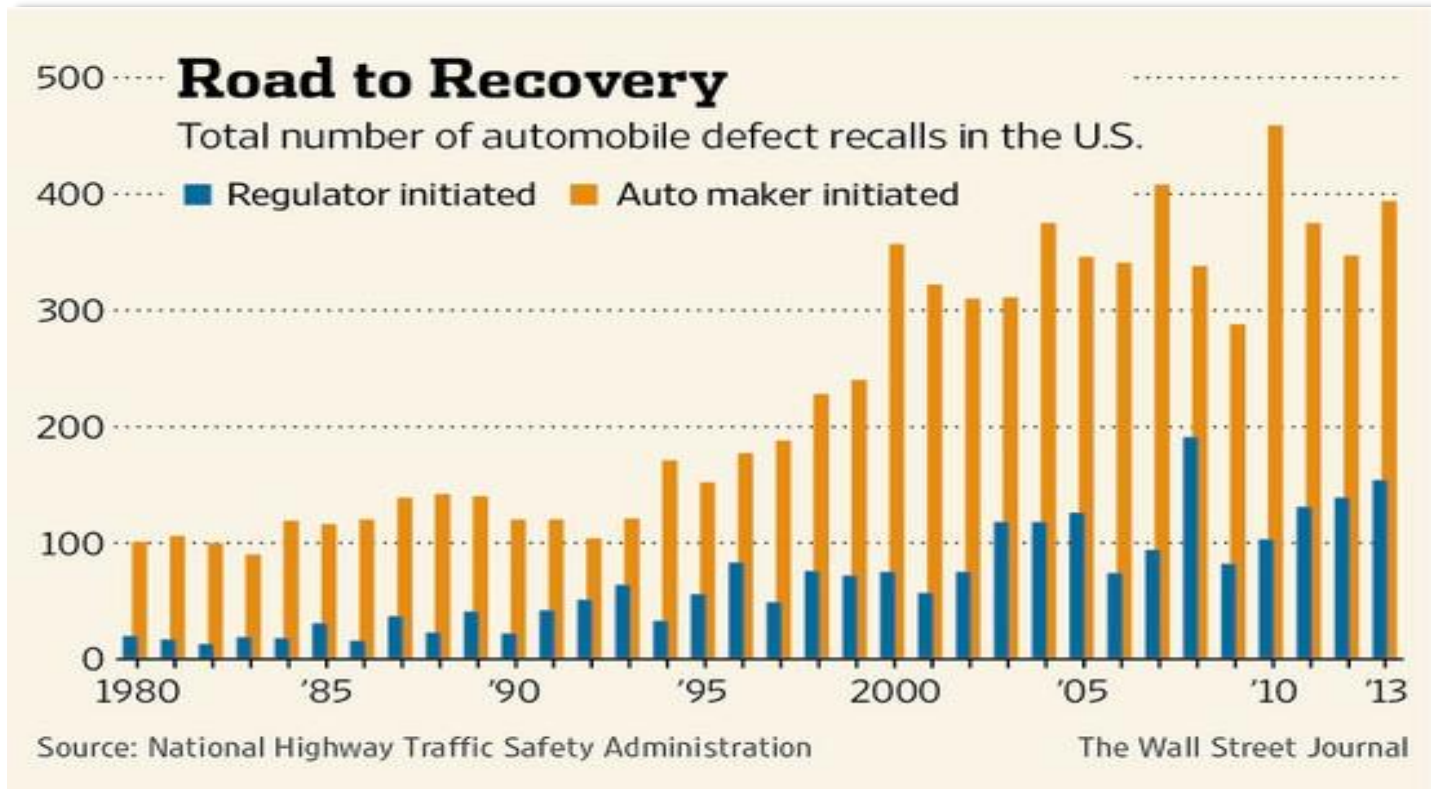
So nothing has changed?

INCREASED FOCUS FOR DEALER WASTE



OEMs have increased their controls and their Investments to improve FIRFT

GOOD NEWS?

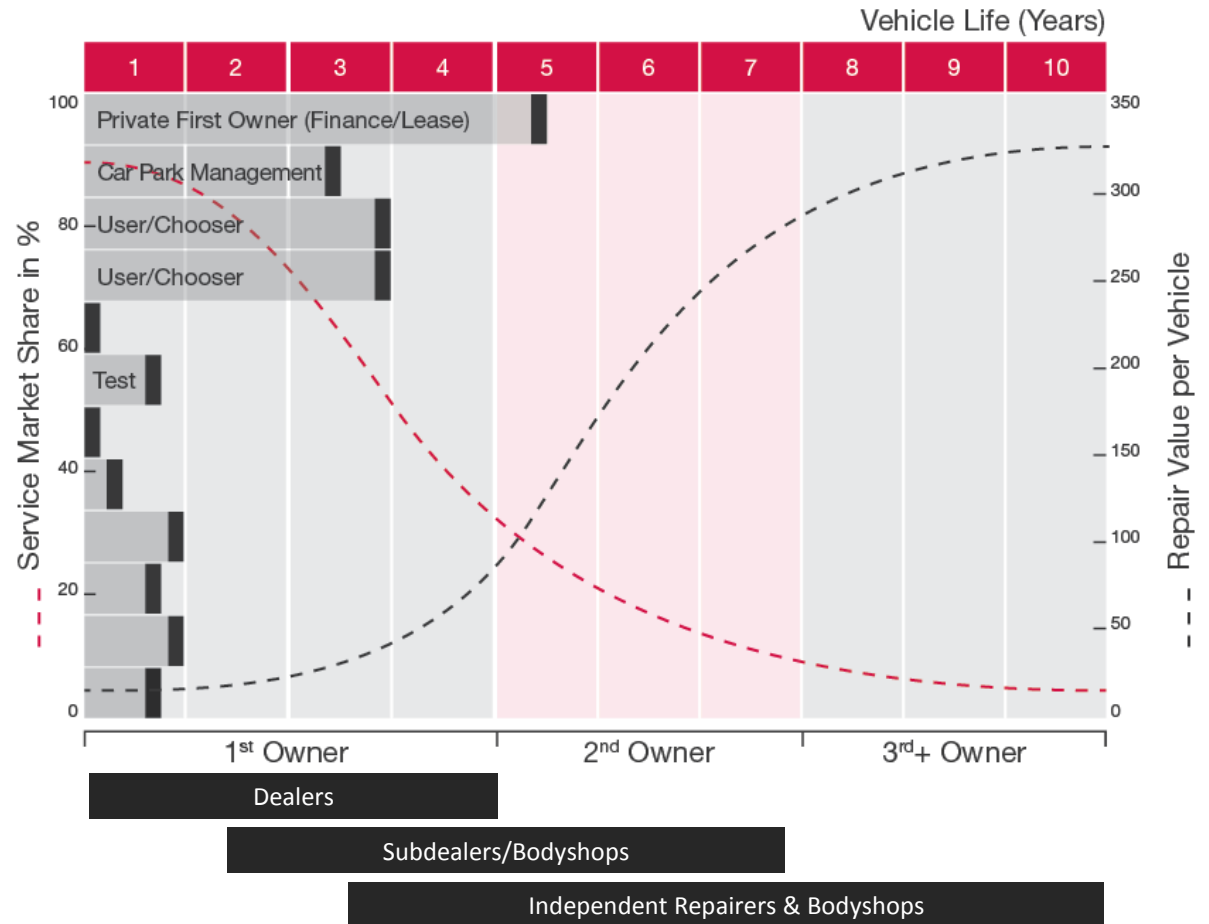


Data Quality will be improved. But recall handling needs to be reinvented.

AS FOR THE FUTURE...

Customer	Seller
Private	Dealer
Large Fleet	OEM/Captive
Small Fleet	OEM/Dealer
Small Commercial	Dealer
Short Term Regs	Dealer
Demo Cars	Dealer
Stock Cars	Dealer
Large Rentals	OEM/Dealer
Small Rentals	Dealer
OEM Company Cars	OEM
OEM Employee Lease	OEM
OEM Car Sharing	OEM

Moment of Remarketing



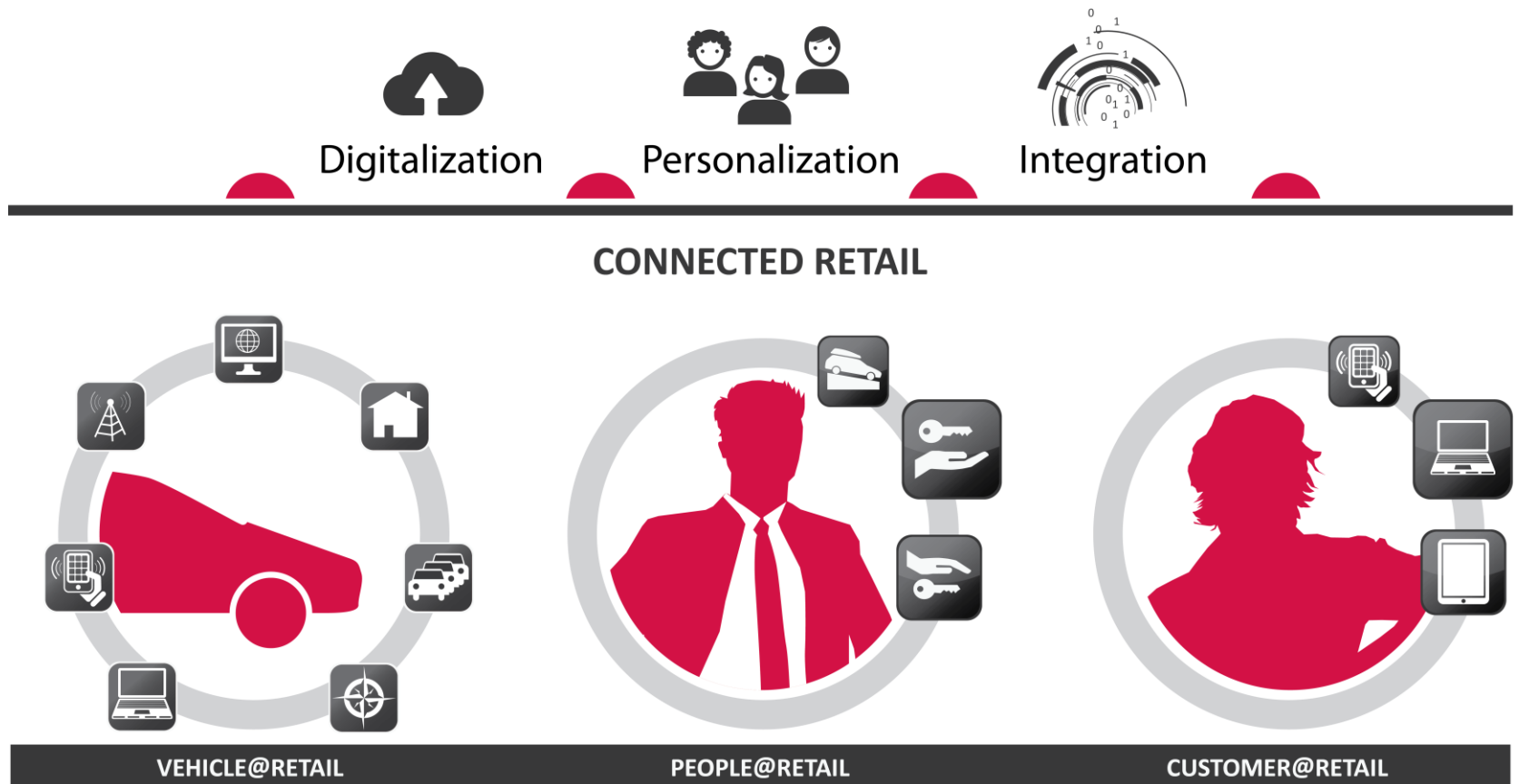
CONNECTED RETAIL IS KEY TO SURVIVAL

In a world where cars and consumers are connected, Automotive retail needs **Connected Retailing** to ensure **sustained sales success and ownership experience**. It not only enables a new way of doing business, it also drives out waste from the entire retail value chain. Generating benefits for consumers, manufacturers and dealers alike

A connected retail strategy can eliminate 20% of waste from the selling expense whilst improving the customer experience



INTEGRATING CUSTOMER, RETAILER, OEM AND SUPPLY BASE.



THANK YOU!



CONTACT.

Corporate Headquarters

MSX International Corporate
Headquarters
One Detroit Center
500 Woodward Ave. 19th Floor
Detroit , MI 48226 USA

Phone: +1 248-829-6300
Fax: +1 248-829-6030
www.msxi.com

South America

MSX International do Brazil
Centro Empresarial do Aco
Av.do Cafe, 277 - 1o andar - Conj
102 - Torre B
Bairro - Jabaquara
Sao Paulo - SP
Brazil

Phone: +55 (11) 2158-6900
Fax: +55 (11) 2158-6911

www.msxi.com

Europe

MSX International GmbH
Ossendorf-Technology-Center
Hugo-Eckener-Strasse 20
50829 Köln
Germany

Phone: +49 (0)221 94 70 00
Fax: +49 (0)221 94 70 01 10

www.msxi-euro.com

China

Shanghai MSX Automobile Technology
Service Limited Company
Suite 2413-2415, 24F, Shanghai China
Merchants Tower No 161 Lujiazui East Road
Pudong District Shanghai 200120 People's
Republic of China

Phone: +86 21 68785100 (Ext. 127)

www.msxi-euro.com

Asia Pacific

MSX International Australia Pty Ltd.
85 High Street South
Kew Victoria 3101
Australia

Phone: +61 (0)3 9693 9900
Fax: +61 (0)3 9693 9999

www.msxi.com.au