



ON TRACK

A
Newsletter
FOR THE
Auto Auction Industry

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Experience with a
Year of Innovation

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Welcome to our first OnTrack of 2019!

At IAA, we believe we occupy a unique position in the automotive industry. Directly and indirectly we serve two distinct customers — vehicle sellers and vehicle buyers.

Some of our closest customer relationships are with those clients who participate in buying or selling vehicles with us. We know they rely on our industry knowledge, volume power and cutting-edge approaches to the auction business. It's important that we continually pay close attention to serving the unique needs of buyers and sellers.

In this edition of OnTrack, we explore just some of the ways IAA is enhancing the customer experience for all segments of the industry we serve. This includes technological advancements that simplify the buying and selling processes, new tools for towing efficiency and IAA's approach to managing vehicle influx during and after CAT events.

Consistently improving communication also occupies a place at the top of our priority list. Publications like OnTrack, our new Buyer Newsletter, smart email messaging platforms, news alerts and consistent, informative CAT communications are just some of the ways we stay in touch with our customers.

We're excited and optimistic for the year ahead, and already off to a great start. Although 2019 will undoubtedly come with its share of challenges, working together with the right tools and the best information helps us all reach our goals.

As always, we value your partnership and look forward to a wonderful year!




JOHN
KETT

Chief Executive Officer and President

GREETINGS

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ONTRACK

Elevating Customer Experience with a Year of Innovation

IAA's perspective on innovation is a human one. If technologies don't serve our customers, no amount of "cool factor" can justify using them. We look to integrate tech tools that solve problems and are easy to operate. Many of our innovations provide buyers better clarity, efficiency and ease while better merchandising and selling provider assets.

From convenience and clarity to personalization and power, IAA's technological advances reinforce our promise to prioritize the customer experience.

IAA 360 View™

Using photo intelligence innovation, IAA 360 View gives buyers a 360-degree look at a vehicle's exterior and interior condition. Buyers rotate their view of the image as though they are walking around the perimeter of the car. They can see an interactive panoramic image of the car's interior. Buyers can also zoom in on areas of the vehicle that are critical to their decision-making when bidding and buying.

IAA's Multi-Channel Auction Model™

Over the last year, we proudly launched new platforms and enhanced others to provide clients a more efficient auction experience. IAA customers now enjoy a multi-channel model including six auction platforms for selling and buying vehicles.

IAA Timed Auctions™

Buyers can view fresh, first time inventory and purchase a vehicle before it enters a live sale with IAA Timed Auctions. Through this online bidding portal, buyers can review available vehicles and minimum bid prices. This interactive, real-time service allows buyers to make a bid, see the current winning bid and see whether the reserve is met — all to help them easily know whether they're winning the auction without waiting. IAA even notifies buyers of last-chance opportunities on auctions that failed to meet their reserve.

Exciting Buyer Updates

All of the newest buyer updates can now be found in the bi-monthly newsletter on IAA-Auctions.com.

Expanding our Live Online Platform

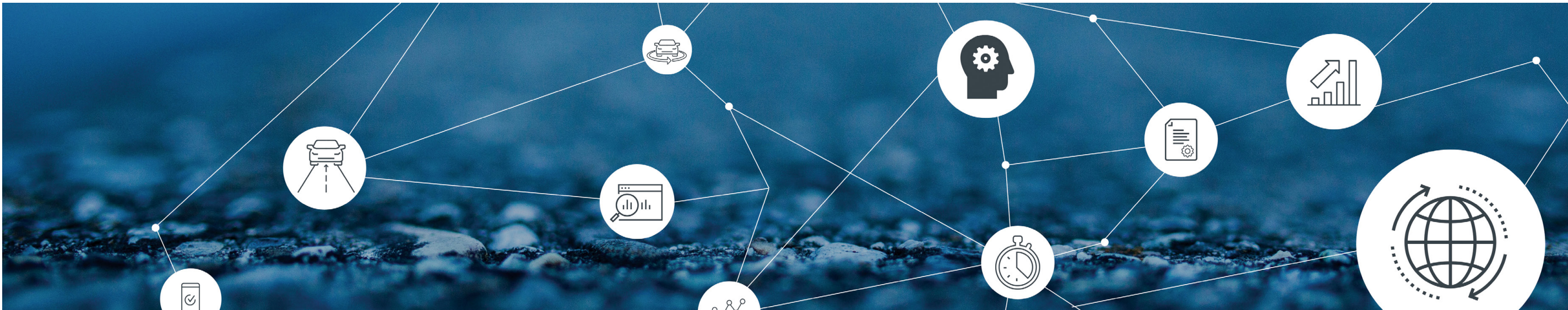
IAA pumped even more power into our Live Online Platform, giving buyers the ability to manage up to 12 live, online auction lanes at the same time. Now buyers can bid more efficiently, leading to greater bidding and buying.

Documents and Forms

Saving time and hassle, IAA buyers can now upload business licenses and tax documents directly to their online profile. Also, DocuSign allows customers to legally sign many documents electronically.

Fresh Developments

- More robust search tools, including a simpler interface for filtering inventory
- Next-level design to create a more seamless user experience
- Improvements for a convenient and more secure login process
- Clearer and more helpful notifications



Reflecting on the 2018 CAT Season

In 2018, the United States saw one of the most active catastrophe years on record. Hail storms resulted in excess of 5,000 total losses in Colorado. Floods impacted various regions throughout the continental U.S. Multiple hurricanes battered coastal areas, ravaging communities with high-force winds and flooding rains. Two major fires raged in California, destroying thousands of structures, causing mass evacuations and creating the ongoing threat of mudslides.

As IAA responds to these and other crisis events, we observe their extent and also their complexity. Cleanup and reclamation must be executed in coordination with local government and emergency services partners. Communications are critical in these times to ensure clarity and transparency of events. There's a great deal to consider.

Moving into a new year, IAA maintains its commitment to our industry leading response to CAT events.

This focus drives our business operations because we know it will produce the best outcome for our buyers, sellers and the people affected by these severe events.

CAT Response: Hurricane Lane

Mid August | Hawaii | Category 5

Despite the logistical challenge of responding to a CAT more than 2,000 miles from the continental United States, IAA secured nearly 150 acres, more than 400 tow truck commitments and 200 IAA volunteers well in advance of the storm's impact.

CAT Response: Hurricane Florence

Early September | Carolinas | Category 4

Against predictions, the storm re-centered over the Carolinas. IAA reacted quickly, and in days had added to our existing footprint of land, securing nearly 1,100 total acres, more than 1,300 tow trucks and over 400 dedicated IAA volunteers to assist with the effort.

CAT Response: Hurricane Michael

Early October | Florida | Category 4

Reacting to the third strongest storm on record to make landfall in the United States, IAA worked to secure ample space, tow trucks and IAA volunteers across the greater Bay County area of Florida, where the hurricane made landfall.

CAT Response: Woolsey & Camp Fires

Mid November | California

The Woolsey Fire gained attention for the celebrity families it displaced, along with nearly 300,000 people who were evacuated from Los Angeles and Ventura counties. The devastating Camp Fire in Butte County was the worst ever in California history. Because of the sheer devastation throughout these regions, IAA took a sensitive approach with customers, and continues to work with state and local authorities to aid in recovery efforts in any way we can.

IAA Mobile Tow App

During and after a CAT event, every minute is precious. With a goal of streamlining towing efficiency, IAA developed the IAA Tow App, and is constantly enhancing it.

The IAA Tow App helps drivers in the field to receive a tow order, easily locate the vehicle and process needed documents, right on their mobile device. This allows for quicker response time and greater overall efficiency, benefitting all interested parties.

IAA deployed the second generation version of our Tow App complete with auto dispatch during cleanup after Hurricane Florence to towing and hauling contractors transporting vehicles that were impacted by the storm and the resulting flooding.

Ongoing Priorities for CAT Events

Expedited response: CAT situations are ever-changing – weather patterns shift, storm intensities grow and fire movements are unpredictable. When anticipating a CAT event, IAA prepares with staff and equipment. If the environment changes, we can adjust quickly to meet areas of priority.

Monitor situations and long-term trends: IAA continues to watch the state of cleanup efforts surrounding CAT events, to be ready to react when needed. Also, IAA monitors long-term CAT trends that could affect the future of the vehicle reclamation industry and shares analysis with customers.

Our goal is to have the resources in place to be prepared for the worst.



UPDATES

Send comments about
ONTRACK to: OnTrack@iaai.com

Insurance Auto Auctions, Inc.
Two Westbrook Corporate Center, 10th Floor
Westchester, IL 60154



IAA Team Members Appointed to Boards

Congratulations to IAA Vice President Mark Helvenston, who has been appointed to the Collision Repair Education Foundation Board of Trustees. The foundation works to support collision repair educational programs, schools and students to develop qualified professionals and connect them with career opportunities. Read the announcement [here](#).



Congratulations to IAA Director of Client Services and Support Steve Betley, who has been elected as Chairman of the CIECA Board of Trustees. The organization develops collision industry electronic standards, codes and standard messages and provides implementation guides to make the industry more efficient. Read the announcement [here](#).



HBC Wins Supplier of the Year

HBC Vehicle Services, a KAR family company, recently won the Supplier of the Year Award from Admiral Group Plc. With an over 25-year relationship, HBC is the first claims supplier to win the award.



\$30k for American Heart Association

As a proud sponsor of the 2018 Metro Chicago Heart Walk in September, IAA engaged several team members to get on their feet to support American Heart Association's annual event. Together, we raised more than \$30,000 for the organization, whose mission is to build healthier lives free from cardiovascular diseases and stroke.



IAA team celebrating the grand opening of the new IAA Flint (MI) location.

Recent Grand Openings

IAA Flint (MI)

Customers in east central Michigan now enjoy IAA's best-in-class customer service at its new convenient metropolitan Flint facility, which replaces the IAA Great Lakes facility in Bay City.

- IAA's third Michigan location
- State-of-the-art facility
- 18 acres for future expansion

IAA Tampa North (FL)

Situated in Hudson, Florida, just north of New Port Richey on the Gulf of Mexico, IAA's Tampa North location expands the capabilities of our catastrophic event response services.

- IAA's 11th Florida location
- About 45 miles north of Tampa
- 9,000-square-foot office on 40 acres

IAA Wichita (KS)

In relocating the Wichita site, IAA thoughtfully improved the inspection, bidding and buying experiences, and maximized customer asset protection with the latest camera technology.

- Expanded drop zones
- Improved vehicle inspection center
- 2x the inventory space