

| CASE STUDY

BCA Guaranteed Sale

Q:[Mechanical] A:[Good] Cat:[mechanical] = 25 points.

Q:[Equipment & Electrics] A:[All OK] Cat:[mechanical] = 25 points.

Q:[Hoods, Sunroofs and Panoramic Roofs] A:[Good] Cat:[mechanical] = 25 points.

Q:[Tyres] A:[None] Cat:[mechanical] = 25 points.

100 points against mechanical score = Grade B

Q:[Exterior Bodywork, Trim and Wheels] A:[Very good] Cat:[non-mechanical] = 25 points.

Q:[Exterior Glass (excluding mirror glass)] A:[All present] Cat:[non-mechanical] = 25 points.

Q:[Interior] A:[Good] Cat:[non-mechanical] = 25 points.

Q:[Removable Items] A:[All present] Cat:[non-mechanical] = 25 points.



BACKGROUND

British Car Auctions (BCA) is the largest vehicle auction company in Europe. Employing over 5,000 staff in 13 countries, the company has a turnover in excess of £3bn and sells over a million vehicles every year.

BCA's core business hasn't changed much since 1946 when one of its founders, David Wickens, placed an advert in a local newspaper offering to sell his Riley Nine Lynx Tourer for £200 to the first person that showed up at his mother's house.

He was able to attract a crowd of eager buyers that were prepared to compete in outbidding each other in order to secure the purchase. Wickens famously sold his car for £420, exceeding his initial expectations by more than double and successfully piloting an idea that would go on to become the world's largest vehicle remarketing business.

Fundamentally, the same process is still repeated every day across BCA's 47 auction centres. Arriving buyers will observe

a relentless queue of cars rolling into auction houses to be driven out the other end (usually 3 minutes later) with new owners.

The volume of transactions has significantly increased, and the whole process is now run with industrial efficiency, but at its core BCA remains true to the original business model trialled some 70 years earlier.

THE BUSINESS PROPOSITION

Fast-forward to 2013 where BCA were embarking on a joint venture with Trader Media Group, owners of the popular AutoTrader website and publications. The purpose of the collaboration was to build a system and set of processes capable of offering customers a "Guaranteed Sale" price for their vehicles.

The business objective of the project was to gain access to at least another 60,000 vehicles and generate additional revenue by charging processing and auction buyer fees. By offering this service, BCA hoped to become the most trusted service in the market.

The proposition to the consumer was to relieve the hassle of the part exchange process by quickly transforming their cars into cash. Vehicle owners looking to trade in their car were encouraged to put their trust in the well-respected brands of BCA and AutoTrader and book an expert assessment to take place at their home. The outcome of this would be a detailed and accurate valuation for their vehicle. Customers would have the option to convert the offer in to cash by agreeing to sell their car at the guaranteed sale price. BCA would then immediately take ownership of the vehicle and transfer money into the customer's account within 24 hours of the meeting.

PILOT PHASE

In order to assess the commercial viability of the Guaranteed Sale proposition, it was decided that an initial pilot phase would be run that would implement only the bare essential technology systems required to ratify the commercial viability of the solution. Although a "lite" version of the eventual system was to be created, this still represented a large technical undertaking for BCA and Priocept.

Priocept were contracted to assist BCA by providing requirements analysis, technical design, project planning and general consultancy services, as required to facilitate the design of the BCA Guaranteed Sale proposition.

Priocept then made available a team of skilled software engineers and consultants to take responsibility for the design, development, testing, deployment and project management of the pilot application.

The solution was built around the Microsoft .NET Framework and consisted of the following components:

- Workflow implemented using Windows Workflow Foundation (WWF).
- Web services provisioned using Windows Communication Foundation (WCF).
- Data persisted to Microsoft SQL Server databases.
- Underlying codebase developed using C#.Net.

THE TECHNICAL SOLUTION

The Guaranteed Sales System comprises the following components:

- Guaranteed Sale API** - Supports all of the Guaranteed Sale sub-systems, exposing everything the consuming AutoTrader web application requires via a set of RESTful web services.
- Customer / Sale Workflow Management System** - Manages the state of a sale from the moment a valuation has been provided through to the final sale and transfer of the vehicle to BCA. It also provides a web based administration interface and reporting system which acts as the Guaranteed Sale customer services system for managing the process of a sale and related customer communication.
- Vehicle Condition / Grading System** - Maintains the list of questions and possible answers required to ascertain the condition (grade) of a vehicle and provides an interface which returns the grade of a vehicle based on the vehicle assessment.
- Vehicle Valuation System** - Returns the valuation of a vehicle based on the make, model, grade, age, and mileage. It then makes adjustments for missing items such as missing keys, missing MOT certificate or lost sat-nav disc, and maintains the logic of the specific guaranteed sale valuation adjustment criteria to ensure the valuation offered is viable given all the current market operating conditions. It uses BCA's existing Vehicle Description Service (VDS) to get an initial valuation and imposes its own adjustments on top of this as required.

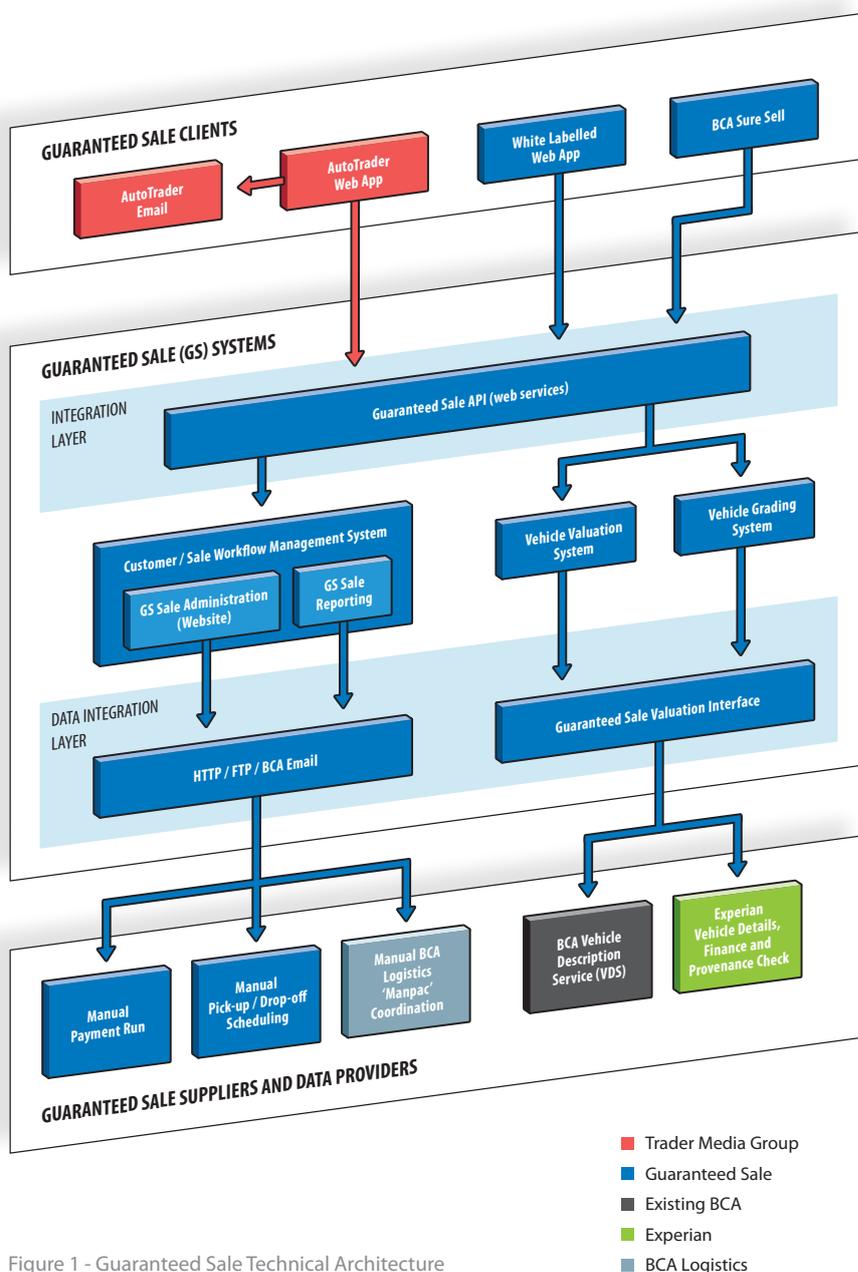


Figure 1 - Guaranteed Sale Technical Architecture

RESULTS

Priocept successfully completed the Guaranteed Sale pilot and demonstrated to BCA the viability of expanding the technical solution into a system ready for live service.

In 2013, BCA acquired We Buy Any Car Limited, who were an established business providing the same service as the proposed Guaranteed Sale system at webuyanycar.com. This allowed BCA to rapidly meet its

business objective of becoming the most trusted provider in the sector.

Priocept and BCA continue to work together on a number of projects.

PRIOCEPT

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