



CERTIFIED AUTOMOTIVE REMARKETER (CAR) PROGRAM



THE CERTIFIED AUTOMOTIVE REMARKETER (CAR) CERTIFICATION PROGRAM

HISTORY

The used vehicle remarketing industry is a trillion dollar industry and has always been in the shadow of the larger retail new car industry. There has been very little national recognition of the industry and its people. Therefore, the International Automotive Remarketers Alliance (IARA) established the Certified Automotive Remarketer (CAR) program in 2006 to increase the industry's recognition and to advance the profession of Vehicle Remarketing by providing the premier credential in the industry.

PROGRAM DESCRIPTION

The Certified Automotive Remarketer (CAR) Certification Program focuses on five performance domains that have been identified by the certification committee. These include:

- Remarketing channels
- Pre-sale activities
- Actual sale activities
- Post-sale activities
- Legal and ethics

GOVERNANCE & STRUCTURE

The Certification Program is governed and administered by IARA's Executive Director and the Certification Committee. The Committee is composed of vehicle remarketing experts and is assisted administratively by the Executive Director. The Committee reports to the IARA Board of Directors.

Governance of the certification program and decision-making regarding the program are the main responsibilities of the Committee. The Committee is also responsible for the development and administration of the certification exam and the program's operational processes. The Committee's ultimate goal is to ensure that the mission and purposes of the program are met.

PROGRAM PURPOSES

The purposes of the CAR certification program are to:

- Establish the CAR designation as the mark of credentialing excellence in the remarketing industry;
- Recognize individuals with exceptional knowledge pertaining to the practices and principles of effectively remarketing vehicles;
- Promote the highest professional standards in the remarketing industry for both the private and public sectors, domestically and internationally;
- Enhance the image of the vehicle remarketing profession by establishing and maintaining the highest level of ethics and standards of practice; and

- Create and maintain a fair and reliable assessment process for remarketing professionals to demonstrate their knowledge and skill.

ELIGIBILITY REQUIREMENTS

To qualify for the CAR certification program, candidates must have at least three consecutive years of experience in the vehicle remarketing sector or in services supporting the vehicle remarketing sector. See examples in the table below.

VEHICLE REMARKETING SECTOR	SERVICES SUPPORTING THE VEHICLE REMARKETING CONSIGNMENT PROCESS
<ul style="list-style-type: none"> ✓ Auto Manufacturers, Dealers ✓ Wholesalers, Leasing Companies ✓ Daily Rental Companies ✓ Financial Institutions/Banks ✓ Corporate Fleets ✓ Other Institutional Consignors ✓ Auctions (physical and/or Online) ✓ Remarketing Management Companies 	<ul style="list-style-type: none"> ✓ Transportation ✓ Vehicle Inspection ✓ Reconditioning ✓ License and Title ✓ Insurance ✓ Vehicle History ✓ Media ✓ Associations and Consulting ✓ Financing and/or Floor planning ✓ Warranty ✓ After market ✓ Guide books ✓ Technology service providers

CERTIFICATION PROCESS

Once enrolled in the program, enrollees are required to pass a certification exam to earn the CAR designation. The certification process consists of four steps:

Step I: CAR Application Preparation & Submission

- Candidates will complete the CAR application form and submit it to the Executive Director.
- Candidates will either submit a résumé or curriculum vitae or be recommended by an IARA member.
- Candidates must postmark their application and enclose all required materials, including the application fee.
- The Executive Director will verify employment to ensure program requirements are met. Candidates will receive acknowledgement of their application within five business days. If you do not receive notification within five business days, please contact IARA at info@iaraonline.org.

Step 2: Application Review

- The Executive Director will review CAR applications and supporting materials. Candidates who submit incomplete applications will be notified and will have 30 days to submit missing information.
- The Executive Director will evaluate applications to ensure that candidates have met the requirements.
- The Executive Director will notify candidates of the application review outcome.
- Approved candidates will be provided with the CAR online course and an exam preparation checklist. It's the responsibility of the program participants to identify the appropriate methods to prepare for the exam.

Step 3: Exam

- Pencils will be provided at the exam site. Devices such as cell phones, pagers, alarms, calculators, and reference materials of any kind are not permitted during the exam.
- The program consists of 20 exams covering each of the performance domains. Program participants have three years to complete the CAR certification program once the initial test is taken. Up to 2 hours is allowed to complete each exam.
- To take an exam at a proctor site, program participants must notify the Executive Director in writing at least 30 days before the exam date. Proctors must be verified by the Executive Director. Once a proctor is confirmed, the Executive Director will notify program participants. Proctor expenses are the responsibility of the program participant.
- To successfully pass the exam, participants must obtain a score of 75%.
- IARA will provide the necessary accommodations for individuals with special needs.

Step 4: Post Exam

- Program participants who take the exam at the IARA annual meeting will receive notification of the exam outcome within 24 hours or as soon as practical. Those who take the exam at a proctor site or at other industry meetings will receive the exam outcome notification within 5 business days after the exam date.
- Program participants who fail an exam offered at the industry conferences are able to retake it after 24 hours from having taken any test. All appeals, comments, and questions must be submitted to the Executive Director at info@iaraonline.org no later than 5 days after the exam date.
- Upon successful completion of all of the CAR exams within the three-year time limit, certificants will be awarded the CAR designation.
- CAR certificants will be awarded a plaque and recognized at an annual remarketing conference. They will also be awarded with a lapel pin to wear at all industry events. Proper industry press releases will be generated to recognize the certificant's accomplishment. Certificants will also be given \$100 discount to all IARA Summer meetings.

- The CAR certification is valid for three and one half years. In order to maintain the designation, a recertification exam must be taken within twelve months prior to certification expiration. Certificants can utilize the CAR designation after their name. For example: John Smith, CAR. Certificants who fail to renew their certification cannot use the CAR designation.

CAR EXAM

The CAR examination is paper-based and is developed by experts in the Vehicle Remarketing industry. Each exam consists of multiple-choice questions, each with one correct answer.

Exams may be held at a candidate's location using a qualified, third-party proctor who has experience in administering examinations. The proctor must stipulate in writing that the integrity of the examination environment will be maintained. The Executive Director will send the exams directly to the proctor who will maintain custody of the exam, administer the exam, and return the exam directly back to the Executive Director. Exams may also be held at other industry conferences. Information will be available once dates are confirmed.

CERTIFICATION PROGRAM OUTLINE

The following outline describes the components of the certification program's performance domains.

PERFORMANCE DOMAIN I: REMARKETING CHANNELS

A. Driver/Employee

1. Issues involved in remarketing vehicles upstream to drivers and employees.
2. Advantages and disadvantages of the remarketing channel.
3. Driver sales, employee sales, warranties, product liability, finance, and insurance.
4. Strategies organizations employ in relation to the percentage of sales through this channel.
5. Market conditions and residual values that may impact channel selection.
6. Strategies to benchmark sales results compared to other channels.

B. Dealer

1. Reasons why a consignor would place a vehicle on consignment at a dealership.
2. Process of consigning a vehicle to a dealer.
3. Consignment sale processes and procedures.
4. Key elements of state laws and regulations governing used vehicle consignment sales.

C. Online Auction

1. Online auction types and methodologies.
2. Policies surrounding online sales including terms of use, registration, payment, title, and arbitration policies.

3. Parameters of online selling including start and end times, proxy bidding, minimum bids, and bid history.
4. Sales processes including inventory notification, documentation required for each transaction, and the post-sale activities such as payment, title transfer, and transportation to the buyer.
5. Challenges associated with online selling, including 24/7 support and arbitration policies.

D. Physical Auction

1. Vehicle auction process and specialty sales physical auction process.
2. Vehicle assignment and check in/receiving process.
3. Preparation and reconditioning process.
4. Lot management, the sale lanes, and the order of sale.
5. Auctioneer duties and interactions with the buyer and seller.
6. The arbitration process, “if” bids, open and closed sales, cross-line buying, promotions, and online sales.
7. The documentation details necessary to finalize the sale and the arrangement of delivery to the buyer.

PERFORMANCE DOMAIN 2: PRE-SALE ACTIVITIES

A. Verification Transportation Grounding CR/Inspection

1. Pre-sale activities including, but not limited to, verification, transportation, grounding, and reconditioning.
2. Elements of the inspection process and description of the value of a quality inspection report to facilitate various remarketing sales processes.
3. The end-of-term process for leased vehicles.
4. Services surrounding pre-sale activities, such as marketing, finance, warranty, and vehicle history reporting.
5. Elements surrounding repossession processes.
6. Industry benchmarks associated with pre-sale activities and description of measurable, meaningful benchmarks and the parameters that influence their performances.

B. Reconditioning

1. Restore a vehicle to its optimal salable condition.
2. The viability of vehicle condition reports.
3. The importance of “appearance reconditioning” and “mechanical reconditioning” to enhance a vehicle’s resale value.

C. Lease Maturity

1. Mitigate potential loss that may result from exposure of the vehicle’s lease residual value and true market value.
2. Capture the equity when lease market value exceeds lease residual value.

D. Marketing

1. Gain knowledge and insight for developing an effective pre-sale marketing program to maximize the remarketing of a portfolio's used vehicles.

E. Services-History Reports/Finance and Warranty

1. Use of vehicle history reports (VHRs) throughout the remarketing cycle.
2. Title brands and events contained in a VHR.
3. Forms of VHRs.
4. VHR data.
5. Automotive lender practices.
6. Consumer protection laws.
7. Credit reports
8. Risk-based pricing.
9. Debt-to-income ratio.
10. Payment-to-income ratio.

F. Repossession

1. Vehicle repossession.
2. Elements necessary for a physical repossession to take place.
3. Legal guidelines that must be followed in vehicle repossession.
4. Types and processes of repossessions.

PERFORMANCE DOMAIN 3:ACTUAL SALE ACTIVITIES

A. Dealer/Auction Selection

1. Actual sale activities including dealer and auction selection, promotion, branding, and certification as well as the impact each has in the remarketing process.
2. Floor prices are established, if-bids are analyzed, and vehicle value is ascertained.
3. Value of vehicle representation/auctioneer in maximizing resale values as well as the decision criteria related to vehicle pooling versus weekly selling.
4. Industry guidebooks, their purposes, what they cover, how they are derived, and how the information is utilized.

B. Branding and Certification

1. Vehicle Certification (VC).
2. Parameters for a VC Program.
3. VC opportunities with their auction partners.
4. Vehicle selection procedure.

5. Vehicle inspection process.
6. Parameters for reconditioning vehicles.
7. Value of VC to their buyers and management.
8. Benefits for the ultimate retail customer.

C. Pricing and Guidebooks

1. Actual sale activities including dealer and auction selection, promotion, branding and certification, as well as the impact each has in the remarketing process.
2. Floor prices are established, if-bids are analyzed, and vehicle value is ascertained.
3. Value of vehicle representation/auctioneer in maximizing resale values as well as the decision criteria related to vehicle pooling vs. weekly selling.
4. Industry guidebooks, their purposes, what they cover, how they are derived, and how the information is utilized.

PERFORMANCE DOMAIN 4: POST-SALE ACTIVITIES

A. Arbitration

1. The National Auto Auction Association (NAAA) General Arbitration Policies, adopted April 21, 2006.
2. The Sale-Light System in the NAAA General Arbitration Policies and the NAAA Seller Disclosure Requirements under Seller Responsibilities.
3. The Sale Day, Seven Day and As-Is Arbitration section of the NAAA General Arbitration Policies.
4. The NAAA Structural Damage Policy, approved September 13, 2002.
5. Systems used by auctions to record the actual sale on the block. These systems include cassette, video, and digital video recorders used to determine the bidder number, sale price, announcements, etc. These records are used by the auctions to resolve disputes.
6. The arbitration policies adopted by auction clients, such as factory, captive finance, and fleet/lease that may differ from the NAAA General Arbitration Policies.

B. Title Process

1. The title, its purpose, and its use.
2. Standard terms applicable to the title perfection process.
3. State agency that issues titles. List one nationally recognized resource that contains state title regulations.
4. Benefits of a remarketing company's ability to grant a power of attorney.

C. Benchmarking

1. Activities applicable to the pre-sale and post-sale processes and how these activities interact and impact ultimate remarketing results.

2. Pre-sale and post-sale remarketing activities that demonstrates the cause-and-effect relationships among the remarketing process steps.
3. Factors (internal and external) that affect each pre-sale and post-sale remarketing activity and how these factors impact decision-making in each remarketing function.
4. Importance of measuring each pre-sale and post-sale activity, as applicable, against recognized industry benchmarks.

D. Factors Influencing Resale Values

1. Dollar impact of damage, both mechanical and physical/cosmetic.
2. Positive and negative impacts on valuation of vehicles for selected colors, lack of specific options, specific engines, high mileage, and/or mechanical and physical/cosmetic conditions and how these factors may decrease bidder/buyer demand, thus generating sale prices below average benchmark values.
3. Vehicle-specific reserve/floor prices reflecting market-driven sale values to enhance the number of vehicles sold as a percentage of the quantity consigned for sale, accompanied by sale prices reflecting true market value.
4. The validity of the vehicle condition report to ensure it reflects the vehicle's true condition and to quantify and document the specific dollar impact of mechanical and physical/cosmetic damage described on that report.

E. Arbitrage

1. Arbitrage and how it relates to channel selection.
2. Measure price discrepancies from one geographic location to another.
3. The role of a dealer wholesaler (motivations, opportunities).
4. Measure and use vehicle arbitrage to an advantage.
5. Reduce vehicle arbitrage through better channel and location choice.

PERFORMANCE DOMAIN 5: LEGAL AND ETHICS

A. Legal and Ethics

1. Legal status for all the parties involved in the auction remarketing process.
2. Sales tax requirements.
3. Seller's disclosure obligations and product liability.
4. Legal issues involved with the remarketing process.
5. Agent/principal legal aspects.
6. Ethical and non-ethical behavior.

B. Terminology

1. Comprehensive list of remarketing industry terms.

CONFIDENTIALITY

The Executive Director will keep and maintain exam records and candidate information confidential. Only candidates can notify their employer of their exam results.

RECERTIFICATION PROGRAM

This program is designed to enhance competency and promote continuous learning. The CAR designation is good for three and one half years. To maintain the designation, after two and one half years, certificants are required to pass a recertification exam within twelve months prior to the certification expiration. The recertification exam will consist of question taken from all 20 of the current exams, plus any additional questions due to updated course material. There is no limit as to the number of exam sittings to recertify, however, there must be a minimum 24 hour period between exams. If someone lets their Certification status lapse, due to not taking any exams during the required recertification period, they can be recertified anytime later by taking the exam, but must pay an additional fee of \$100 with no limit as to the number of exams taken.

PROGRAM FEES

1) Certification Program

- Members: \$50/Course&Test
- Non-members: \$100/Course & Test

2) Recertification Program

- Members: \$100
- Non-members: \$150

BENEFITS OF CERTIFICATION

Persons earning and maintaining the IARA CAR designation will be granted a \$100 discount to attend all IARA Summer Roundtables. They will also receive a special attendee badge recognizing them as IARA Certified Automotive Remarketers. A special lapel pin will also be awarded. They will also be listed on the IARA website and appropriate press releases issued upon Certification. They are permitted to use the designation after their name; such as John Smith, CAR.

CONTACT INFORMATION

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