

Internet Remarketing Methods

The use of the internet for conducting wholesale transactions online continues to grow.* Various approaches have been used to take advantage of the internet in remarketing vehicles. However, institutional remarketers such as manufacturers, captive finance companies, banks, fleet management companies, etc. are increasingly finding that traditional live auctions combined with technology which allows online bidding yields a venue that can maximize value for both sellers and buyers. ADESA's experience with its live/online product, LiveBlock, is a microcosm of this trend, as the volume of vehicles sold online and receiving their 2nd highest bid online (which effectively "enhances" the value of the sold vehicle) more than doubled in 2005.

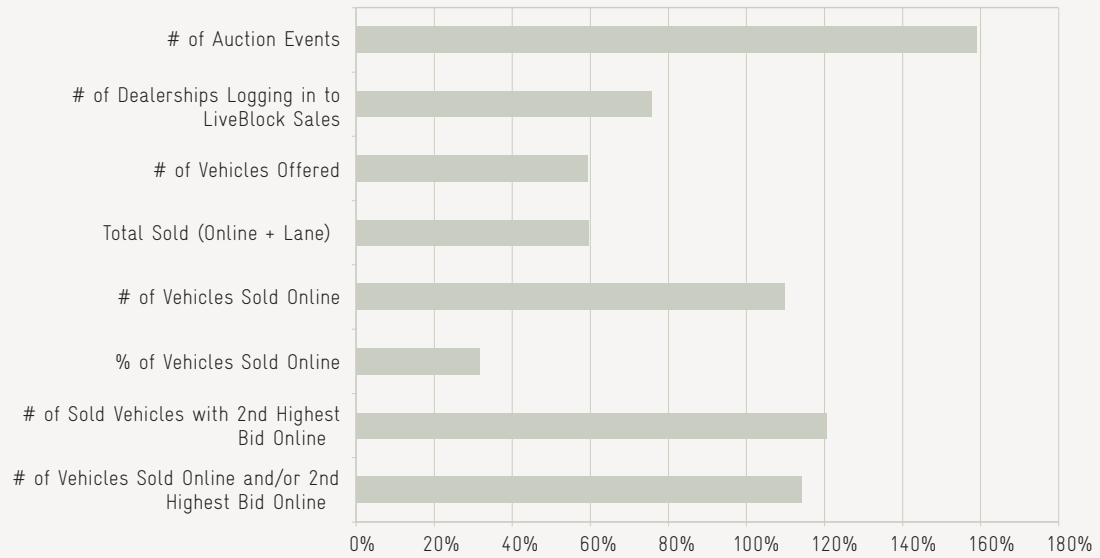
*The internet is also used for obtaining run lists, market prices, notifications of upcoming sales, directions to auctions, etc. However, this section focuses on the use of the internet in actually transacting vehicle sales.

Number of Vehicles Offered on LiveBlock



Figure 59. Source: ADESA Analytical Services.

ADESA LiveBlock* Data 2005 vs. 2004



*Includes ADESA U.S. and Canadian wholesale used vehicle auctions and ADESA Impact salvage auctions.

Figure 60. Source: ADESA Analytical Services.



ADESA Charlotte U.S. LiveBlock Activity For a Major Consignor During 2005

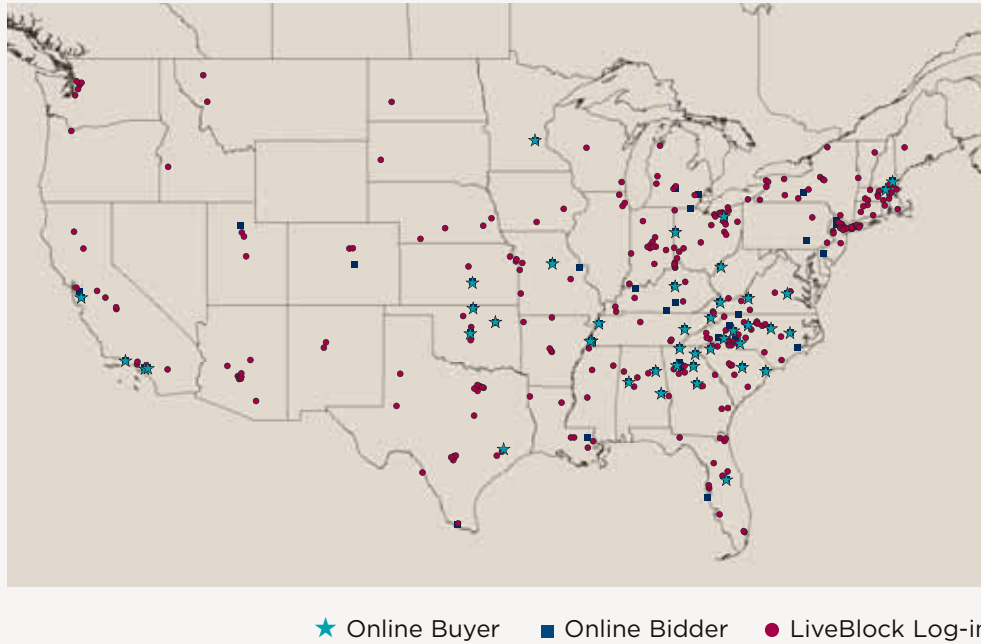


Figure 61. Source: ADESA Analytical Services.

ADESA Kansas City U.S. LiveBlock Activity For a Major Consignor During 2005

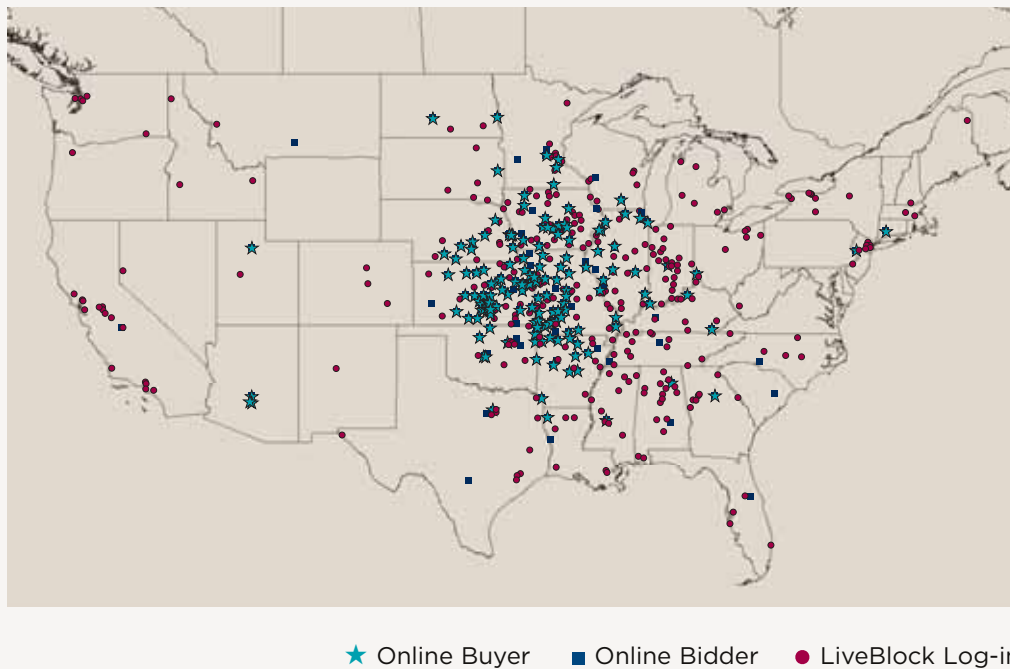


Figure 62. Source: ADESA Analytical Services.

As these maps show, LiveBlock is helping auction consignors expand their geographic "draw" of buyers or is providing a convenient means for dealers to "attend" a local or regional auction "virtually," or both.