

ProGuard Warranty Enhances Protection Coverage to Help Dealers Attract New Customers During Inventory Shortage

AVOCA, Pa., March 22, 2022 - ProGuard Warranty announced enhancements to their existing vehicle protection plans to help auto dealers adapt to current inventory shortages. These changes were developed to address the lack of new, rental and off-lease vehicles entering the market, a situation that has increased acquisition costs at the auction houses. Feeling the pinch, many dealers are being put in the position of either making a sale or making a profit. With products sold exclusively through dealers, ProGuard felt compelled to find alternative solutions to help dealers compete in today's market.

"Last year we began working on ideas to address the lack of inventory and other major concerns facing independent and franchise dealers today," said Dominic Limongelli, President and COO. "There are still no new vehicles, used cars are hard to source and once secured, fly off the lot. Our dealers who have inventory are doing incredibly well but there are many who have nearly empty lots and are struggling to survive. We focused on improving coverage for vehicles that are not in short supply to help attract customers and increase back-end profitability."

Commercial vehicles are a market segment that ProGuard believes has strong potential in this environment. "In addition to everything else, the pandemic has caused a shift in the workplace. Many are choosing to leave their jobs and work for themselves. Small and medium sized businesses are popping up all over, creating a need for commercial vehicles that wasn't there previously," offered Limongelli. Their commercial coverage is designed for a variety of commercially registered vehicles including rideshare, delivery vans and utility trucks up to medium duty. Mileage bands were increased, and the annual mileage allowance expanded to help companies offset the rising costs of doing business. "By adding commercial vehicles to their product offering, dealers can cultivate new customers and attract business owners that they already have a personal relationship with."

Electric and Hybrid vehicles are another segment of the pre-owned market that ProGuard believes is about to take off. "Gas prices are attracting a whole new audience to these vehicles at the same time we're seeing an influx of used models hit the market. First generation buyers who've had their vehicles for 4-5 years are getting nervous about the life of their battery and starting to trade them in," said Jan Klaiss, Vice President of Analytics.

Seeing the potential, ProGuard committed R&D resources to develop coverage specific to EV, plug-in, and Hybrid vehicles. "The components that operate these machines are new to dealers, who are often hesitant to sell pre-owned EV vehicles because they don't want to risk putting an \$5-8K battery into their portfolio," Limongelli explained. "We designed our plan to cover the components that are most likely to fail, not just the propulsion battery, and priced it cost-effectively to attract buyers. By working with us, dealers can get into this growing market with little to no risk and increase profitability by participating in our revenue-generating programs." The company has also addressed dealer concerns about service, knowing that very few have the internal expertise to handle these models. With In-network repair facilities nationwide and a partnership with RepairPal Certified Shops, ProGuard can provide recommendations on where to take the vehicles for service if a dealership is not equipped to do so.

Change is inevitable and ProGuard is committed to providing innovative solutions that help dealers succeed by anticipating the unexpected. “Our dealer partners know they can rely on us to be the eyes and ears to the marketplace,” stated Limongelli. “Having been in this business a long time, we are certain that the automotive market will continue to offer challenges and have made it our mission to help dealers adapt to the ever-changing marketplace.”

About ProGuard Warranty

ProGuard is a third-generation, family-owned business that has been serving the automotive industry for over seventy years. Their many years in the industry has led to a unique expertise in knowing the products and coverage needed to protect dealers and their customers. They offer an expansive menu of new and pre-owned vehicle protection plans through their nationwide network of dealer partners that offers extensive coverage ranging from a limited powertrain all the way to an exclusionary policy that mimics the manufacturer’s warranty. They also offer a CPO program with multi-point inspection, GAP policies and reinsurance. Dealers appreciate the company’s tradition of flexibility, transparency and simplicity, and their customers appreciate their commitment to protecting them from the high cost of repairs.

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