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Manheim Announces Pilot Program for Running Cars Down Physical Lanes at Select Sites in November Decision Supports Dealer Requests for Expanded Buying and Selling Options

ATLANTA, Ga. – (Nov. 5, 2020) – Following its successful implementation of Digital BlockTM sales, Manheim has announced the launch of a pilot program for running cars down physical auction lanes beginning November 10 at Manheim Nashville, and followed by Manheim Daytona Beach on November 11. The decision came after the company became more confident with its phased-in, reopening approach and in response to client requests for more buying and selling options.

The restart of physical auction sales will look different for each location and comes with limitations intended to protect the health and safety of team members and clients. For instance, sales at both locations will use only designated lanes to support physical distancing and limit the number of sellers who can run vehicles. In addition, these in-lane physical sales will follow Manheim's existing safety guidelines. Office access will remain closed and all dealers are required to wear face coverings, practice social distancing and adhere to state and local guidelines.

As this is a pilot program, Manheim will carefully monitor these first two sales before announcing plans for additional in-lane locations. Should further COVID-19-related developments impact plans for the pilot program, the company will adapt accordingly.

Dealers are also encouraged to continue using Manheim's Remote Seller tool and other digital channels to conduct business. After operating digital-only sales for more than eight months, Manheim has seen buyers becoming increasingly more comfortable with this option, with 87 percent of all purchases coming from digital buyers. However, while clients have indicated that digital has become a highly efficient way of doing business, some still have a desire for more options to buy and sell cars.

"In the same way that we phased in Digital Block sales, our approach with the pilot program will be careful and deliberate, while closely monitoring health and safety," said Grace Huang, president of Manheim. "Thank you to our dealers for your support of our safety protocols throughout the pandemic, as it gave us confidence that together, we could safely return to running cars down lanes."

Manheim Nashville was selected as the company's first location to run vehicles in-lane, as it recently completed a nearly \$14 million facility rebuild after sustaining significant damage due to a March tornado. The enhanced facility includes an expanded body shop with two state-of-the-art paint booths, two dedicated lanes to support enhanced vehicle imaging, Lot Vision and new LED lighting to enhance the work environment for technicians, while saving energy.

Since mid-March when COVID-19 disrupted the auto auction industry's long-standing tradition of live, in-person sales, Manheim has been working continuously to give clients the access they need to keep their businesses moving forward. From pivoting to all-digital sales nearly overnight to adapting operations as restrictions eased, Manheim's goal is to continue listening to clients, meeting their evolving needs, and delivering convenience and efficiency, regardless of how they choose to conduct business.

"After running vehicle auctions for more than 75 years, it's become increasingly clear that the business model is changing," added Huang. "And, as the industry leader, we look forward to driving this change to deliver a wholesale vehicle marketplace that works for everyone, keeping health and safety at the center of everything we do."