

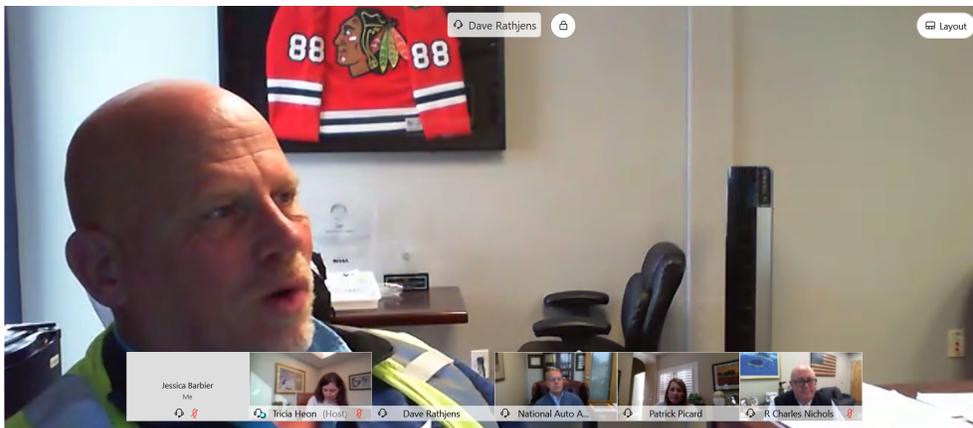
DRAFT: Monday, January 11, 2021

As NAAA President, one of my favorite opportunities is connecting with our member auctions. Today, we kicked off the new year with our president calls. The NAAA team, President-Elect, Charles Nichols and I had the opportunity to virtually touch base and congratulate a couple of our member auctions on their anniversary milestones!

Congratulations to Lubbock Auto Auction on their 75th Anniversary! In addition to taking the time to celebrate this milestone, NAAA found value in hearing firsthand from Charles Furr with Lubbock Auto Auction about surviving and overcoming the 2020 auto auction challenges. His optimism towards 2021 brought a smile to all our faces.



Another anniversary we were able to virtually celebrate together was **Manheim Lakeland's 55th Anniversary!** Being able to connect with General Manager, Dave Rathjens over video conference gave us insight into Manheim Lakeland's experience re-opening the lanes, dealer's digital adoption and an important focus on safety protocols. Dave shared, "Our dealers want that connection. Lakeland is known as the friendly auction location. They are used to connection and need it more than ever." Dave explained the importance of consistent communication and education about new safety protocols as dealer re-enter the auction lanes. Again, smiles were shared on this call, as Dave shared that they have had a strong start to the year and how even in this new environment, Manheim Lakeland is working on ways to recognize team members and have fun along the way. Hearing stories about Dave in a wig and ugly sweater (all in the spirit of team member engagement) definitely made us laugh!



A few takeaways from today's video conference calls include optimism for the new year, commitment to safety, and as I said on both calls, "Hopefully 2021 will bring better days for all of us".

Additional Notes

Charles Furr with Lubbock Auto Auction

Julie- impressed with website. OVE and Nextgear mention (Charles comments that he is happy with service). NCM 20 group membership (meets with three times a year with independent auctions in their group).

How was your 2020, Charles?

“Terrible year. Disaster. Some of our 20 group members had a profitable year. Simulcast for 2 months before live lane. Sales were up percentage wise but consignment down 30% YTD. We survived but not a good year. PPP loan. We will live through it but need a better 2021 to be profitable.”

Other mentions: New Mexico Consignment was way off. Need things to get close to normal to get consignment back up.

6 inches in snow. Ready for it to all melt off to have a good sale this week. Had a good sale last week to kick the year off. First week of the year- hopefully a good sign for 2021.

Manheim Lakeland- General Manager, Dave Rathjens

Last week ran 1300 (300 specialty pieces); also digital

800 live through the lane last week; 251 people in lanes. Attendance been up past 6 months.

Was expecting a larger crowd once lanes opened. Simulcast attendance has stayed up even with lanes open.

Digital platform adoption- promising (“old school dealers going back to their office and logging on digitally”)

Safety to employee and temp drivers- put in place policies windows up, doors locked. Dealers not to open doors. Open Tuesday and Wednesday for preview, mechanic checks. Strict safety guidelines. Enforcing safety policies. Reeducation every week as new dealers re-enter the auction. Safety is the biggest focus. “Hopefully 2021 will bring better days for all of us”- Julie Picard

Julie’s 2021 Crystal Ball Question.

Dave: “We started very strong. This is a relationship business. It is not cookie cutter- one size fits all. We have had some huge wins in the past month on the dealer side where we have added 300 cars. Our goal this year is to maintain our rooftop names and to continue to help them succeed and bring in buyers and sellers. Goal- keep everyone happy and keep all the pieces together. Communicate in every way. Recognize our team members. Try to have some fun even though it is a different time. Goofy days on sales days once a month. They even had me in wigs and ugly sweaters- whatever goes with the season.”