

The Opportunity for Goodwood Classic Solutions to Profit from Provenance



The purpose of business.

Because the purpose of business is to create a customer, the business enterprise has two – and only two basic functions: marketing and innovation, marketing and innovation produce results; all the rest are costs. Marketing is the distinguishing, unique function of business.

Peter Drucker

Father of business consulting

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I. Executive Summary

Business Overview

Verified Classic Vehicles (VCV) has developed and registered the copyright of its unique Multimedia Matrix to enable the owners of both classic and modern vehicles to add, collate and store the provenance of their vehicles before being able to pass this on to the sequence of owners for the lifetime of the vehicle.

It is widely accepted that a vehicle, particularly a classic vehicle, with a continuous and comprehensive record of its provenance makes this both more desirable and valuable; the latter by up to 20%.

Yet in spite of this, owners of vehicles continue to collect their vehicles provenance as they see fit because there is no universally accepted standard method of doing this which means that it's difficult, if not impossible, for a buyer to compare the same make and model for sale on a like for like basis and make an informed decision.

The objective of VCV is to provide that universally accepted solution, however, having researched our competitors, the results of which can be seen in the Competitive Analysis as part of this document, we believe that the best method of marketing our solution is to join forces with an established insurance provider to mutual advantage.

We believe that Goodwood Classic Solutions (GCS) with its partner Adrian Flux offers the best possibility for us achieving our objectives and that this combination will benefit both parties for the reasons on the following page:

I. Executive Summary

- Currently GCS provides insurance services for classic cars of which according to the latest nation survey by the Federation of British Historic Vehicle Clubs (FBHVC) in 2020 there were 774,659 of these that were over 30 years since first registration at that time.
- Be this as it may because VCV's Multimedia Matrix was designed to appeal to a wider market than just cars GCS could easily expand its current offer to include classic motorcycles which is a service that its partner Adrian Flux already provides.
- According to the same FBHVC survey there were 417,535 motorcycles at that time that were over 30 years since first registration.
- If GCS was to adopt VCV's Multimedia Matrix and provide its insurance services for both cars as well as motorcycles it could expand its market by 54% from 774,659 cars to 1,192,194 cars and motorcycles.
- When VCV was first conceived it was as a stand-alone product and marketed as a membership with an annual fee of £48 pa or £4.80 pm. This fitted between both of our Swiss competitors where the fees were £44.44 pa for The Motor Chain and the equivalent of £51.14 for My Classic Car Life, however, as stated earlier we now believe that the success of VCV's concept will be significantly increased by combining it with an existing insurance provider such as GCS.
- There is no reason why GCS could not offer VCV's Multimedia Matrix as an option within its insurance policy via its partner Adrian Flux or even use this as a free option in order to act as a magnet for new business with its ability to increase the client retention rate on each renewal - please see Appendix 3.1 - The financial effects of increased retention.

Notes - The 774,659 cars represented 50% of the total number of vehicles which was 1,538,927 at that time This total had increased by 48% since five years previously in 2015 when it was only 1,039,950.

In VCV's 40 car survey in September 2022 it found that the average premium was £639.24 whilst the average value of a car within the survey was £57,904.90 at that time.

Success Factors

The only competition in the UK that we can see to the combination of GCS and VCV (GVCV?) is Custodian, the details of which are covered in the Competitive Analysis section of this document.

Goodwood is one of the instantly recognisable brands in the world of classic motorsport if not 'the' brand, built carefully over a period of 50+ years. Custodian has only been in existence since January 2023 and it has yet to publish its trading figures.

With the Goodwood brand and the future possibility of expanding further into being able to add finance and vehicle history this will create a unique and unopposed package of services within the UK and as such its success, whilst not guaranteed, is more than probable.

Financial Plan

This is dependent on the negotiations between VCV and its insurance partner of which our preferred choice would be GCS. Our current thinking is that this most likely to be via a licencing agreement of VCV's registered copyright whereby VCV will receive a fee for each vehicle that takes up the option of using its system.

II. Industrial Analysis

Market Overview

The market in which VCV and their insurance partner will be operating in can be characterized by the following:

- **43 million** - The total number of UK registered Vehicles including SORN. **(Source A)**
- **1,538,927** – The number of historic vehicles registered in the UK in 2020, qualified on the basis of being more than 30 years since first registration. **(Source A)**
Note: this is 3.4% of the total.
- **1,538,927** – The total was made up of 774,659 Cars (50%), 417,535 Motorcycles (27%), 144,815 Agricultural tractors (9%) and 201,928 Other types including commercials (14%). **(Source A)**

Note - The total number of historic vehicles has increased to 1,538,927 from 1,242,863 in 2019 so + 24% and from 1,039,950 in 2015 so + 48% in the 5 years 2015 – 2020. **(Source A and B)**

According to the website <https://www.nimblefins.co.uk> at the end of 2021 there were a total of 32,889,462 cars in the UK. At the same date the Society of Motoring Manufacturers and Traders (SMMT) calculated that 28.7% of these were 13+ years since first registration thus making a figure of 9,439,275 cars in 2021.

Five yearly figures from the Department of Transport illustrate the growth in the trend for cars that are 13+ years since first registration as follows: 1994 – 1.329 MM, 1999 – 2.304 MM (+73%), 2004 – 2.366 MM (+2.7%), 2009 – 2.424 MM (+2.4%), 2014 – 4.006 MM (+65%), 2019 – 6.086 MM (+52%), 2021 – 9.439 MM (+ 55%) **Note: 2019 to 2021 is 3 rather than 5 years.**

In conclusion the Industrial Analysis shows that the number of cars 30+ years from first registration in 2020 was 774,659 whilst the number of cars 13+ years from first registration in 2021 was 9.439 MM illustrating the vast potential, initially in the UK.

Acknowledgements:

The information shown is courtesy of the following:

Source A - FBHVC headline results of the 2020 National Historic Vehicle Survey

Source B - FBHVC The 2019 National Cost of Ownership Report

III. Customer Analysis

Below is a description of our UK target customers and their needs.

UK Target Customers

- **21 million** - The number of people that see historic vehicles as an important part of Britain's heritage, qualified on the basis of more than 30 years since first registration. **(Source B)**
Note: this is 32% of the 66.65 million population.
- **19 million** - The number of people who think historic vehicles should be maintained in as original condition as possible. **(Source B)**
- **11.3 million** - Believe historic vehicles should be exempt from the restrictions of low and ultra-low emissions imposed on other vehicles that use the road. **(Source B)**
- **9.8 million** - The number of people in Great Britain who are interested in historic vehicles. **(Source B)**
- **5.1 million** - The number of people in Great Britain interested in owning a historic vehicle. **(Source B)**
- **4.6 million** - The number of people in Great Britain who would like to own a historic vehicle. **(Source B)**
- **3 million** - The number of people who attend national and historic vehicle events in Great Britain. **(Source B)**
- **683,967** - The estimated number of historic vehicle owners in the UK - up from 493,000 in 2016 or + 39% **(Source A)**
- **410,380** - The number of historic vehicle owners that say owning a historic vehicle is one of the most important things in their lives - 60% **(Source B)**
- **Owner's ages** - Information taken from Footman James's client profile found that the majority of classic car owners are aged in their 50s and 60s with just 8% under 40. **(Source C)**
- **Owner's male to female ratio** - 91% of the owners of classic cars are male whilst 9% are female. **(Source C)**
- **Change may be on the way** - More than a fifth (22%) of females questioned in the survey of 3,000 classic car enthusiasts said that they would consider owning a classic car in future. In comparison, nearly 40% of male respondents said the same. **(Source C)**
- **Gen-Z** - Younger generations also showed an interest in owning a classic vehicle. A considerable 49% of respondents from the Gen-Z demographic, born between 1997 and 2012, said that they would eventually like to own a retro car. **(Source C)**

Acknowledgements:

The information shown is courtesy of the following:

Source A - FBHVC headline results of the 2020 National Historic Vehicle Survey.

Source B - FBHVC The 2019 National Cost of Ownership Report.

Source C - Information taken from Footman James's client profile by Retro Motor May 2022

III. Customer Analysis

UK Target Customer Needs

- **Widespread demand for something new** - roughly 60% of the UK insurance consumers favour products that are materially different from the traditional, static 12 month policy. **(Source D)**
- **Large, untapped premium pool** - this represents a £10 billion-plus, largely untapped premium pool of £8 billion in motor and £2.2 billion in buildings and contents insurance. **(Source D)**
- **Customers strongly favour simplicity** - they want products that are easy to understand, purchase and use, which give them confidence in cover. **(Source D)**
- **Many want flexibility** - many customers want their terms of cover and premiums to reflect their specific needs and risk profiles better than do basic products. **(Source D)**
- **A willingness to share data** - on average, across 11 types of data, 51% of UK consumers say that they would be willing to share data with insurers in return for a lower premium and more tailored coverage. **(Source D)**
- **Targeting** – pick target customer profiles and develop products that are specific to those segments as needs vary widely by segment. **(Source D)**
- **Generation Z** – among Generation Z, defined here as 18 to 29 year olds in the survey, roughly three-quarters want something other than a basic home or motor policy. **(Source D)**
- **Hyper-personalisation** – select, target and customise products in a simplified manner, offering customers the right product simply and at the right time, e.g. online. **(Source D)**

Acknowledgements:

The information shown is courtesy of the following:

Source D – *The future of home and motor insurance. What do UK customers want? Deloitte survey 2021*

IV. Competitive Analysis - The Summary

The following is an overview of VCV's competitors. For a more detailed view of each individual competitor please see the Appendix.

Direct Competitors

The following are our current known direct competitors.

1. In principle there are four – Custodian, The Motor Chain, My Classic Car Life and Facts Disc. The first three are focused solely on cars, however, the fourth can record the provenance of both cars and bikes.
2. Of these Custodian is the only one to provide services other than for the collection of provenance. In their case they also act as insurance agents and brokers which is their main activity and source of revenue rather than fees.
3. The Motor Chain and My Classic Car Life, both of which are based in Switzerland, charge fees. The Motor Chain charges an annual subscription of CHF 50 per car which is equivalent to £44.44 recently. My Classic Car Life charges a monthly subscription of 4.99€, for all its features, which is the equivalent of £51.14 recently on an annualised basis. Of the two The Motor Chain appears to be the more active and successful locally.
4. Facts Disc, which gives access via a QR code, enables the owner of the vehicle to record and update its provenance comprehensively with text, photos or videos, as for our others but for a one time lifetime fee of £20 including taxes.
5. We see Facts Disc's Achilles heel as its security of information whereby anyone with a smartphone can access all the vehicles information 24/7, with the exception of the owners personal details, from the disc displayed in the windscreen of a car or attached to a bike.
6. In our view this means that both cars and bikes using this system are vulnerable to selective theft and are therefore an increased risk, if declared, to an insurer who would compensate for this by increasing the premium.
7. From our survey we see our main competitor as Custodian. Checking with Companies House, Custodian Financial Services Limited, company # 14620711 was incorporated on 27th January 2023. Their website at www.custodian.club says that they already have £600m+ worth of cars being managed on the platform and 44,000+ enthusiasts using Custodian. These figures, if confirmed show the clear advantage of offering a mix of associated services, in this case combining insurance with the cars information of provenance.
8. Unfortunately we will have to wait for this confirmation until later this year as Custodian Financial Services Limited's first accounts up to 31st January 2024 are due by 27th October 2024, however, we were puzzled by two pieces of information on their website. Please see part of Feature # 4 of our survey into Custodian in the Appendix. Under 'Agreed valuation' they state 'protect your car from fluctuations in its market value with an agreed valuation' we find this strange as owners of classic cars ourselves we are aware that values can fall as well as rise. In the case of Custodian's approach this means the agreed value is unlikely ever to be an accurate reflection of the real value of a car.
9. The second point that puzzled us was if they really have £600m+ of vehicles on their platform, this represents 6,000 cars with an average value of £100,000. Why then do they need to pad out their Showroom with 1,006 vehicles from UK dealers when they should have some of their clients 6,000 cars for sale?
10. Also when viewed none of the 1,006 dealers cars had a link to its Digital history under their Garage management program. Please see Feature # 2 of our survey into Custodian in the Appendix.

IV. Competitive Analysis - The Summary

11. Our other remaining competitor is The Motor Chain based in Zurich. From our survey we concluded that their sole service was provenance, which Custodian has shown is better linked with another associated service such as insurance and that The Motor Chains marketing strategy was local to Switzerland rather than international.

12. One of the points that we liked, in principle, about The Motor Chain was that all their clients information of their cars provenance was tamper proof and if an error occurred this could only be corrected by The Motor Chain themselves

13. However a point that we disliked was allowing garages or restorers being able to add information. We believe this must be done by the owner themselves for greater accountability and security.

14. Another point that we disliked was that The Motor Chain is only compatible with Apple devices which has got to limit its appeal to those that already own them.

Indirect Competitors

At present there are no indirect competitors that we can identify.

V. Multimedia Matrix

1. The essence of our unique copyright registered concept.

- It is widely accepted by both owners and buyers alike that a comprehensive and continuous provenance makes a vehicle more desirable and that this can increase its value by up to 20%.
- Currently owners collect the provenance of their vehicle as they see fit which makes it difficult, if not impossible, for a buyer to compare like for like and make an informed decision between the same make and model.
- This presents the opportunity to create a single, universally accepted standard means by which the owners of a vehicle can collect and collate this information before passing this on to the next owner, potentially for the lifetime of the vehicle.
- For this purpose VCV created and developed the concept of a unique copyright registered secure Multimedia Matrix – please see an example of this in Appendix 2.0
- For ease of navigation this offers the vehicle owner 12 possible vertical choices with 3 lateral instructional sections and a further 4 lateral sections for adding their vehicles details of provenance in text, image or video.
- The current owner has the sole access to control the Exposure settings. The default setting is – Closed 24/7. The others options are for an Authorised guest to have access for 24 hours only, for it to be Open 24/7 and finally for the Transfer of account to a new owner.
- Using these secure settings gives the current owner total control and the flexibility that will allows others to view the information on our unique Multimedia Matrix
- For the convenience of the person or persons authorised to view all the accumulated information to date there is a Summary at a glance facility which allows them to see what information has been added historically in the past, if applicable, and what has been added by the current owner. Please see an example of this in Appendix 2.0
- Under the Transfer of account function VCV has created a secure process for the transfer of the information to the new owner. This process can be used by the sequence of owners throughout the life of the vehicle so as to create a continuous provenance.
- The next stage, after agreement with our insurance partner, will be to produce a wireframe of the whole intergrated process.

V. Multimedia Matrix

2 - A summary of the advantages to our insurance partner

- Assuming that our insurance partner is offering an Agreed Value as part of the premium our Multimedia Matrix, which is updated to reflect the current situation, will provide the accurate evidence for the underwriters to determine the premium.
- It is conceivable that this accurate and comprehensive up to date evidence may lead the underwriters to review the risk and to reduce the premium.
- Should this be the case, the reduced premium will lead to a commercial advantage for our insurance partner over their competition and act as a magnet for new business.
- The Multimedia Matrix gives the owner of the vehicle the tools to maximise the increase in desirability and value of their vehicle but only if they keep this updated and current. This will lead to an increase in the all-important rate of retention for our insurance partner at the renewal of the policy.

- The above advantages for our insurance partner can be obtained without an increase in their personnel as it is the owner of the vehicle that has to collect and collate the information and maintain it so that it is current at all times.
- Our Multimedia Matrix offers a significant advantage over our competition who have concentrated solely on cars. The Multimedia Matrix has been designed for a much wider audience. Not only can it cover cars but also motorbikes, commercials and even agricultural tractors, so potentially increasing profitability.

***Note 1:** Source D found that 43% of UK consumers had switched their provider of motor insurance in the last 12 months, which gave UK consumers the second lowest retention rate at 57% behind China of the eight countries surveyed. Note 2: By comparison Source E found that 'the average customer retention rate among personal auto insurance providers in the US amounts to 88%'.*

Acknowledgements:

The information shown in italics is courtesy of the following:

Source D – The future of home and motor insurance. What do UK customers want? Deloitte survey 2021.

Source E – Improved customer retention with power of API's by Amber Livingston. Marketing Manager at Smartcar June 2020.

V. Multimedia Matrix

3 - The summary of the advantages to a vehicle owner.

- Unlike at present where there is no universally accepted standard for the owner of a vehicle to collect and collate its provenance VCV's unique and copyright registered Multimedia Matrix will enable them to do this which will mean that vehicles of the same make and model can be compared on a like for like basis for the first time.
- A vehicle with a continuous and comprehensive provenance becomes more desirable and has its value increased by up to 20%.
- It is conceivable that this accurate and comprehensive up to date information is sufficient evidence for the insurance underwriters to review the risk and reduce the premium.
- The comprehensive information being digital allows both the current and future owners to access this 24/7 from a wide range of devices.
- Being digital the comprehensive information can be easily transferred from the current owner to the next and subsequent owners, potentially for the lifetime of the vehicle
- Our Multimedia Matrix offers a significant advantage over our competition who have concentrated solely on cars. The Multimedia Matrix has been designed for a much wider audience. Which means that an owner with different types of vehicle can record the provenance of each type, be they cars, motorbikes, commercials and even agricultural tractors.
- Being digital means that the vehicle owners using our system can extend beyond the UK, in fact potentially they can reside internationally.

VI. Marketing Plan

This is premature until we have determined who are insurance partner will be, once this has been decided, we be able to create a strategy that is to the best advantage of both parties, however, we see the opportunities that VCV can bring as follows:

For this arrangement to work to the advantage of both parties it requires the following to take place:

- Our unique, copyright registered Multimedia Matrix offers our insurance partner a significant advantage over our competition having been designed for a wider market, which means VCV can provide its service to owners of cars but also motorbikes, commercials and even agricultural tractors.
- Partnering with an established insurance provider allows their existing clients to access VCV's services thus allowing us to reach critic mass more rapidly than from a cold start.
- Should our insurance partners already offer their clients an Agreed Value facility as part of the premium their underwriters may feel, having viewed the comprehensive and accurate information within the Multimedia Matrix, that it reduces the risk which will allow them to reduce the premium and so offer our combination a commercial advantage.
- To read the Market Overview and its component parts please go to the Industrial Analysis for the figures.
- As the client base expands and owners wish to sell their vehicles being able to allow potential buyer access to its comprehensive provenance not only increases is desirability and value it also offers the opportunity of adding the additional service of finance.
- At the same time as adding finance it would be natural to add a further partner who could provide the vehicle history which would confirm if it had been crashed, stolen and a host of other useful information which can ensure that the new owner is safe in purchasing the vehicle.
- This combination would give our clients a one stop facility which would be to the advantage of all parties within the consortium as well as the clients themselves.

VII. Management Team

Management Team Members

Tim Hamilton-Fletcher – *Founder*

Throughout his life he has maintained a passionate interest in all things Mechanical and classic vehicles in particular having owned amongst others a Porsche 356B Super 90, a Mini Cooper Mk 2 1275 S, an Aston Martin DB Mk 111 and a DB4. Currently he has a Mazda MX5Mk 1 awaiting restoration.

The origin of this interest can be traced back to being brought up on a large arable farm in Africa and honed as the Purchasing Manager for an American owned marine engineering business in Ireland, while his motivation and marketing experience comes from a decade spent as a top performer with a leading life insurance company in England prior to moving to Menorca where he now lives.

Paul Kilvington – *Founder*

Designer and entrepreneur, Paul Kilvington has been running his own successful Marketing and Branding agency in the UK for over 25 years. His other business interests include a marine business in Menorca and Head of Bespoke Design for Twisted, helping to realise the vision of high net worth individuals, specifying a fully rebuilt Land Rover Defender. Paul is a serial collector of classic cars having owned a number of 50's and 60's Aston's and fine examples of many iconic marques. As such he has witnessed first-hand the desirability and value of provenance.

Management Team Gaps

VCV will fill these as and when required.

VIII. Appendix

1.1 - www.custodian.club - extracts from its website

Features:

1. £600m+ worth of cars being managed on the platform. 44,000+ enthusiasts using Custodian and 1,200+ cars for sale, as shown on their website on 17.04.24

2. Garage management:

Comprehensive record keeping - keep track of your cars history.

Digital history files - all your history in one place.

Tasks and reminders - maintenance etc.

Easy sharing - share details with others.

The showroom - explore a selection of cars.

3. Enthusiast Insurance:

Classic and Vintage Cars

Super and Sports Cars

Kit and performance Cars

Highly Modified Cars

Private Collection

Introducing a new standard in specialist insurance. We're about cars and we are about technology. Combine both with a leading panel of insurers with 100+ years of collective experience insuring all types of specialist motor risks and together, we're onto a winner.

4. Custodian Insurance benefits:

Salvage retention - keep your cherished salvaged parts if your car is written off.

Personal choice of repairer - you decide who repairs your car after an accident.

Car Club Discounts - discounts if you are an active and certified member of a motoring club or society.

Static show cover - take your car to a rally, show or event with piece of mind.

Agreed valuation - protect your car from fluctuations in its market value with an agreed valuation.

Limited mileage discounts - discounts if you are not going far or using your car often.

5. A word from our customers:

There was only one shown on their website which said as follows:

I've recently taken out a policy on my 1963 MGB roadster with Custodian. The process was straightforward and they were able to beat my renewal with Adrian Flux by around 10%. As a user of Custodian's digital garage I'm looking forward to seeing developments in the coming months as my insured documents, and the ability to make changes to my policy, become available within the platform - Scott.

6. Fees:

According to Companies House, Custodian Financial Services Limited, company # 14620711, with Charles George Southwell Clegg as its CEO was incorporated on 27th January 2023 with its activities shown as insurance agents and brokers. The first accounts up to 31st January 2024 are due by 27th October 2024, these will confirm their commission income.

VIII. Appendix

1.1 - www.custodian.club - conclusions

1. Custodian is first and foremost an insurance broker, all its other activities such as its Garage Management are there to build the brand and channel new clients towards its comprehensive insurance offering for a wide range of cars, hence it has no fees as it is rewarded by insurance commissions.

2. The statement that it has £600m+ worth of cars being managed on the platform and 44,000+ enthusiasts are using Custodian with 1,200+ cars for sale cannot be substantiated as it was only incorporated on 27th January 2023 and its first accounts are only due by 27th October 2024. However, checking the cars for sale there are 1,006 on 17.04.24 and all from UK dealers. There also appears to be no link back to their Garage management function to confirm the vehicles provenance.

3. £600m equates to 6,000 cars at an average value of £100,000 each of which a % would be for sale, if true so why have they to rely importing cars for their Showroom. We remain sceptical until proven otherwise.

4. Custodian concentrates on cars alone and no other vehicle.

5. Custodian's activities are only as insurance agents and brokers, they do not have other partners providing a range of associated services such as finance and a vehicle history check.

VIII. Appendix

1.2 - www.themotorchain - extracts from its website

Features:

1. The Motor Chain is a better way to document your classic or collectable vehicle. Simple, intuitive and secure, the app allows you to upload your car's entire history, share its documentation with others, allows garages to update the service history and document restoration or industry organisations to certify authenticity all in real time

2. With 10% or more of your vehicle's value determined by the state of its documentation, TMC provides a better solution than binders, books and papers.

3. The application is available in English, German, French, Italian and Spanish

4. Open the Mac App Store to download apps. Compatibility with the following devices:

iPhone - requires iOS 13.0 or later

iPod touch - requires iOS 13.0 or later

Mac - requires macOS 11.0 or later and a Mac with Apple M1 chip or later

Apple vision - requires visionOS 1.0 or later

5. Under FAQ's - *Why do I need to validate my profile and upload an ID?*
Profile validation is a service we provide to our members so they can have the assurance they are dealing with real people or business. Profile validation is only needed when you want to share your car with another member or receive the information of another member's car.

6. Under FAQ's - *Can I modify entries in the Timeline of a car that was transferred to me?* No you cannot modify past entries in the Timeline. If you have strong reasons for new evidence supporting a request for change please email us at documentation@themotorchain.com, so we can assess your request for integrity and validity and get back to you.

7. The Motor Chain (TMC) platform uses Blockchain technology.

What are the benefits of Blockchain?

Blockchain is an immutable and decentralized ledger that makes it easier to record transactions. Due to this trustworthiness, security, transparency and traceability of financial processes across a business network can be significantly improved.

What are the limitations of Blockchain?

However, while Blockchain offers promising opportunities, it also faces limitations including high energy consumption, scalability and regulatory challenges. Continuous research and development are being conducted to address these issues and unlock Blockchain's full potential

8. Fees:

a: Car Annual Subscription - CHF50/51.92€/£44.44 - as at 18.03.24 according to XE.com

b: History Preserve Sticker - CHF75/77.88€/£66.66 - uses a unique QR code on the windscreen. Silver or Gold version according to documentation scoring. Will require Car Annual Sub (a)

c: Documentation Services - available in Switzerland and Spain - CHF500/519.26€/£444.40 plus travel expenses 1hr trip
CHF120/124.62€/£106.65

VIII. Appendix

1.2 - www.themotorchain.com - conclusions

Conclusions:

1. The Motor Chain markets itself at concours events locally in Switzerland by offering a Best in Show award for a car with the best documentation. We don't see any evidence of its thinking being on an international scale.
2. Having it only compatible with Apple devices has got to limit its appeal to those that already own them.
3. Verifying that you are dealing with a human being increases safety and is commonly used. The use of multiple languages is useful for owners, however, for example if an owner was German and wrote it in German could a subsequent English owner convert this easily to English?
4. The Motor Chain makes all information tamper proof which we think is essential, however, only they can make corrections if needed. Avoidable extra administration?
5. We are not in favour of garages or restorers being able to add information. We believe this must be done by the owner themselves for greater accountability and security.
6. As Blockchain technology is still evolving we think it's best to avoid this.

7. We don't like the idea of their Silver or Gold History Preserve Sticker with a QR code giving easy access to anyone with an Apple device, however, if an owner was selling a vehicle this would be a way of enabling a prospective purchaser to contact the owner only. The owner could then decide whether or not to release further information.

8. Without inside information we are not sure how often Documentation Services would be used. It would be a service that could be outsourced if the need was proved.

9. The Motor Chain concentrates on cars alone and no other vehicle.

10. From what we can see The Motor Chain does not provide any associated main services such as insurance and finance preferring to concentrate on provenance alone.

VIII. Appendix

1.3 - www.mcclife.ch - extracts from its website with conclusions

Features:

Note: When it was first launched in 2019 it offered a 3 tier price structure- Lite, Silver and Gold, each of which required a hosting fee of 6€ per month plus a fee dependent on the number of cars and the amount of data stored as follows:

Lite - 1 car, 500mb of data, free membership. Annual cost 72€ being 6€ pm for the hosting fee.

Silver - 5 cars, 1,000mb of data, 100€ membership fee. Annual cost 172€ being 100€ + 72€ fees.

Gold - unlimited cars, 5GB of data, one off 500€ lifetime membership fee + 72€ pa hosting fee.

This obviously did not attract the market so today this is what's on offer:

1. Download the My Classic Car Life app for free and test the features with your first contact: our 1972 Lamborghini Urraco! We hope its fascinating story will inspire you to start building your vehicles history today.

2. You can download the app through Google Play or l'App Store. We chose Google Play and found that it was rated 4.3 stars from 6 reviews and that it had been downloaded 500+ times as of 8th March 2024.

3. The website states - As second major step will take place in 2021 with the creation of a real social network centred on the car that allows enthusiasts to meet within a community.

4. Based in Switzerland in La Chaux-de Fonds. 68 physical serving racks with redundancy guaranteed 99.9% and 365/7. Four stages of security and data access control ISO 2700 certified. One of the greenest data centers in Europe.

5. Fees:

Your first vehicle and its documents are free. Discover all the features for only 4.99€ pm which 59.88€ pa/ £51.14 pa

Conclusions:

1. This website strikes us as having little or limited appeal. Having been started in 2019 and in spite of a pivot to have only 6 reviews and 500+ downloads in 5 years seems to substantiate this opinion.

2. There is no evidence of an active 'real social network' having been created to rescue the situation.

VIII. Appendix

1.4 - www.factsdisc.com - extracts from its website with conclusions

Features:

1. After years of attending owners' club events and classic car shows, where information about individual cars are patchy at best, and often completely absent, I realised that learning about vehicles was virtually impossible unless you were lucky enough to meet the owner. With Facts Disc we have created a really simple method for enthusiasts like me to document and share our car facts and trivia, in a way that allows anyone with a smartphone, standing by the car, to view it quickly and easily - Classic Car 'Nut' and Founder of Car Facts Disc - Paul Tombs

2. The depth and breadth of the information you choose to upload is entirely up to you. You are in complete control over what you wish to share using your Car Facts Disc, and the best part is, you can always make 'on the go edits' using your smartphone or desktop (Your personal details will never be published on the disc)

3. You only pay for your Car Facts Disc once. There are no extra costs or hidden subscription fees. It's one Car Facts Disc, per car, for life.

4. The Facts Disc can store details of both cars and bikes

5. The partners to Facts Disc are Footman James who are rated 'Poor' by Trustpilot with 1.8 stars from 48 reviews and the RAC who rated 2.6, 3.9 and 4.3 for their three services with multiple reviews.

6. Fees:

£20.00 inc taxes and once in a lifetime purchase

Conclusions:

1. At first sight a clever low cost way to build the provenance of your car or bike with a once in a lifetime purchase. If so, presumably the Facts Disc itself gets passed from owner to owner.

2. Your personal details will never be published' which is as maybe but everything else is fully accessible through its QR code to anyone with a smartphone and that means millions of people.

3. Any car thief with a smartphone can now steal your cherished vehicle to order!

4. In our opinion the fact of this information being so readily available could cause an insurer to reconsider the premium and adjust it upwards for the increased risk.

VIII. Appendix

1.5 - www.carvault.io - extracts from its website with conclusions

Features:

1. This is a failed business that was started by Ben Willis, of whom more later.
2. Clicking on the 'Get started' button immediately brings up a message - Warning : Potential Security Risk Ahead with the recommendation to go back. Clicking on other buttons produces the same warning.
3. Interestingly clicking the 'News' button produces at its earliest 'We're live - Launch Press Release' this is dated Wednesday 19th September 2018. There are three entries in 'News' the latest is the 28th September 2018 with nothing further after that.
4. However, on checking Companies House, Ben Willis (Benjamin Joseph Willis) features as the only Director of Carvault Holdings Limited, company 1061611 formed on 13.02.2017 with the registered address: Blister Hanger, Barracks Farm, North Stoke, Wallingford, Oxon, OX10 6AZ.
5. The website for this business is www.carvaultco.com. Checking with Companies House the the Nature of Business is shown as # 45112 - Sale of used cars and light motor vehicles and #82990 - Other business support service activities not elsewhere classified.
6. Checking the latest 'Unaudited Fillited Financial Statements for the Year Ended 28.02.23 shows Capital and reserves of (£21,794) for 2023 and (£10,333) for 2022.

7. The 'Next statement date is 12.02.24 due by 26.02.24' with a notice above it which reads **!Confirmation statement overdue.**

8. Fees:

Not applicable.

Conclusions:

1. The internet business www.carvault.io was set in September 2018 to store the provenance of vehicles but failed and is now defunct.
2. The same person set up www.carvaultco.com which has nothing to do with provenance and all to do with sales of used cars and light vehicles. This too appears to have failed.
3. On a positive note www.carvaltco.com offers a very good way of displaying a vehicle's particulars that is for sale.

VIII. Appendix

2.1 - The Multimedia Matrix in detail

<i>Summary at a glance</i>			
Section #	Item	Owner information	
		Historic	Current
2.	The Ownership Tree - the story so far.	X	X
3.	A copy of the Vehicle Registration Certificate (DVLA form V5C in UK)	X	X
4.	A copy of the Heritage Certificate, if it exists, or its equivalent.		X
5.	A copy of the vehicle club membership, if it exists.		X
6.	A copy of the road worthy certificates (MOT's in UK) or their equivalent.	X	X
7.	The vehicles maintenance records.	X	X
8.	The vehicles refurbishment records, if applicable.		X
9.	Details of any non-standard modifications, if applicable		
10.	The vehicles competition history, if applicable.	X	
11.	The travel log of significant journeys.	X	X
12.	Any other information that the underwriters consider necessary to further de-risk the premium.		X

VIII. Appendix

2.1 - The Multimedia Matrix in detail

Multimedia matrix							
Section #	Section name	Details required	Example	Complete details	Verify details	Optional image/s	Optional video/s
	A	B	C	D	E	F	G
<p>Menu</p> <ul style="list-style-type: none">1 - ? Summary <i>at a glance</i>.2 - ? The Ownership Tree - the story so far.3 - ? A copy of the Vehicle Registration Certificate (DVLA form V5C in UK)4 - ? A copy of the Heritage Certificate, if it exists, or its equivalent.5 - ? A copy of the vehicle club membership, if applicable.6 - ? A copy of the road worthy certificates (MOT's in UK) or their equivalent.7 - ? The vehicles maintenance records.8 - ? The vehicles refurbishment records, if applicable.9 - ? Details of any non-standard modifications, if applicable10 - ? The vehicles competition history, if applicable.11 - ? The travel log of significant journeys.12 - ? Any other information							

VIII. Appendix

3.1 - The financial effects of increased retention

Assumptions:

1. The average premium rate is £639.24 per the VCV 40 car survey of 2022.
2. The commission rate per premium is 10%, per the breakdown of a complete premium, according to AXA where it varies from 7.5% - 12.5%.
3. The Deloitte survey of motor insurance in 2021 found that 43% of the vehicle owners changed insurers in the last 12 months. This means that the average retention rate in the UK at that time was 57%.
4. Recently, on the 29th April 2024 to be precise, Forbes advisor released the following information as part of its article entitled - UK Car Insurance Statistics 2024. 'Almost half (47%) of drivers switched car insurance providers in the past year'. This means that the average retention rate, which was 57% in 2021, has now become 53% currently. This downward trend will be of serious concern to all providers of car insurance in the UK.

Item	Retention rate				
	53%	70%	80%	88%	100%
Premium £639.24 x 10% commission =	£63.92	£63.92	£63.92	£63.92	£63.92
Gross commission per 1,000 premiums	£63,920	£63,920	£63,920	£63,920	£63,920
Net commission per retention rate	£33,878	£44,744	£51,136	£56,250	£63,920
Retention rate increase in £'s	£0	£10,866	£17,258	£22,372	£30,042
Retention rate increase as a %	0%	32.07%	50.94%	66.04%	88.68%

Note

a. The average retention rate in the US was 88% in June 2020. According to Amber Livingstone, the Marketing Manager at Smartcar in her article - Improved Customer retention with the power of API (Application Programing Interface)

b. The Smartcar website can be seen at www.smartcar.com. The app appears to be designed for Fleet Managers of multiple vehicles. It is not comparable with VCV as it does not have the ability to collect and allow the owner to collate the comprehensive information which makes up the provenance of a vehicle.