

We Predict Ltd Proves it can Reduce Global Automotive Warranty Costs by \$2.8bn a Year

LONDON

We Predict is the developer of an innovative cost forecasting system called Indico that enables automotive manufacturers to better control their warranty expenses. Taking huge historical sales and warranty claim data sets and processing them with cutting edge actuarial analytical techniques, Indico produces high accuracy warranty claim forecasts that identify emerging product and service issues at a causal part level.

Rob Murdoch, Manager of Warranty & Technical Services at Mazda Canada, said; "The accuracy of Indico has been impressive. Indico reporting has been deployed to our Field staff and issues identified by Indico are discussed in the dealership. Claim irregularities that have been identified and reported have shown significant declines. That's all the proof you need to know that Indico is finding problems.

"Mazda already has some excellent dealer analysis tools; however Indico takes reporting to the root of the issue and allows us to realize additional savings. From the evidence that we have seen savings of 8-15% of total warranty spend are definitely achievable with Indico."

James Davies, Director of We Predict, said car dealerships are being forced to take extreme measures to create extra revenue and making unnecessary warranty claims is an easy option. With automotive warranty costs topping US\$35 billion annually, an 8% reduction in annual costs could see savings approaching US\$3bn a year.

"In these difficult times neither dealerships nor manufacturers want to be involved in the attempt to recover these excess costs. It is imperative that manufacturers enable their audit departments to identify emerging issues at individual dealers quickly. This way they can prevent dealer overspend in a fair, focused and consistent way.

"By allowing for model mix and vehicle age at the casual part level this reporting perfectly complements standard industry measures of cost per VIN serviced and repairs per thousand. Light touch implementation means that we have minimised the level of input required by Mazda to action the data.

"Nobody else is approaching this problem in this way. We're expecting more world class automotive companies to sign up to this new service in the coming months," he said.

About We Predict Ltd.

We Predict, a Microsoft BizSpark company, is based in the Welsh Assembly Government funded Technium Swansea Innovation Centre for high technology businesses. It provides predictive warranty analytics to some of the worlds largest automotive manufacturers.

<http://www.WePredict.co.uk>

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