



Strategy – Used Vehicle Purchasing and Selling

Buying cars at competitive prices to supply quality vehicles for auctions is an integral component of the USS business model

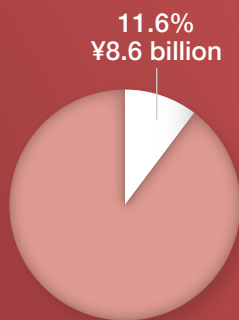
USS purchases vehicles directly from end users in order to maintain a steady supply of quality automobiles for the auction business. By offering attractive prices for vehicles, the purchasing business meets the expectations of customers and maximizes the number of vehicles acquired.

USS Co., Ltd.
Executive Officer
Rabbit
Car Network Co., Ltd.
President and
Representative Director,

Hiroshi Kojima



Sales Composition



[Overview]



Annual vehicles purchased

120,000

Third highest in this industry

Used car purchasing stores

Recognition
Third highest in this industry

Customer satisfaction survey

Fourth highest in this industry

[Oricon Customer Satisfaction Survey 2020]

SWOT Analysis

<p>Strength</p> <ul style="list-style-type: none"> ● A business model closely linked to USS auctions ● An outstanding vehicle appraisal system using an exclusive USS methodology incorporating the massive volume of data at the USS Group ● A widely recognized brand in the used car purchasing market ● Consistently high customer satisfaction 	<p>Weakness</p> <ul style="list-style-type: none"> ● Digital transformation delays for increasing efficiency, web marketing and other activities
<p>Opportunity</p> <ul style="list-style-type: none"> ● A stable auction market due to steady demand for exports of used vehicles from Japan ● Strong demand in other countries for used vehicles made in Japan ● New ways to use preowned vehicle inventories for services generating a steady income, such as leases and subscriptions 	<p>Threat</p> <ul style="list-style-type: none"> ● New car sales are decreasing as people choose leases, subscriptions, sharing and other ways to use a vehicle. ● The result is a longer cycle for the replacement of automobiles.

Strategies

[Ensure a consistent supply of quality vehicles for auctions]

- Increase opportunities to contact end users by opening more stores
- Recruit and train people to upgrade vehicle appraisal skills; pass on know-how to younger employees
- Create stores that people select over others as competition becomes even more intense (Effective PR activities to raise awareness/Employee training to strengthen store services/ More franchised stores to increase procurement channels)