



October 25, 2019

Mr. Johnathan Morrison, Chief Counsel
National Highway Traffic Safety Administration
1200 New Jersey Avenue SE
Washington D.C. 20590

Re: Comments on Docket No. NHTSA-2019-0092, Electronic Motor Vehicle Transactions Systems, Cost Benefit Comments

Dear Mr. Morrison:

Copart thanks you and the entire National Highway Traffic Safety Administration (NHTSA) leadership team for the request of stakeholder outreach and the opportunity to comment on the rules to modernize the vehicle title transfer process. Headquartered in Dallas, Texas, Copart is a global leader in online vehicle auctions, and a premier destination for the resale and remarketing of vehicles. Our company operates more than 200 locations in 11 countries, with 170 facilities in the United States and growing each year.

The use of electronic signatures will have an immediate and positive impact to the automobile auction industry. We are excited about this modernization and how it will simplify and help consumers be timelier in the sale of their automobiles through our company.

The savings from this change will primarily be realized by the consignors, charities and insurance carriers for whom we auction vehicles. Copart's processes will change minimally until a full electronic title processing option is available at the state level. Until that time is here, the financial gains from this rule change will be from costs and efficiencies which will be realized by our customers. Because of the long tail of implementing a completed electronic title process, our analysis is focused only on electronic signature use in all states for our customers and not Copart directly.

On average, Copart auctions over 2,000,000 vehicles in the United States each year. We estimate that our customers' annual savings will be realized in reduced shipping costs for original documents and depreciation. If one third of these transactions were completed electronically, we estimate this will lead to estimated savings annually for our customers at \$12,157,200.



This amount is determined by:

- \$9,240,000 reduction in shipping cost for hard copy documents (\$14.00 shipping cost x 660,000 units).
- \$2,917,200 (\$2.21 daily depreciation x 2 days average saved x 660,000 units sold) in minimum depreciation.

There would also be a labor savings related to this rule change. Our insurance customers will see reduced needs for setting follow up diaries, additional contacts with vehicle owners, scanning documents, arranging shipping, sorting the receipt of the documents etc. We anticipate this time savings would equal 15-20 minutes in improved efficiency per title.

Thank you again for the opportunity to share this information on how this rule change will benefit Copart. NHTSA can continue to count on us as a partner and a source for assistance in ensuring a fair, efficient, and most importantly secure vehicle marketplace. We stand ready to answer questions or serve as a resource as the rule making process continues.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Binder". The signature is fluid and cursive, with the first name "Mark" being more prominent than the last name "Binder".

Mark Binder
Director of Government Affairs
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CC:

Greg DePasquale – Copart
Aron Rosenfield – Copart