



ProPledge™ Program

FAQs

What Is ProPledge?

In today's quality-conscious environment, new-vehicle dealers have come to expect the very best performance from the specialty auto products and accessories they sell.

Now with ProPledge, there is a unified way to assure dealers that they can stand behind what they sell, much like they can with OEM-branded products, under a single quality assurance brand. Under ProPledge, participating companies offer a minimum of 36-month/36,000-mile warranty coverage that is industry-backed, provide minimum liability coverage of \$5 million and meet quality process and time-in-business criteria.

The pilot program demonstrated the quality of participating manufacturers' and installers' products and services. More than 18,000 products were registered. Warranty repairs were minor and infrequent, with no repairs exceeding \$250. Both in-market and out-of-area customers' warranty repairs were handled to their complete satisfaction.

A national rollout will begin in 2010 which will target installers in major metro markets and expand the number of products and categories sold through the installers to the dealers.

How Does the Program Work?

ProPledge is a cooperative initiative comprised of SEMA-member manufacturers and installers committed to delivering quality products and services. Key elements of the program include:

- Warranty coverage for defects in products or installation for a minimum of 36 months or 36,000 miles, which is comparable to most new-vehicle warranties, and backing by the Specialty Equipment Warranty Alliance (SEWA), a subsidiary of the Specialty Equipment Market Association (SEMA), in the event that a participating company cannot fulfill its warranty obligations.
- Repair or replacement of the product by the manufacturer if the product is defective or re-performance by the installer if there is a problem with installation.
- Liability coverage through inclusion of auto dealers as "additional insured" in the participants' liability policies with a minimum policy limit of \$5 million.
- Installation coverage on new vehicles and on used vehicles up to three model years older than the current model year.
- A Customer Support Center to assist customers who have a problem with a warranty repair and support participants with enrollment, warranty registration, data collection/maintenance, reports and coordination of dispute resolutions.

Why Was ProPledge Developed?

Specialty auto products and accessories generate \$32 billion annually in retail sales, fueled largely by consumer interest in vehicle personalization and new accessory-friendly vehicle designs from the OEMs. Historically, many dealers have not aggressively merchandised SEMA-member accessories due to concerns about warranties and liability protection. The ProPledge program enables SEMA-member companies to work together to increase sales through dealers by:

- Addressing dealer concerns about aftermarket warranties and liability protection by offering an industry-branded program that simplifies their product selection, service and administration.
- Demonstrating that they provide high-quality products and services by meeting quality process criteria.
- Delivering the innovative products and service excellence that customers want and expect.

What's in It for You?

The ProPledge SEMA-Member Guarantee is a value-added sales tool that allows dealers and consumers to purchase specialty auto products with complete confidence.

- ProPledge furthers a company's image. Program participants are in the company of innovative, customer-oriented SEMA-member professionals working to enhance the industry's image and increase sales.
- ProPledge is a potent marketing tool that attracts new customers and boosts add-on sales for installers and dealers.
- ProPledge is supported with sales-training materials, presentation tools and point-of-purchase displays.
- ProPledge program awareness will be generated by a SEMA-led marketing campaign that includes public relations, advertising and promotions at major industry trade shows and events.
- ProPledge is a mark of distinction that recognizes a company's commitment to quality and customer satisfaction and will help differentiate its brand image and products from the competition.

Who Facilitates the ProPledge Program?

The Specialty Equipment Warranty Alliance (SEWA), a subsidiary of the Specialty Equipment Market Association (SEMA), was formed to oversee and manage the ProPledge program.

How Can My Company Participate?

For additional information, visit the ProPledge website, www.propledge.com, or contact Joe Sebergandio at propledge@motormediainc.com, 818/248-4449, 1575, S. Valley Vista Dr., Diamond Bar, CA 91765.