

Salvaging The Salvage Process



INDUSTRY BACKGROUND

“Salvage” is the insurer’s way to literally salvage what they can from an otherwise catastrophic loss. Most insurers outsource the entire salvage life cycle from towing to auctions to specialist vendors.

As it is not a customer-facing transaction, salvage processing often gets very little attention. And while it does not really bring in any revenue; if left unchecked, has the potential to become a long, drawn-out exercise.

Such transactions require a lot of back and forth between the insurer and salvage vendors, and any slowing of this communication channel or passing of incorrect information can have a tremendous impact on the process.

BUSINESS PROBLEM

Our client had partnered with Copart and IAA for their salvage processing needs.

However, since there was no automated data transfer from our client to these vendors, the claims representatives had to log into the Copart and IAA interfaces to manually enter claims, check the status of each salvage, and authorize bids and sales.

This caused a host of problems including; missed salvage requests, “inconvenience fees” due to data entry errors causing the vendor to go to the wrong location for pick-up, withdrawn bids, and excess billing due to cars remaining in salvage yards for too long. In addition, due to a lack of automated

monitoring, our client was not able to penalize vendors for SLA non-compliance.

Y&L SOLUTION

Y&L created an interface to automatically populate relevant claim data onto the Copart and IAA systems using B2B web services. Thereby, when a claim was entered into the client’s system, the claims rep could send data to the appropriate vendor at the push of a button.

The system also allowed the rep to update individual claims when new information became available.

Y&L ensured the new system was scalable, allowing the addition of new salvage vendors, as well as, modifications and the removal of existing vendors without the need for further IT development.

BENEFITS

Through process automation, our client saved \$250,000+ within the first 18 months of deployment.

Resulting savings are directly proportional to the number of salvages. Our client will continue to save money on all salvages in the future. Moreover, savings will only increase as our client’s customer base expands.

ABOUT Y&L

Y&L’s philosophy is information technology can transform businesses. We believe technology is a tool companies can use to do their business faster and more economically.

In short, technology, if designed and implemented correctly is a business accelerator, as well as competitive differentiator.

At Y&L, we blend business expertise, domain knowledge and technical prowess to deliver optimal solutions; so businesses can become more efficient, nimble, and competitive.

We have been transforming government agencies and commercial businesses worldwide since 1999.

CASE STUDY

Vertical:
Insurance,
Financial
Services

Solution:
Automating
Third-Party
Data
Integration

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