Clocking
A growing concern

by
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Clocking Today

220 million+

220410

mileage readings

1 in 20 vehicles have a mileage discrepancy

1 in 3 vehicles have a hidden history

£2000 - £4000 typically added to an average family car*

It is estimated that clocking could potentially cost the public £750m p.a.

*Source: CAP  **Source: OFT. In 2010 it was estimated that clocking costs the economy £580m, based on 1/20 cars being discrepant)
Over 70% are concerned about damaging their reputation by selling on a clocked car.

Almost half of dealers say their customers are not aware of the dangers of buying a clocked car.

41% of dealers had part exchanged a car which they later discovered to have a discrepant mileage.

Source: HPI Dealer Survey, May 2015

Statistics - Dealer Perceptions
The used car market is growing, as are the number of National Mileage Register (NMR) Checks and Investigations – up 34% over 5 years.

Source: SMMT /TNS-BMRB 2014

Source: HPI Ltd, 2015
The issue of clocking is growing in concern. What was perceived to be a ‘thing of the past’, is now firmly back on the national agenda.
Whilst there are very few legitimate reasons to adjust a vehicle’s mileage reading, there remain a significant number of ‘Mileage Correction Firms’ across the country. A brief Google search indicated over 50 companies in England alone.

The typical cost of having the mileage adjusted: between £40 - £180

The tools to adjust the mileage are readily available on the internet and are being taken advantage of by the unscrupulous.

Clocking – Seemingly as easy as 1…2…3
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What’s more, consumers who obtain a car on PCP or on a lease may well have cottoned on to the fact that adjusting their mileage is a handy way of keeping within the mileage allowance terms of their PCP / lease agreement and avoiding hefty excess penalties.

Cost of additional mileage: up to 20p per mile

5k miles more on the odometer = £1,000 additional costs to the customer

Or, invest £100 to ‘clock’ the odometer to the “right” mileage.

Clocking and PCPs

Source: Automotive World, May 2015
The potential risks of clocking cars are many-fold:

It is advisable to conduct a thorough vehicle history check and mileage investigation to spot a mileage discrepancy before you buy, providing you with a sound legal defence.

- **Safety**: The safety of a vehicle and more importantly the driver and passengers cannot be guaranteed and may be uninsured if found out to be ‘clocked’.

- **Reputation**: Individual dealers and the industry as a whole have much to lose if the practice of clocking continues unchecked.

- **Price**: Over-payment for vehicles – reducing the mileage on a car can add thousands. An average family vehicle can easily increase by £2k - £4k in value (if 60k miles are removed).

\*£2000 - £4000 typically added to an average family car
## The Effect of Clocking on Values

<table>
<thead>
<tr>
<th>Manufacturer</th>
<th>Model</th>
<th>Retail value at 30k</th>
<th>Retail value at 60k</th>
<th>Retail value at 90k</th>
<th>Impact of reduction by 60k</th>
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<tbody>
<tr>
<td>Ford</td>
<td>Fiesta</td>
<td>£6,595</td>
<td>£5,595</td>
<td>£4,895</td>
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<td>Volkswagen</td>
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<td>Range Rover Evoque</td>
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<td>£11,295</td>
<td>£9,825</td>
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<td>£2,920</td>
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</table>

Source: CAP Automotive 2015
The evolution of technology continues to make clocking
- Cheap
- Easy
- Accessible

Whether you choose to buy / lease or use personal contract plans, the potential gains to be made by clocking are significant

Robust provenance checking remains a key weapon

HPI, the automotive data experts, can assist with exposing potential issues

By working continually together with trade bodies such as the NFDA, we can:
- Develop robust best practice
- Raise awareness of the safety and financial risks of buying a clocked car
- Make life more difficult for those currently engaged in the practice
Appendix
Due diligence

HPI’s Recommended Steps
Take all reasonable steps to establish the accuracy of the stated mileage.

- Conduct a mileage check with an independent and reliable company (NMR Check).
- Check the mileage with all previous registered keepers (NMR Investigation).
  - A full mileage investigation has been shown to provide a sound legal defence in clocking cases.
- Ensure the vehicle’s condition is comparable with the described age and mileage.
- Check previous service records.
- Check previous MOT mileages – but beware…
  - … clockers may try to legitimise false mileages on www.gov.uk.

- Do not rely on mileage readings from a single source.
- Do not rely on mileage disclaimers as a substitute for carrying out proper checks.
- What’s more, an NMR Certificate can be an extremely helpful sales tool, offering your customers proof that a mileage check/investigation has been carried out.