

Situation

Automotive OEMs are getting into the graphics business. Their dealer sales network, with retail presence and financing options, makes buying more than just the vehicle easy and cost effective. We anticipate that the automotive OEMs will generate new awareness and demand for graphics in the mass commercial fleet industry, as they are now offering graphics similar to other accessory upgrades offered in the buying process, i.e., racks and bins, etc.

3M Response to Situation

3M recognized the opportunity to work with automotive OEMs to create a model that includes a network of endorsed graphic manufacturers and installers. Combined with specified materials that support an OEM licensed accessory warranty, we provide dealerships the "easy button" they want for execution, and hope to create new industry opportunities for graphic manufacturers and installers.

There are currently a small number of endorsed graphics manufacturers and hundreds of endorsed installers in our system. The requirements to be in the network for small commercial fleet graphics programs are straightforward: 1) 3M is providing the MCS warranty so graphics manufacturer must use 3M products; and 2) the installer must be qualified through 3M's endorsed training program, and must carry insurance and perform to program standards of excellence.

We are now piloting a new business process with several more regional and local graphics manufacturers. In addition to our current program, OEM dealerships would be able to request the use of a local or regional graphics manufacturer. The dealership must want to work with the manufacturer and continue to be satisfied with its performance.

Frequently Asked Questions:

"Are you our competitors now?"

We created a model that includes a network of endorsed graphics manufacturers to produce the graphics and endorsed installers to install them.

"Maybe we don't buy as much product from 3M as the big companies, but we're very loyal, so why compete against your loyal customers?"

Being a part of the OEM network is not based on size of the graphics manufacturer. Because the graphics are covered by the MCS warranty, we use endorsed graphics manufacturers that use MCS warranty components.

"Why would someone leasing a car choose to have it wrapped by the dealership (or dealer selected installer) rather than their chosen local installer?"

Vehicle personalization is becoming an increasingly popular OEM accessory. The ability to include the price of the vehicle wrap in financing packages is very attractive for many companies.

"Who sets the installer requirements to participate in OW: the dealerships or 3M?"

3M sets the standards based on our requirements to become an endorsed installer.

"How much involvement does Original Wraps have? Do you print the graphics? Do you distribute them?"

3M uses their endorsed graphics manufacturers to print and distribute graphics.

“Do you select installers based on how much they buy from 3M?”

No. We select installers based on their certification, and subsequently their proximity to local dealership.

“Why does 3M get to decide the installation price for work done in the program?”

The customer needs to know a suggested retail price before committing to buying graphics as an accessory. We estimate what we think the job should cost based on square footage, industry rates and trip charges.

“Does the Original Wrap program include used cars? Can I take my 10 year old Nissan into the dealership and have my wrap financed as long as I use the dealerships selected installers?”

No. The automotive OEM small commercial fleet program applies to new vehicles only.

“Do 3M Original Wrap employees work at each dealership to help sign up customers for the program?”

No. 3M Original Wraps has a sales support team that works with dealerships as needed, but they are not located at dealership sites.

If you're interested in becoming part of the endorsed graphics manufacturer and/or endorsed installer program, contact us at info@owcrm.com .