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Exotic Motors' Danny Baker said he expects I Buy Luxury Cars to bring in \$60,000 in profit with a target of 30 deals each month.

Exotic Motors develops luxury online auto division

BY ANGELA MUELLER

Danny Baker hopes to rev up sales at his exotic luxury car dealership with the launch of a new online division.

Baker, owner of Creve Coeur-based Exotic Motors Midwest, has created I Buy Luxury Cars – a division that integrates existing technologies to streamline the online sales process for luxury cars.

The I Buy Luxury Cars website, www.ibuylc.com, allows users to log in and enter the vehicle identification number, or VIN, for the car they are interested in selling. The site will then automatically pull the year, make and model for the car, and the customer only has to enter the car's mileage, add a couple pictures and click submit to have the car considered by I Buy Luxury Cars' buyers that are staffing its Creve Coeur call center 24 hours a day.

"We come back to you with an offer, you can click to either accept, deny or call to discuss, and we have people available 24/7 to answer the phone," Baker said. If the seller

accepts I Buy Luxury Cars' offer, they finalize a contract online, get their money within 24 hours or less, and I Buy Luxury Cars sends a truck to pick up the vehicle.

I Buy Luxury Cars will then resell the cars to dealers nationwide that are looking for that particular vehicle model.

Baker said I Buy Luxury Cars will bid on any car valued at more than \$20,000, but the company's target is vehicles with a value of between \$50,000 to \$300,000. Baker expects 90 percent of the company's deals to fall within that price range.

Baker has added four people to Exotic Motors' staff to focus on the I Buy Luxury Cars Division and he said he expects to hire four more between now and the end of the year.

I Buy Luxury Cars, which went live earlier this month, is on track to do about 30 deals in September, with a goal of another 30 deals for October, Baker said.

"We did a deal the very first day," he said.

In the past seven days, I Buy Luxury Cars has purchased a Mercedes-Benz, Fer-

rari, Bentley, Porsche, Chevrolet Corvette and Range Rover for prices ranging from \$69,000 to \$248,500. The cars were purchased from individuals in Kansas, Missouri, Indiana, Florida and Georgia, and sold to dealers in Connecticut, Florida, Pennsylvania, Illinois, Texas and New Jersey.

Baker said the division expects average profits per car of \$2,000 to \$5,000, adding up to about \$60,000 a month if it reaches its goal of 30 deals.

By 2017, I Buy Luxury Cars hopes to be doing up to 200 deals a month, Baker said.

"We're looking for high-volume, low-margin business," he said. "As opposed to the collector car business, which is high-margin but low volume."

Nationwide, luxury cars accounted for 11.5 percent of new vehicle sales through August 2016, according to Autodata Corp.

Baker said he saw an opportunity in the resale luxury car market, where it is difficult for an individual to sell a car to anyone other than a dealership, particularly if the seller still has financing on the car.