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VIN Microdot vs PIN Microdot - MIB Motor Vehicles

We feel obliged to draw the attention to the <u>Risk (pitfalls)</u> and <u>costs (additional)</u> of specifying VIN (Vehicle Identification Number) Microdots as opposed to PIN (Personal Identification Number) Microdots.

Background

VIN Microdots were used in 2000 to 2006 when databases were not available to query PIN microdot numbers, which in turn, are linked to Vehicle VIN numbers. Ultimately, Law Enforcement agents are the end user of microdot technology in order to identify stolen or cloned vehicles and further use microdotting as a forensic tool!

Furthermore, VIN microdots <u>were</u> used to prove warranty claims with the misconception that it was easier for the OEM / MIB. The Industry use of VIN Microdots was shortsighted due to risk and confusion caused when second hand car parts were re-cycled onto vehicles already in the car park!

Law enforcement officers worldwide are against the practice of using VIN Numbers on microdots as this leads to the potential risk of unlawful arrests due to Microdot VIN mismatch (for whatever reason) to vehicle VIN; especially at VISPOL (Visible Policing) level.

Any current Microdot manufacturer or Provider who knowingly still condones the Microdot VIN practice, when they are well aware of the above risks, have no concern for the end user. The current markets worldwide have moved towards consumer protection and thus eliminating any risk that may adversely affect any consumer. MIB's / OEM's are at risk due to these trends. Major Motor Manufacturers (VWSA, Daimler Chrysler, Scania, BMW SA Motorcycles, FORD SA, Mahindra SA, Volvo, TATA Trucks, Yamaha Motor Cycles and Honda SA, to mention a few), have adopted the PIN Method of Micro dotting due to the above inherent risks involved and the vast cost savings achieved!

MIB's that have successfully migrated from VIN Microdots to PIN Microdots, experience major cost savings of 45% and in some cases even more.

Furthermore, PIN Microdots add an additional level of security as the VIN number is no longer displayed on the microdot but housed in a secure database.

Please see Risk / Cost matrix, as per Annexure A, compiled as an objective tool to evaluate the best solution for Motor Vehicle MIB's and OFM's.

If there are any questions or queries regarding the content of this correspondence, please do not hesitate in contacting **Philip Opperman, CEO of Recoveri Tag What's Yours.**

	VIN MICRO	DOT VS PIN N	/IICRODOT (Ris	sk Matrix)			Annex	ure A	
ISO 9001-2015 EVENT	PIN Microdot		VIN Microdot		Risk Rating		_	Cost Rating	
	Pros	Cons	Pros	Cons	PIN	VIN	PIN	VIN	
Provider /Supplier Administration	Only requirement is Vehicles introduced onto eNaTIS System as a vehicle that does exist. Can be done as and when received and does not hamper the Microdot manufacturing process.	None	None	Vehicle VIN number is required to begin manufacturing process. Potential delays due to systems and processes. Can hamper the microdot manufacturing process.		+1	-3	+6	
Manufacturing Process	Production Planning allows for mass production of unique PIN Microdots	None	None	Production planning is complicated due to VIN specific Microdot Products being manufactured		+3	-2	+2	
Product Shipping	Shipped once a month to maintain Consignment stock	None	None	Shipping Every 48 Hours to maintain JIT (Just-in-time) process		+3	-5	+5	
Fitment Process	PIN allocated to Vehicle VIN at Fitment (Scanned) 1 Step Process	None	None	VIN Microdot is validated prior to fitments. Vehicle VIN and Microdot VIN matched through scanning. 3 Step Process		+5	-5	+5	
Fitment Cycle	Start to Finish – 3 Min Cycle	None	None	Start to Finish – 7 Min Cycle	0	+5	-4	+4	
Margin for error	No error Margin due to "linking" at fitment. Cannot be allocated to incorrect vehicle.	None	None	High Margin for error as <i>incorrect</i> VIN Microdot can be allocated to incorrect Vehicle. Remedy for incorrect VIN applied is apply a PIN Microdot (Nonsensical)	0	+8	-8	+10	
				Totals	0	+22	-27	+32	

SUMMARY				EXPLANATION		
Risk	Rating	Comments	Risk Rated 1 – 10	(0 denotes no Risk with 10 the		
PIN Microdot	0	No Risk to Provider or supplier (No liability)	lity) highest)			
VIN Microdot	+22	High Risk to Provider (with Liability)				
Cost	Rating	Comments	Cost Rated 1 – 10	(0 denotes acceptable cost		
PIN Microdot	-27	Cost Saving to Provider and supplier		with "-" a saving, and		
VIN Microdot	+32	unnecessary costs to provider and supplier		with "+" additional expenses)		

Recommendations:

Due to high costs and added risk; it is not viable to supply VIN Based Microdots to Motor Manufacturers, Importers, Builders. The only reason a Microdot Manufacturer would use VIN Microdot Marking is to justify higher billing values which are justified by a complex and risky solution instead of promoting cost savings to valued clients.