

Older Cars Can Be Connected To The Internet, Too



Jim Henry Contributor

Cars & Bikes

I cover the pervasive, yet little-understood auto industry.

For an added cost, there are a growing number of ways consumers can purchase a “connected” used car — that is, [connected to the Internet](#) via an aftermarket device installed in the car — even though it didn’t come from the factory that way.

User benefits are similar to features that have become common on new cars, like a car-finder feature that reminds you where you parked your car, via an app downloaded to your mobile phone.

Other features include so-called “geo-fencing” and speed alerts, commonly used to let parents know when a teenaged driver drives too fast, or where they’re not supposed to be. The ability to track a vehicle via GPS can also be used as a stolen-car recovery tool, for which many insurance companies offer a discount on auto insurance. The same technology can also detect if a car has been in a crash.



More dealers are offering connected-car services on used cars, by installing and selling aftermarket GPS devices to hook them up to the Internet. [-] IMAGE: SPIREON

Connectivity also allows dealers and manufacturers to send alerts for recalls or for periodic maintenance, customized for a vehicle's actual mileage. Not surprisingly, these alerts are also marketing messages that steer customers to the selling dealer for service, and make it easy to reserve a service appointment online.

"It's a way for the consumer to keep a connection with the dealer," and vice versa, said Brian Skutta, president of automotive for vendor [Spireon Inc.](#), Irvine, Calif., in a phone interview. The company recently announced a new generation of its [MyDealer](#) feature, in its [Kahu](#) consumer app.

Dealerships that offer the GPS devices commonly install them in all their used cars. Even before the cars are retailed, the capabilities are useful for dealers, too, to keep track of their inventory of used cars, and to monitor maintenance needs, like whether the battery is fully charged.

When the vehicle is retailed, if the customer doesn't purchase a subscription, the device simply isn't turned on. Or, dealers may throw in a free one-year subscription, in hopes that the customer will sign up later to extend the service, once they've experienced it for a year, according to interviews.

The aftermarket devices can be used on most cars built after 1996, which are equipped with an onboard diagnostic port, usually abbreviated OBD-II. Many of the functions are similar to plug-in devices many insurance companies offer, where customers trade data on their driving behavior for a discount on their car insurance.

Skutta said that according to Spireon research, real-time location is the most commonly used feature, followed by the ability to view "trip history," which tracks things like when a trip started and stopped, the average speed, top speed, and more.

Dealers set the final retail price, but Skutta said a typical range is probably about \$300 to \$900 retail, depending largely on what term of service the customer chooses, usually from three to five years.

Other competitors include more-familiar brand names like General Motors' [OnStar](#), or [SiriusXM](#), and [LoJack](#). LoJack, based in Canton, Mass., is an older, theft-deterrent brand that until recently relied exclusively on fairly old-fashioned radio technology to help police track stolen vehicles.

[CalAmp](#), a company based in Oxnard, Calif. that makes GPS devices, acquired LoJack in 2016. CalAmp announced recently it would continue to offer the “legacy” LoJack product, but it would also add GPS technology to a new “LoJack Plus” product that includes both technologies, Steve Manzi, vice president of Connected Car for LoJack, said in a phone interview.

[AutoNation](#) Inc., the largest U.S. auto retail chain, also announced recently it would expand a pilot program started in April 2019, to offer connected-car devices from [Automatic Labs](#) Inc., a SiriusXM company based in San Francisco.



Jim Henry

Follow

I'm a reporter with 25-plus years experience writing about, and working in, the auto industry. After a journalism degree at the University of North Carolina-Chapel Hill, where I was a Morehead Scholar, I started out with the dearly departed Nashville Banner, an evening newspaper. My beat included GM's Saturn Corp. in then-rural Spring Hill, Tenn. when the factory was still just a hole in the ground, plus the giant Nissan factory nearby. That turned into a post at Automotive News, the leading auto industry trade paper, as a one-man New York City bureau, covering European luxury brands, Wall Street, publicly traded dealer groups, retail auto finance and monthly auto sales. A four-year stint as market research and corporate strategy manager at Mercedes-Benz USA gave me an insider's perspective. More recently, my freelance assignments have included Advertising Age, Automotive News, AutoWeek, Bankrate.com, Businessweek.com, CBS Interactive, The Financialist by Credit Suisse, ForbesAutos.com and Forbes.com. I am also the former Senior Editor for Auto Finance News in New York. **Read Less**

<https://www.forbes.com/sites/jimhenry/2020/02/24/older-cars-can-be-connected-to-the-internet-too/#f24a237cbd86>