

NEWS

CARVANA ACQUIRES CARLYPSO

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PHOENIX--(BUSINESS WIRE)-- Thirty-three markets and five Car Vending Machines strong, [Carvana](#) (NYSE: CVNA) has pioneered the new way to buy a car. Today, Carvana is proud to announce it has acquired fellow automotive disruptor, Carlypso, to further enhance Carvana's momentum.

Initially established as a peer-to-peer car selling service, Carlypso evolved into a managed marketplace, giving consumers direct access to wholesale inventory. Carlypso focused on ingesting, normalizing and organizing data on vehicles that they could not physically inspect, and scaling that process to analyze over 200,000 cars each day. The company developed proprietary big data, analytics, and machine learning tools to dynamically filter, value and price cars nearly instantaneously without ever actually seeing them; tools that can integrate with similarly purposed proprietary technology Carvana has created.

"We've admired what Carlypso has been doing from a distance, and when they walked us through the technology, we realized how unique their solutions were," said Ernie Garcia, Carvana founder and CEO. "Seeing Carlypso's ability to scour disparate data sources to better understand each vehicle, to leverage that data to understand the relative value of vehicles and to turn that into actionable intelligence in real time with local market context to efficiently acquire vehicles on behalf of customers, made it clear to us that we would be a great team."

Carlypso co-founders Chris Coleman and Nicky Hinrichsen have assumed leadership roles at Carvana. Coleman is overseeing vehicle data acquisition and normalization. Hinrichsen is running wholesale and trade technology. Both are contributing to Carvana's strategies for centralized inventory acquisition, as well as instant valuation offers for consumers looking to sell or trade in their vehicle.

"When studying wholesale and retail prices in late 2014, we serendipitously discovered abnormally high spreads on some vehicles, which presented amazing deals for our customers," said Coleman. "We became obsessed with decoding opaque vehicle data to extreme accuracy in order to find a wider range of inefficiencies in the market. We'd transitioned from an online car dealer to a data science company. Bringing our insights to Carvana, the biggest disruptor in our business, meant we could keep innovating with even more horsepower."

Bringing a wealth of knowledge and experience to the Carvana team, Coleman and Hinrichsen founded Carlypso while completing their MBAs at Stanford University. Inspired by other tech disruptors like Airbnb and Dropbox, Coleman and Hinrichsen joined Silicon Valley's most renowned technology startup incubator, YCombinator, in 2014.

Terms of the transaction were not disclosed.

About Carvana (NYSE: CVNA)

Founded in 2012 and based in Phoenix, Carvana's (NYSE: CVNA) mission is to change the way people buy cars. By removing the traditional dealership infrastructure and replacing it with technology and exceptional customer service, Carvana offers consumers an intuitive and convenient online automotive retail platform, with a fully transactional website that enables consumers to quickly and easily buy a car online, including finding their preferred vehicle, qualifying for financing, completing the purchase and loan with signed contracts, and receiving delivery or pickup of the vehicle from one of Carvana's proprietary automated Car Vending Machines.

For further information on Carvana, please visit www.carvana.com, or connect with us on [Facebook](#), [Instagram](#) or [Twitter](#).

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