



RESIDUAL VALUES

Insights & Opinions from Automotive Industry Leaders



“I’m a big believer that if you help people grow, they’ll help the company grow.”

– **McKeel Hagerty**
CEO
The Hagerty Group LLC

Interview with McKeel Hagerty

What’s the most significant trend in collectibles over the past decade?

Generation Xers and older millennials are starting to come into the collectible vehicle market in a big way. These generations are getting older and starting to have disposable income and they love cool cars just like every generation before them. People don’t realize this but the oldest millennial is 37 now – they’re older and more successful than you think. Going along with the larger trends of experiences over goods, these younger enthusiasts are more interested in using their vehicles versus just looking at them.

Why has Hagerty made such an investment in aggregation of transactional sales data?

We felt it was a gap in the market that needed to be filled. People who buy collectible vehicles need impartial information. Knowing what other buyers have paid for a car similar to the one you’re looking to buy makes all the difference. It’s good for sellers, too. They’re more likely to make a sale if a buyer feels on solid ground about the price. That’s the key to the Hagerty Valuation Guide – it helps both sides.

What ever happened to your parents’ wooden boat collection?

My mom and dad started insuring wooden boats decades ago because

they were wooden boat fans, and from there the company grew to include insurance for collectible vehicles. It’s really how it all started. I grew up with car and wood boat restoration projects always taking place in the garage, so numerous boats have passed through our hands over the years. A few of the memorable projects were a 1903 22’ custom launch called “The Bloom Girls,” and a 1951 17’ Chris-Craft Deluxe runabout called “Weezy.” Our family still has many of the boats we had back then.

Do you have a view on self-driving vehicles?

Fully automated cars will be a great thing for society – they really will. They’ll ease congestion in cities, make commutes much more comfortable and even pleasurable, and they’ll save lives. But I like to tell people that horses didn’t disappear when mass-produced cars took over the streets. People loved horses then and they still love horses today. Horses are, in fact, a \$39 billion industry here in the United States. People can’t get enough of them. I think it’ll be the same for people-piloted cars. They won’t go away. America is too much in love with the freedom and joy of driving and tinkering with cars for them to ever go away. But it’s up to us to ensure that happens and that cars and driving aren’t legislated out of existence.



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What tactics do you apply to drive “Hagerty values” throughout your organization?

My style of leadership stems from the perspective that I am a learner and teacher by nature. From this, I am specifically drawn to great minds throughout history who have transformed their own lives and thinking and thereafter moved entire communities.

At Hagerty, we’re actively engaged in creating an environment where a growth mindset can grow. I’m a big believer that if you help people grow, they’ll help the company grow. In fact, we just spent months re-examining what we consider our core values and they’re all about acting as one, improving every day, taking care of each other, working with purpose and energy and enjoying the ride.

What is the biggest mistake (or missed opportunity) people make in insuring vintage or exotic vehicles?

The biggest mistake people make is assuming it makes more sense to keep all of their vehicles on the same policy for convenience

or perceived discounts. Properly insuring a collector vehicle that isn’t a source of daily transportation is much different than what you depend on to get you to work. You don’t notice the difference until it comes time to deal with a claim and that is when it is critical to have a policy that is designed for your vehicle and fully reflects its worth.

How does Hagerty gain insight from peer-to-peer sales of vintage and exotic cars?

We have the largest database of collector vehicle owners, which represents hundreds of thousands of transactions on an annual basis. When members contact us to add or remove a vehicle from their policy, we ask them what they purchased or sold it for. We also have a network of dealers who will share transaction data so we can follow that market segment.

Can you share an interesting or funny story involving a vehicle that Hagerty has covered?

There is no shortage of great stories about cars. That’s the fun

of this. A few of the more unusual vehicles we’ve covered include Cinderella’s Carriage, a vintage firetruck converted into a pumpkin chucker, numerous WienerMobiles and even one of the Star Wars Land Speeders.

Why does Hagerty have a historian on staff, a magazine and YouTube programming like *The Barn Find Hunter*?

To us it’s simple. Hagerty exists to help enthusiasts and vehicle owners get the most enjoyment out of their vehicles. Jonathan Stein, our incredible historian, along with *Hagerty* the magazine, our YouTube programming, and our new peer-to-peer rental marketplace called *DriveShare* help people have a much deeper ownership experience.

What’s the most expensive vehicle that Hagerty has covered?

We can’t provide specific details due to confidentiality reasons but some of the vehicles covered by Hagerty are valued at more than \$50 million.

McKeel Hagerty Biography

McKeel Hagerty is CEO of Hagerty, the world’s largest membership, financial services and media organization for collectible vehicles and owners, and an in-demand speaker on business success, leadership, and personal growth.

With a non-traditional educational background in philosophy and Russian Orthodox theology, McKeel grew his family’s small insurance business in Traverse City, Michigan, into an international market leader with more than 900 employees and offices in America, the UK, Canada, and Germany.



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