

STJ Federal Credit Union joins Dealertrack and sees indirect loans soar 67% in 4 months.



STJ Federal Credit Union offered indirect auto lending for years with minimal success. Opportunities were limited because the Ohio credit union's indirect lending partner did not accept electronic applications. Although local dealers faxed the majority of their applications on Saturdays, STJFCU was only available to receive applications during weekday business hours.

In an attempt to better service member needs, the credit union joined Dealertrack's Lender Finance Solutions platform. The results were stunning: in just four months, STJFCU saw a 67% increase in loan volume, totaling \$5.3 million in assets.

With Dealertrack's electronic credit application and CreditConnection, the credit union cut out the middle man and is now dealing directly with local dealership personnel. Thanks to an efficient and smooth process, STJFCU has formed strong relationships with dealers and gained the application volume it needed to build a solid performing auto loan portfolio.

"Dealertrack offers a low-cost solution that gives smaller to mid-size credit unions the ability to compete with larger financial institutions. I would definitely recommend that credit unions consider the tools Dealertrack offers."

Cari Huthmacher
CEO
STJ Federal Credit Union



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"Dealertrack gives us the ability to compete with larger financial institutions and create the relationships with dealers that we were lacking before," says Cari Huthmacher, CEO, STJFCU. "It's a low-cost solution, it's easy to use, and it's giving us real results. In four months we booked \$5.3 million worth of loans. That's more than we booked during an entire year before."

Maximizing efficiency with a flexible, electronic process

Dealers submit the bulk of their loan applications on Saturdays. Yet the credit union's former indirect lending partner adhered to strict weekday operating hours. As a result, the credit union was slow to respond to applications and lost out on deals. Dealertrack's technology gave the credit union the ability to simply and easily speed up the application and approval process. Loan officers use a tablet to log into the Dealertrack system anytime and anywhere and approve applications after standard business hours. Says Huthmacher, "Our loan supervisor takes the tablet with her on the weekends and approves loans on Saturday while she's watching her kids' basketball games. The flexibility we have is amazing. One dealer loves our process so much and finds us so easy to work with that he recently brought us all lunch. It's a night-and-day difference from before."

Improving and expanding member relationships

STJFCU's switch to Dealertrack is also benefiting members of the credit union. Members are now able to close their loans while at the dealership, instead of running back and forth between the credit union and the dealer. The credit union is keeping more of its members' loans and maintaining the personal interaction that many borrowers crave. "People like to be able to come in and talk to someone face-to-face," says Huthmacher. "With Dealertrack, we're able to keep more of our members' loans, and that is really important for a small, local institution."

Dealertrack is also helping the credit union recruit new members, many of whom go on to expand their relationships beyond an auto loan. "Since we started doing indirect auto lending with Dealertrack we've had quite a few people bringing over their checking accounts and direct deposit," notes Huthmacher. "Dealertrack is bringing more people through our doors. Once they come in they really like the service they get, so many convert to us."

Using Dealertrack's Lender Finance Solutions has proven to be the path to more loan applications, increased profitability and improved member services for STJFCU. When asked if other credit unions should use Dealertrack, Huthmacher doesn't hesitate: "Dealertrack offers a low-cost solution that gives smaller to mid-size credit unions the ability to compete with larger financial institutions. I would definitely recommend that credit unions consider the tools Dealertrack offers."