

Lexmark hardware and software speed up loan origination process, reduce errors and improve customer service levels for AmeriCredit Corp.

AmeriCredit shifts auto loan processing into high gear with Lexmark MFPs

The Organization

Based in Fort Worth, Texas, AmeriCredit Corp. is a leading independent auto finance company serving approximately one million customers representing \$11 billion in managed automobile receivables.

Through its extensive network of approximately 90 branches and four collection and servicing centers, the company, founded in 1992, purchases retail installment contracts entered into by auto dealers with consumers who are typically unable to obtain financing from traditional sources.

The Challenge

Buying a car often means signing a finance contract, and signing a finance contract means paper – lots of it. Through the relationships it maintains with more than 12,000 auto dealerships across the United States, AmeriCredit handles several thousand auto loans every day, most containing dozens of pages each. Some of the pages are typical letter size and some are legal size or other odd sizes, making scanning tricky.

Quick processing is essential to cash flow in the financing industry, and AmeriCredit, like most industry-leading companies, always looks for ways to improve processes.

To manage its paper load, AmeriCredit developed a custom-written application to scan, sort and transfer loan documents. The purchase of additional hardware for each branch was a requirement for this solution. Even though employees at the central facility were now able to process each loan by viewing document images on a screen, AmeriCredit wanted to save even more time.

The company found that potential hardware issues placed a burden on the loan-scanning process. AmeriCredit found itself purchasing and stocking back-up hardware items, which was not an efficient solution.

“Lexmark best met our requirements, which was a key reason we chose to work with them.”



—Charles Carpenter
Vice President of User Solutions
AmeriCredit Corp.
Ft. Worth, Texas
www.americredit.com

This process faced other challenges, such as keeping all documents and loan packages together, improving scan quality, and providing the branch with confirmation that all loan pages had been received into the system. Another opportunity AmeriCredit could seize was streamlining the multiple forms that vary by state and by dealer.

Because the process was time-consuming, it was often saved until the end of the business day, sometimes causing a network bandwidth issue. And, if incomplete loan packages were submitted, the scanning process was repeated, taking additional time.



The Solution

AmeriCredit desired a better approach – one designed to make the processing of loan documents more efficient. “We wanted to move from a centralized model to a distributed model,” said Charles Carpenter, AmeriCredit’s Vice President of User Solutions.

“Lexmark made it clear that we would not have to change our business to fit its products. The solution they crafted for us was tailored to fit our unique business operations, which was very different from what we heard from other vendors.”

—Charles Carpenter

The concepts were simple: 1) Make scanning loan documents at the branch easier, so that they would be scanned immediately. 2) Provide confirmation that all necessary pages of the loan document have been received the first time. 3) Enhance image quality. 4) Reduce hardware issues.

With a strategy in place, AmeriCredit faced its next challenge: finding a reliable solution from a manufacturer capable of tailoring its products to fit AmeriCredit’s business model. After receiving bids from a number of vendors, AmeriCredit found that Lexmark could best meet this requirement and integrate properly with its existing imaging software.

“Our software required that the loan documents be sent in a pre-defined file format, which delivered unique information in the file header, specific to each loan,” Carpenter said. “Lexmark best met our requirements, which was a key reason we chose to work with them.”

Next, AmeriCredit invited a team of Lexmark financial-industry analysts to perform a Discovery at several of its branches. The team took an in-depth look at AmeriCredit’s business requirements, existing IT systems and workflow from the beginning of the loan origination process to the end.

“Lexmark made it clear that we would not have to change our business to fit its products,” Carpenter said. “The solution they crafted for us was tailored to fit our unique business operations, which was very different from what we heard from other vendors.”

Based on this analysis, Lexmark installed one multifunction printer (MFP) in each of AmeriCredit’s branches; two in some of the busier locations. Connected to AmeriCredit’s corporate network, each MFP combines a high-volume, auto-feeding scanner with a high-resolution laser printer, copier and fax machine into a single unit that can be centrally managed by AmeriCredit’s IT department.

Upon implementation, AmeriCredit was able to remove individual copiers, printers and the previously used scanner/workstation combination from the branches, saving space, reducing maintenance requirements and simplifying employee training to a single Lexmark MFP.

Now, as branch-office employees prepare to scan each multi-page loan application, they enter account identification information into the scanner’s keypad. All pages of the loan document are scanned immediately. A server at a central AmeriCredit location runs Lexmark Document Distributor software and verifies the loan number, logs each scanned page and generates a confirmation that all required pages have been received.

“The Lexmark devices very efficiently handle different sizes and thickness of paper, all within a single loan bundle,” Carpenter said.

“Loan documents are critical and print quality is very important. Using genuine Lexmark supplies and parts saves us money in long-term maintenance of the devices.”

—Charles Carpenter

Phone calls to confirm document receipt were no longer necessary, and rescanning documents at the end of the day became a thing of the past. Everyday mailing of original loan documents was reduced to a once-a-week process for archiving only, which saved considerable costs.

Once received by Lexmark Document Distributor, the scanned forms are immediately available to AmeriCredit’s staff of loan processors and departments that handle the electronic document management, loan processing and payment systems.

To manage and monitor the status of its fleet of MFPs, AmeriCredit uses Lexmark's MarkVision Professional and the Web server that is built into each device.

"By using a browser to directly access each device, we can check on page counts, toner levels and dozens of other status indicators," Carpenter said. "This makes managing the devices remotely very efficient for our IT department."

To ensure that each device runs without trouble and that the MFP yields the highest quality possible, AmeriCredit chose to use only genuine Lexmark toner cartridges. "Loan documents are critical and print quality is very important," Carpenter said. "Using genuine Lexmark supplies and parts saves us money in long-term maintenance of the devices."

The Results

By installing a networked document scanning and imaging solution from Lexmark, AmeriCredit was able to reduce the amount of time previously spent on loan processing. The solution also improved accuracy, enhanced customer service levels and helped employees achieve maximum efficiency.

The reduction of the number of devices in each of the branches has saved AmeriCredit time and money in overall usage and maintenance costs. It has also saved considerable space in its branch locations. Network bandwidth issues have evaporated because file scan sizes are

now considerably smaller, and documents are scanned immediately instead of at the end of the business day.

A confirmation page is immediately generated by the system, which gives branch personnel confidence that the customer's loan will be processed quickly.

Now that AmeriCredit's IT department can monitor the status of each device via the corporate network, potential device outages can often be prevented, reducing the need for service calls in branch office locations.

"Lexmark's execution was great. They were very responsive to AmeriCredit's needs. They worked to make sure every phase of our system worked together extremely well."

—Charles Carpenter

Carpenter says his Lexmark experience was a positive one. "Lexmark's execution was great," he said. "They were very responsive to AmeriCredit's needs. They worked to make sure every phase of our system worked together extremely well."

With a document management solution from Lexmark tailored to fit its unique requirements, AmeriCredit has shifted its loan processing into high gear.