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DEALERS FINANCIAL TIMES

DEALER INTERVIEW

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Sebastian Jung
Auto Gallery, Inc.

with Sebastian Jung from Auto Gallery, Inc.

Dealers Finance has been working with independent automobile dealers for over twelve years. We take great pride in providing the most competitive floorplan financing for growing dealerships just like Sebastian Jung's Auto Gallery, Inc. We had the opportunity to ask Sebastian a few questions about his business, the used car industry and, of course, Dealers Finance.

1 How did you get into the automotive retailing business?

I went to buy a used car for my sister and the used car dealership offered me a part-time job. For three months I did not sell any cars and my friends were making fun of me and told me to get a real job. I did not quit and kept calling customers just like in the movie "The Pursuit of Happyness" with Will Smith. Soon I became a successful salesperson, and opened my own dealership.

2 What is your favorite car of all time?

A black Ford T-Bird. Super charged.

3 What do you think the future holds for the used car business?

I think the future is bright. The industry is changing fast. We have to get informed. Going to seminars and taking classes.

4 Is there anything in particular you like about Dealers Finance?

Dealers Finance has great customer service. They are always open to new ideas to make sure the dealer meets their expectations.

The Dealers Finance Mission

We like being the friend in the finance business. It's what makes us different from other floorplan financing companies. We believe that excessive fees unfairly drive up the cost of dealer financing. So we will never charge for overnight shipping expenses or for site visits. Plus we proudly offer the industry's only no-fee inventory financing plan, the Gold Plan. We have created our financial products to be flexible and customized to the specific needs of growing dealerships. Simply put, we are a local lender managed by friendly, local people.

DEALERS FINANCE
YOUR FRIEND IN THE FINANCE BUSINESS

1-800-205-6221 or 678-739-2059 | <http://www.dealersfinance.com>

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EMPLOYEE SPOTLIGHT

Lisa Hindsley, Corporate Controller

Lisa joined Dealers Finance in November of 2006 as Accounting Manager and has recently been promoted to Corporate Controller. Her responsibilities include credit and operational duties, financial reporting and general accounting functions.

Where did you work before Dealers Finance?

I worked for a major hotel chain for 12 years in the accounting and human resource departments.

What do you like most about working at Dealers Finance?

I love working for Dealers Finance because of the people. Everybody in the office is great to work with. I have worked a great deal with the auctions and have enjoyed everyone I have met.

What do you like to do outside of work?

Outside of work my entire family enjoys boating. We have a boat on Lake Lanier north of Atlanta, Georgia. If we are not on the lake, we are at the soccer fields with my son who plays travel soccer.

What do you feel is your biggest accomplishment?

My three children; Katelyn, 18, who is graduating from high school in May and going to the University of Georgia in the fall, Jennifer, 17 and Joey, 13.

INDUSTRY TRENDS

Most researched new vehicles of 2006

Here are the top 10 most researched vehicles for 2006:

- | | |
|-------------------|----------------------|
| 1. Honda Civic | 6. Honda CR-V |
| 2. Toyota Camry | 7. Honda Odyssey |
| 3. Honda Accord | 8. Honda Pilot |
| 4. Toyota Corolla | 9. Toyota Highlander |
| 5. Toyota RAV4 | 10. Ford Mustang |

Source: Kelley Blue Book (www.kbb.com)



ONLINE ACCOUNT ACCESS

You can now view your Dealers Finance account online

Dealers Finance is excited to announce that the account access section of our website is now active. All of our customers can now view their entire billing worksheet online and free of charge. You now have the freedom to review your account balance online 24-hours a day, 365 days a year. This new online section can be quickly sorted by

multiple categories, including VIN#, Make, Model and Days of Interest. Sign up today and receive detailed billing information at your fingertips, whenever you need it. Contact your customer service rep at 1-800-205-6221 for detailed instructions on how to complete the easy sign-up process.

DEALER TIPS

Five things you can do to increase customer collections.

Most small business owners have experienced problems with collecting payments. Unfortunately, late and delinquent payments are part of running a business. But not all customers are deadbeats, even if they haven't had a spotless payment track record in the past. Here are five things you can do that will help increase your collection ratio with your customers.

1. Never view your customers as deadbeats, even if they haven't paid in the past. Remember, this is a customer - someone who has purchased a vehicle from you. They deserve respect even if you have had a tough time with them in the past. When contacting the customer make sure to approach him with a positive outlook. You should never be rude or angry about the fact that he hasn't paid. Explain that you understand how difficult it is out there. A personal story about how you had a hard time recently is a great way to prove to the customer that you understand his situation. Ask him for a payment only after the customer realizes that you aren't judging him and that you aren't angry.

2. Propose a new payment plan. If your customer is having a hard time paying once per month propose bi-monthly payments, or even weekly payments. The increased frequency can work in your favor because you can charge slightly higher interest rates and the customer won't have to come

up with one large monthly payment. This also allows you to have more contact with the customer so if he truly can't pay you'll know it's time to repossess the vehicle a lot quicker.

3. Communicate the payment terms and amounts very clearly at the beginning of the contract. If you are having multiple payment problems, it makes sense to revisit the way you present the payment terms at the beginning of a deal. Make sure the following is clearly stated in bold-faced type; the total amount due, the payments the customer will owe and when the payments will be due. Ask some of your employees to review this documentation to make sure it is easily understood by all people. Listen to their comments and make all necessary changes. You should also verbally state the payment terms in front of the customer, this will help reinforce that the customer must pay on your terms.

4. Appoint someone at your dealership in charge of dealing with collections. Owning a small business is stressful, so it's not always wise to put yourself in charge of collections. It is nearly impossible to be compassionate and understanding when you are under pressure about your business finances. When choosing someone in your dealership for the position it's common to think that the ideal candidate is the most dominant person in the room. Actually, you will see



much higher returns if you choose a mild-mannered, compassionate person as your collections agent. You want someone with the type of personality that is good at reaching out to people and quickly understanding the other person's perspective. If the customer believes that the person asking for payment understands him there's a better chance the two of them can work something out.

5. Provide a written dialogue for your collections agent and practice scenarios with this person before he or she starts asking for payments. Remember the goal is to understand where the customer is coming from before asking for a payment. A well written script that focuses on showing compassion and concern for the customer's situation will be well worth the time spent creating it. And being prepared for just about any story will help increase the collection agent's success for payment.

Keep an ear to the ground and an eye on the horizon and you'll be well on your way to maximizing your profits in 2007!

David Ozyp,
www.ozyp.com

NEWS & EVENTS

Jim Sorensen joins Dealers Finance

Jim joined Dealers Finance in March of 2007. He is the business development manager responsible for the South Georgia and Northern Florida markets. He has over 18 years of experience in the retail automotive industry, starting on the sales floor, then moving into the finance department and then on to sales manager. Jim is a big sports fan and likes to play golf when time permits. He's active in his church and is very proud of his 20 month-old grandson, Alex.



SPECIAL OFFER

Register for a \$100 Gift Card!

How would you like an extra \$100 in your pocket next month? Dealers Finance is offering an ongoing monthly drawing for one \$100 gift card. Register by visiting our website (www.dealersfinance.com) and signing up for our free online version of our newsletter, The Dealers Financial Times. To qualify you must provide your name, your dealership and your email address. No floorplan or note financing is required to win. Only one gift card will be issued to each winning dealership. Questions? Call one of our representatives at 1-800-205-6221.



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