



SWORD

UPGRADE YOUR BUSINESS

Sword Apak

Toyota Financial Services (UK) PLC and Lexus Financial Services Case Study

TFS' decision to in-source the majority of its finance operations meant that a new system was required to replace the existing outsourced wholesale solution.

The Customer

Toyota Financial Services (UK) PLC (TFS) is the captive automotive finance house for Toyota and Lexus in the UK. The company is a leading provider of automotive financial services, offering an extensive line of financing products to its customers and dealers throughout the UK.

TFS' decision to in-source the majority of its finance operations meant that a new system was required to replace the existing outsourced wholesale solution.

Business Objectives

A new wholesale finance system would increase business efficiency by interfacing to Toyota (GB) PLC's vehicle supply system. This would help to streamline and automate Toyota's dealer stock funding process. New software would also assist in the development of wholesale funding to the Toyota and Lexus network, supporting the company's future growth ambitions.

System Requirements

TFS required a system which would provide New, Demonstrator and Used unit funding, Term loan and current account functionality. Software must be able to support 200,000 new unit transactions and 30,000 demonstrators being changed four times a year. In addition the system must have used funding capability for 30,000 vehicles during a 12 month period.

The system must cater for TFS' 40 internal users, 210 Toyota dealerships and 50 Lexus centres.

Strategy

To achieve its business targets, TFS, decided to employ a third party supplier that specialised in wholesale finance technology. After screening the market-place, it was decided that Sword Apak's WFS system offered the best technical infrastructure and business functionality, compared to rival products.



Benefits

High Volume Unit Processing

Online Access

Risk Mitigation

Reduced Overheads

Profitability maximised

Dealer Self Service

Specialist Functionality

ASP Model

Sword Apak has demonstrated an in-depth knowledge of the automotive finance industry and has met the high standards expected by Toyota Financial Services (UK)

Paul Waters, Dealer Funding Credit Manager, Toyota Financial Services (UK) PLC

Product Functionality

By choosing WFS, TFS selected an expert wholesale finance solution which is web enabled and real time, providing inventory stock funding and integrated loan functionality. The system supports the funding of new consignment stock, demonstrators, dealer sourced, auction purchase and ex-fleet used vehicles, loans and deferred purchase.

Online Access

WFS functions with online-access for all parties. This allows for real time credit checks and up-to-the-minute view of dealer/dealer group inventory and financial exposure.

Flexibility and Control

Finance schemes can be set up quickly and efficiently, enabling TFS for swift introduction of new marketing initiatives. Special finance schemes can be restricted to specified dealers and products. Although only used in the UK by TFS, the system supports multi-country, multi-company and multi-manufacturer relationships as well as dealer group structures. WFS has a sophisticated web-enabled online dealer system which provides the dealer with real-time views of his inventory, available credit, vehicle detail and history. The online Bank Calendar shows past and future financial information. All access to the system is password controlled and dealer appropriation, purchase of used vehicles or simple viewing of stock can be restricted.

The Results

TFS employees and over 210 Toyota dealers are now able to access WFS online, to monitor and maintain their accounts. The software is also used by Lexus Financial Services, a division of TFS, with over 50 UK Lexus centres gaining access to the system. Dealer wholesale finance is provided for new Toyota and Lexus vehicles, demonstrator and courtesy cars, along with dealer sourced multi-marque used vehicles.

Dealer on-line access is via the Toyota Intranet using a standard web-browser. Reports and invoices are emailed to the dealer network, significantly reducing postal costs. Used vehicles are verified using Experian's Car Data Check database and data supplied by the DVLA. This has helped to ensure that used vehicles are funded with minimum financial risk.



Toyota Financial Services (UK) PLC
Dealer Funding Credit Manager
Paul Waters

Business efficiency has been significantly improved by interfacing WFS to Toyota (GB) PLC's vehicle supply system. The new software has also helped to streamline and automate TFS' stock funding process.

"Sword Apak has demonstrated an in-depth knowledge of the automotive finance industry", commented Paul Waters, TFS' Dealer Funding Credit Manager. "From system specification to development, Sword Apak has met the high standards expected by Toyota Financial Services. The new system will assist in the development of wholesale funding to the Toyota and Lexus network supporting growth aspirations over the coming years", added Waters.

System Delivery - The ASP Model

WFS was implemented over a 12 month period, and is supplied to Toyota and Lexus on an ASP or 'bureau' basis. Business benefits of the ASP model include the ability to manage internal costs and reduce entry costs. In addition, the ASP model has a strong focus on risk mitigation, allowing TFS to concentrate on its core business development activities.

Sword Apak Europe

Badminton Court
Station Road
Bristol BS37 5HZ
United Kingdom

e info@sword-apak.com
w www.sword-apak.com
t +44 (0) 1454 871000

Sword Apak North America

17 State Street, 26th Floor
New York NY 10004
USA

e info@sword-apak.com
w www.sword-apak.com
t +1.866.275.5902

Registered Office

1000 Great West Road
Brentford
London TW8 9DW
United Kingdom

e info@sword-apak.com
w www.sword-apak.com
t +44 (0) 208 232 2555

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