

Automotive Solutions



U.S. Bank Partnership with Fiserv Lending Solutions Business Process Outsourcing Ensures that End-of-Term Activity Remains Profitable

Fiserv, Inc. (Nasdaq:FISV), and U.S. Bank have initiated a successful approach to developing back-office support to maintain the profitability of the bank's extensive indirect automotive lending portfolio.

The Challenge

In 2001, a spike in the number of off-lease vehicles was resulting in weak prices for used automobiles. To protect the value of their extensive portfolio, U. S. Bank went in search of ways to maximize the return on vehicles that were nearing the end of their contracts. To achieve their goals without putting increased demands on their current staff, the bank made the decision to outsource the remarketing efforts.

The Solution

Fiserv Lending Solutions provides both software systems and Business Process Outsourcing (BPO) programs for a wide variety of back-office support to automotive finance companies. U.S. Bank has used the Fiserv LeaseMaster account servicing system to manage their portfolio. The bank was confident that they could leverage the solid

experience, proven processes, and high-performance systems of Fiserv Lending Solutions to increase their portfolio performance.

Fiserv worked with U.S. Bank to develop an approach to remarketing that looked not only to reselling vehicles to the original lessees with bank financing, but also to finding optimal auction placement for the autos that were returned at lease end. With the adoption of the BPO services, sales to original lessees increased more than 20%, resulting in increased loan production.

Working with the client, strategies were developed that substantially improved the per unit loss, even in a soft market. In tandem with the bank, Fiserv manages the inventory control process for this time-critical portion of the liquidation process. On average, the time a vehicle sits in inventory has been reduced by as many as 10 days.

The Fiserv team matches the bank's high standards for customer care. Lessees are contacted 12 months prior to their contract maturity date to develop a plan to suit both the customer and the bank. Lessee liabilities are collected from the customer efficiently while still maintaining the positive customer relationship.

The Fiserv Lending Solutions team dedicated to U.S. Bank has had a positive impact on the bank's performance by achieving improved results at a reasonable cost. Through an active busi-



"By employing the lease maturity management offered through Fiserv, we were able to increase our off-lease pre-auction sales by more than 25%,"

Lucille Conley, Sr. VP, Consumer Lending Resources at U.S. Bank.

ness partnership with Fiserv Lending Solutions, U.S. Bank has been able to remain profitable in the challenging, competitive business of automotive leasing.

About U.S. Bank

U.S. Bancorp (NYSE:USB), with assets of \$213 billion, is the 6th largest financial holding company in the United States. The company operates 2,434 banking offices and 4,966 ATMs, and provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses and institutions. U.S. Bancorp is the parent company of U.S. Bank. Visit U.S. Bancorp on the web at www.usbank.com.

About Fiserv Lending Solutions

The Automotive Solutions division is part of Fiserv Lending Solutions and can be found on the Web at www.fiservlendingsolutions.com. Fiserv Lending Solutions, part of Fiserv Inc., offers a suite of products and services for mortgage, consumer and commercial lenders.

About Fiserv Inc.

Fiserv, Inc. (Nasdaq:FISV), a Fortune 500 company, provides information man-

agement systems and services to the financial and health benefits industries. Leading services include transaction processing, outsourcing, business process outsourcing (BPO), software and systems solutions. The company serves more than 17,000 clients worldwide and is the leading provider of core processing solutions for U.S. banks, credit unions and thrifts. Fiserv was ranked the largest provider of information technology services to the financial services industry worldwide in the 2005 and 2004 FinTech 100 surveys. Fiserv Health provides health plan management, pharmacy benefits management, and BPO services to the managed care market and self-funded commercial and government employers and health plans. Headquartered in Brookfield, Wis., Fiserv reported more than \$4 billion in total revenue for 2005. For more information, please visit www.fiserv.com.