



WHITE PAPER

How Buy Here Pay Here Dealers Can Benefit From GPS Car Tracking

Spireon.com | 1-866-655-8825



Spireon® | GoldStarGPS



Driven By

Quality

White Paper Presented by Spireon Automotive Solutions

The Growing Demand for GPS Vehicle Tracking Systems

After years of declining sales, the automotive industry is once again on the rise. Fueling much of the resurgence in vehicle sales, is the recent growth in subprime automotive financing. So what is fueling the increase in subprime auto loans?

In the wake of the economic crisis, increasing numbers of car buyers found themselves saddled with poor credit resulting from job loss, foreclosures, bankruptcies, and other financial woes. While still struggling with low credit scores, many of these customers are moving toward financial recovery. They've found new jobs and careers, are earning decent salaries, have wiped the slate clean and are lowering their debts.

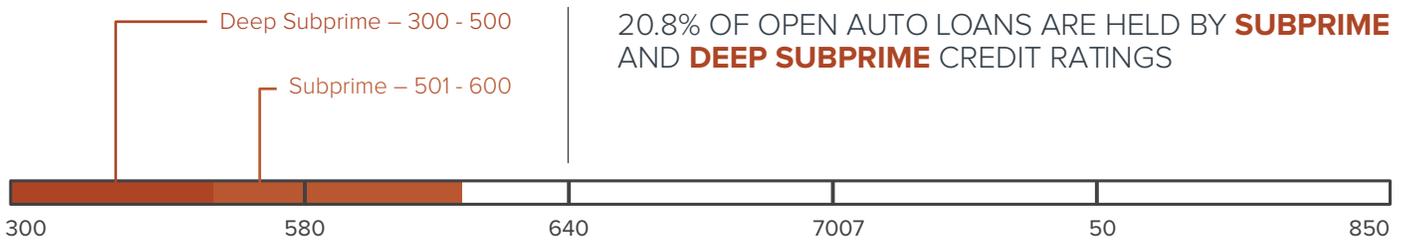
Despite this progress, these credit-challenged customers still cannot qualify for traditional auto finance. And yet, these customers still need vehicles. To meet that demand, increasing numbers of dealerships and lenders are approving more subprime auto finance, and going deeper and deeper in the process.

CONTACT US TODAY FOR A DEMO.

Call **(866) 655-8825** or visit us at **Spireon.com**.

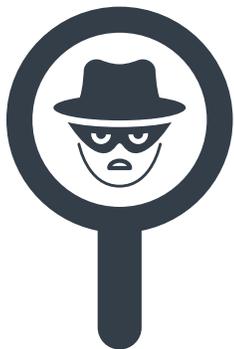
Subprime Goes Deeper

Take a look at the numbers. According to a recent report by Experian, “the percentage of auto loans to buyers with the poorest credit ratings is growing faster than the rest of the auto finance market.” Auto sales are climbing with US market auto sales jumping to a record high in 2015. Experian noted in the same report that almost 21% of open auto loans are held by individuals with subprime and deep subprime credit ratings.



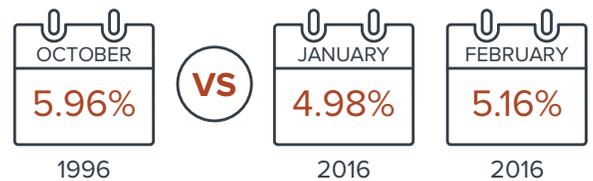
However, with the uptick in auto loans, we are also witnessing one of the largest increases in auto loan delinquency rates on record.

According to Fitch, increased loan originations, higher lender competition and looser underwriting standards among the subprime loan market have caused an influx of higher auto delinquencies.



DELINQUENCIES ARE HIGHER THAN EVER, ON A LEVEL NOT SEEN SINCE 1996

Subprime delinquencies of 60 days or more:



This is a problem as higher delinquencies mean higher rates of default. Which leads to the question that should be asked: “How do I better manage my portfolio and risk for success?”

DEALERS & LENDERS Can Use GPS TRACKING to Secure Their Finances and Prevent High Dollar Losses



CONTACT US TODAY FOR A DEMO.

Call (866) 655-8825 or visit us at Spireon.com.

Controlling the Risk with GPS Tracking

As subprime auto lending continues to gain momentum and loans dive deeper, the associated risks continue to rise. Dealerships and lenders who offer subprime auto finance should be prepared for an increase in delinquencies, defaults, repossessions, collection staff time and resources — all of which come with significant costs that cut into profitability.

The facts tell us that subprime and BHPH auto lending will always be a risky endeavor, with 25% to 30% of BHPH deals ending in repossession and an average transaction time of 2 years. In California, at least one in eight used car dealers sold a vehicle at least three or more times due to the previous borrowers' inability to afford the vehicle.

What does this mean for dealerships and lenders? Finding and implementing resources to mitigate risk.

BHPH dealers and lenders are now turning towards GPS tracking as a smart business strategy that cuts costs and mitigates risk.

NEW RISKS IN THE NEW LENDING CYCLE:



Longer Loan
Terms



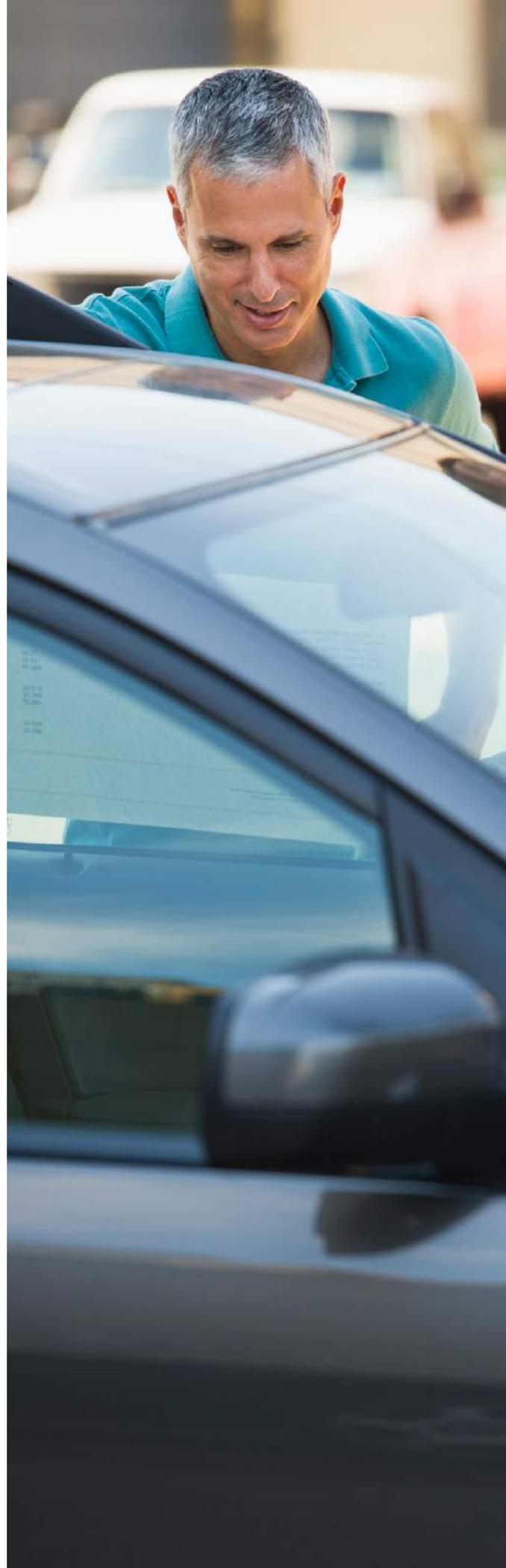
Increased Loan
Amounts



Increased Financing
of Used Cars

CONTACT US TODAY FOR A DEMO.

Call **(866) 655-8825** or visit us at **Spireon.com**.



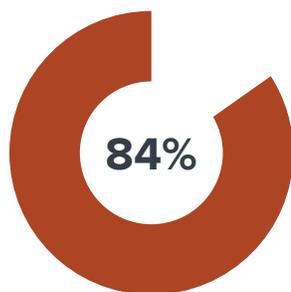
What is GPS Tracking

GPS tracking in its most effective form is a system that enables dealerships and lenders to track the location, movement and status of high-risk vehicle collateral in real time, making recovery and repossession of delinquent assets significantly faster, easier and more cost-effective.

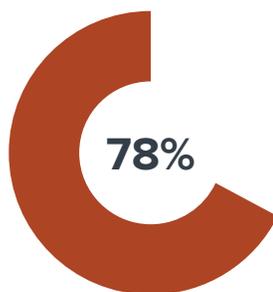
The more advanced GPS vehicle tracking and collateral management systems include additional features such as payment reminders, starter disablers, and alerts triggered when vehicles enter or leave specific geographic boundaries and are stopped for extended periods. These features further reduce repossession costs, while also promoting on-time payments that help customers stay in their vehicles and rebuild their credit.

Dealerships and Lenders using Spireon's GoldStar GPS — the industry's leading GPS collateral management and vehicle tracking solution with over 3 million active subscribers — have reported significant savings as a direct result of GPS-based vehicle tracking. In fact, Spireon's solutions have helped vehicle finance customers increase their return on capital by 87%. Last year alone, Spireon saved customers \$6.3 billion in asset recoveries.

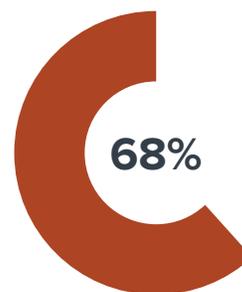
OF OUR CUSTOMERS WHO USE GPS TRACKING ON THEIR VEHICLES:



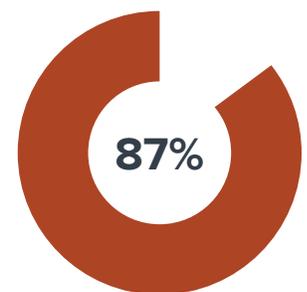
Have reported reduced delinquencies



Have been able to finance customers with lower credit



Have seen significant improvement of customer credit ratings



Return on capital increase for our vehicle finance customers

CONTACT US TODAY FOR A DEMO.

Call **(866) 655-8825** or visit us at **Spireon.com**.

GoldStar GPS Takes the GPS Device to the Next Level

Employing GPS vehicle tracking and collateral management systems can have a significant boost on the bottom line for financiers and lenders offering subprime automotive finance. But those bottom-line results depend largely on the quality of the system — not just the software and interface, but the actual GPS devices used with the system.

Now in its 11th generation, GoldStar GPS includes a decade of continuous innovation and refinement aimed at meeting the evolving needs of the automotive finance industry.



CDMA CONNECTION:

Ultra-reliable CDMA wireless networks providing customers with faster networks and data speeds as well as wider coverage. Future-proofed and equipped to be more reliable in performance, CDMA also delivers double the data plan.



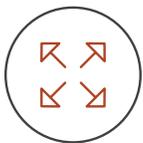
TAMPER-RESISTANT:

Sleek profile, small footprint and built to resemble part of original equipment inside the vehicle to deter tampering or removal.



SMART DESIGN:

Ultrasonically welded together and sealed with a mechanical design that provides a high degree of durability and resistance.



SUPREME SCALABILITY:

Highly scalable platform that allows for added features and functionality based on customers' specific needs.



EASE OF INSTALLATION:

Fast and simple installation.



RESETTABLE INTERNAL FUSE:

Designed with an automatically resettable internal fuse to prevent connection loss from a blown fuse.



BATTERY PERFORMANCE:

Enhanced for extended battery life and performance.

CONTACT US TODAY FOR A DEMO.

Call **(866) 655-8825** or visit us at **Spireon.com**.

Customers Demand Quality

GoldStar GPS remains one of the most cost-effective GPS tracking devices on the market while utilizing materials that meet and exceed performance standards and expectations. It was also the first device in the industry to become PTCRB-certified, signifying that the device meets the standards of multiple major wireless carriers in North America. The GoldStar hardware features a quad band GSM receiver, allowing the device to go into Canada and Mexico, with future reach potential into Central and South America.

While meeting the highest federal and industry certifications, GoldStar GPS meets the rigorous standards of our most demanding audience: our customers. We ship nearly 1 million units each year to customers with a best-in-class customer service and an exceptionally low return rate.

Spireon's commitment to providing world-class customer service is focused on our number-one priority of complete customer satisfaction — not only with the quality of our products, but with every interaction our customers and prospects have with our company and our people.



More BHPH dealers trust GoldStar GPS than all of our competitors combined.

- > World's best-selling BHPH GPS tracking
- > Over \$21 Billion in protected collateral
- > Over 3+ Million subscribers
- > 8 out of the 10 largest BHPH dealers choose GoldStar GPS
- > Dealers recovered \$6.3 Billion in assets last year
- > Our customers immediately double recovery rates*

*Average recovery rates of GoldStar GPS customers

CONTACT US TODAY FOR A DEMO.

Call **(866) 655-8825** or visit us at **Spireon.com**.

Next Steps on GPS Tracking

When comparing GPS-based collateral management and vehicle tracking systems, it's important to look at the entire solution the wireless technology supports — the architecture, the interface, the software, and the hardware.

7 Things to look for in GPS Tracking

1. A trusted, proven provider with years of history and innovation under their belt.
2. Rigorous privacy controls that keep your customer data safe and you in compliance.
3. Powerful software that allows you to easily track and locate vehicles for recovery.
4. An intuitive user interface that lets you to track, manage and get on with your day.
5. A provider that listens to its dealers, adding new features according to their needs.
6. Reports and alerts that can be easily customized to fit how you run your dealership.
7. A national network of GPS experts who can install at your location in 24-48 hours.

CONTACT US TODAY FOR A DEMO.

Call **(866) 655-8825** or visit us at **Spireon.com**.



Your GPS Tracking Device Provider Worksheet – Ask Every Provider the Following:

- What generation GPS tracking device is this?
- What network does the GPS device run on?
- What is the longevity of the device technology?
- Has the device been tested to withstand extreme heat, cold, moisture and humidity? Ask to see those numbers.
- Is the device sealed, or can it be easily pried apart?
- Can you easily and quickly add the features and functionality I want without having to build a new device?
- Will the devices grow with your dealership and change in technology?
- Does the device have protection in the case of a power surge?
- Do you offer certified installation services?
- Is your data and your customers' data collected by the device secure?
- How long is the battery life and what are you doing to extend it?
- What licenses and certifications does the device have?
- How many devices have you sold to date? How many do you ship in a day?
- What is the return rate for your devices?
- What is your resolution rate for device issues?
- How quickly will my devices get shipped to me?
- If I have a question or concern, will I be able to reach someone immediately?
- At Spireon, we welcome your questions. We also invite you to put our Talon GPS tracking device to the test.

CONTACT US TODAY FOR A DEMO.

Call **(866) 655-8825** or visit us at **Spireon.com**.



Spireon[®]
spireon.com

