

# ANCILLARY PRODUCTS

## JM&A IMPLEMENTS E-CONTRACTING FOR F&I

While auto lenders increasingly add electronic contracting capabilities to their origination processes, **JM&A Group** has initiated similar steps with its ancillary product operations.

In response to dealer requests, Deerfield Beach, Fla.-based JM&A ([www.jmagroup.com](http://www.jmagroup.com)) is in the process of shifting to e-contracting for all its offerings, from GAP products and service contracts to pre-paid vehicle maintenance programs. "We're all for it because it's very good for us [internally]," President **Forrest Heathcott** told *Auto Finance News* last month at the **National Automobile Dealers Association** Convention in Orlando, Fla. "If we can work with electronic workflows, we're much more efficient as well."

Dealers prefer e-contracting because it can save time and money. Unlike handwritten or typed forms, which can be submitted lacking specific information, e-contract forms must be filled out properly. Plus, the system auto-fills information from earlier steps, streamlining the process and minimizing mistakes. Still, adopting an e-contracting mentality will take more than just the dealers' behest, Heathcott said. "It's going to take a lot of the industry to come along to make it a totally efficient thing, so the dealers don't have to use dual process," he added.

At JM&A, a unit of **JM Family Enterprises Inc.**, the goal is to create a single solution that will interface with multiple dealer systems. "We're working on a holistic strategy for dealers that would streamline their process of electronic contracting from a finance perspective into consideration with what we're doing," said **Debbie Battisto**, JM Family's vice president of information technology, during a follow-up call this month. "We're trying to position our solution so that regardless of the technology the dealer decides for themselves, we will support them to do electronic [contracts] for all of JM&A's products."

JM&A Group's e-contracting initiative, piloted last year, is still in the preliminary stages. So far, "probably less than 1%" of ancillary product offerings are being transacted electronically, Heathcott said, mainly because loan processes greatly differ state to state.

"There are a lot of laws, you have to sign your life away for all kinds of things, disclaimers, you name it," he said. And that's what makes e-contracting transactions such a challenge. "You can't go buy a car like you can go to **Zappos** and buy shoes. As hard as we all try to make it that way, there are certain laws that make that prohibitive, so we have to work within the laws," he added.

JM&A Group works one on one with its 3,100 dealers in all 50 states, plus Puerto Rico and Brazil, to become more tech-savvy. "We're having some success with dealers that want to get closer to online sales, and they can use things like FaceTime and Skype," Heathcott said. "And, they can do presentations face-to-face. As an international company, we use tools like that every day."

—N.M.