



*For Immediate Release*

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### **Unique Software Keeps Costs Down, Leading to Better Deals for Customers with Special Financing Needs**

**CARMEL, Ind.** (May 31, 2006) – A study by nation’s largest and oldest used-car franchise has found that its new software for underwriting car loans—the Automated Risk Evaluator — successfully identifies customers who are most likely to default. Byrider officials say that with the number of defaults reduced, dealers can focus on providing quality cars, more affordable payments and better car care—thus, helping people move forward with their lives.

Ordinarily, credit scores are used to determine financing eligibility and terms. But Byrider serves a community with below-average credit scores, so the company needed a different way to assess risk.

“Four years ago we put our heads together with a Boston-based software company to identify and standardize our underwriting criteria so that we could create the right mix of low-, medium- and high-risk groups,” said Steve Wedding, Byrider’s president of franchise operations. “They interviewed our underwriters, identified the appropriate criteria and programmed it into a software system that is now being used by all 123 of our stores in 28 states.”

A recent study of Byrider’s 13 company-owned stores revealed that the Automated Risk Evaluator has helped them experience their best historical static pool loss rates—nearly 90 percent of accepted customers have been identified as standard-risk or better. Better risk-factor guidance in underwriting has translated into less than 10 percent of all deals coming from the higher-risk categories.

“In the end, it’s the customers who benefit,” said Jim DeVoe Jr., Byrider president and CEO. “By managing our risk, we can continue offering them the highest quality used cars and at prices they can afford. It’s that combination that allows us to maintain our 94 percent customer satisfaction rating.”

J.D. Byrider is the nation’s only used-car franchise to provide on-site financing at each store. In addition, Byrider never sells any car “as is.” The highest quality used cars are purchased, refurbished, backed with a warranty, and kept running through expert service provided exclusively to Byrider customers.

For details, or an interview, contact Sanda Pecina (202-367-1622, [specina@akerpartners.com](mailto:specina@akerpartners.com).)

*J.D. Byrider*

Headquartered in Carmel, outside Indianapolis, J.D. Byrider was founded in 1989. Its mission is to serve customers with special financing needs who are routinely ignored by other dealers, and to ensure that they receive the same quality service in every J.D. Byrider dealership. Seventeen years and some 550,000 vehicles later, daily customer-satisfaction monitoring by each dealership shows an average 93 percent satisfaction rating. There are 123 franchisee- and company-owned J.D. Byrider dealerships in 28 states. More than 5,000 people—many of them repeat customers or referrals—trust Byrider with their business every month. For more, visit [www.jdbyrider.com](http://www.jdbyrider.com)