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**IT Services
for Office Equipment Dealers**

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Scott Cullen

Leasing & Financing: What's New for 2015?

The leasing and financing companies aren't sitting back and doing what they've done last year. No way. They continue to create new programs to meet the needs of their customers and keep up with changes in the market. It's inevitable and what needs to be done in order to keep pace.

This month we contacted some of the industry's top finance companies to learn about the new programs and products they're bringing to dealers this year and what's in the pipeline for the rest of the year, many of which are the result of key trends such as digital signage, 3D printing, and the emphasis on services that are sweeping through the document imaging industry.

A separate article focusing on the trends impacting their current and future leasing and financing program offerings will appear online in the June issue of ENX/The Week in Imaging.

CIT Equipment Finance

At CIT Equipment Finance, the products and capabilities it's bringing to market are consistent with the changes in the market, according to Nick Small, managing director, U.S. "We've seen a real shift in the marketplace—office imaging manufacturers and dealers are starting to acquire or develop capabilities around technology, service, and solutions offerings."



Nick Small
CIT Equipment
Finance

As a result he says, end user customers are asking their equipment suppliers to provide them

with a total solution that includes equipment, services, software, etc. That ability to provide a total solution is something that's sweeping the finance industry.

"Customer interests seem to have changed to the point where they want it as a utility—one price for total services," says Small.

However, total services come with a caveat in that it's difficult to identify where the risk lies in the transactions.

"From an administrative perspective you may actually be handling billing from multiple parties, and in some cases a higher percentage of soft costs in transactions as some of these solutions have moved away from traditional hardware and more towards solutions and services," states Small.

As a result, CIT is concentrating its focus on two things in 2015. First, the company is preparing to roll out more flexible offerings powered by its proprietary home-grown software.

"It's two pieces," explains Small. "One is a deal structuring engine so it's different than the traditional lease receivable systems we've all operated in. It allows our vendors and our customers to be more creative in how they want to structure the solution for the finance offering. And it allows us to build that without the constraints of traditional receivables platforms."

The second piece is an application called Flex Invoice, which allows CIT to customize invoice presentation to fulfill unique customer or dealer requirements. "In addition to customizing the invoice data, messaging and design, FlexInvoice makes it easy for CIT

to pay multiple parties involved in the transaction for their variable services provided. For example, if a dealer serves a client with offices throughout the country, and they outsource the break-fix services to partners in other markets, FlexInvoice seamlessly reimburses those customers for services rendered whether at fixed or variable rates and whether the frequency is planned or as delivered," says Small. "That administrative capability is what's going to allow dealers and their customers to pursue more of these total solutions versus the traditional lease with hardware, and maybe a service bundle. Now they can pursue a complete offering based on what the customer is looking for without concern for the complexities of the administration."

Another area CIT is focusing on is vendor integration. "We're going to a whole new level with our vendors, not just with the standard B2B connectivity, but working in conjunction with our systems and our vendors' systems so deals can be built in one place, eliminating redundant inputs, and most importantly ensuring complete reconciliation of the data between us and our manufacturer and vendor partners," states Small.

For the OEMs, this eliminates a lot of manual steps. "With the integrations and systems we developed, they don't need to do any complicated calculations internally," says Small.

That, he adds, encourages them to be fully integrated with their partner.

At press time CIT was planning to roll this out with one of the OEMs, followed by a roll out to the dealer community. "That

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will be a real benefit to the dealers that work with us because it will give them a wholly different experience for how they process their business and ultimately their reporting and the availability of information," adds Small.

As OEMs acquire services and solutions providers, they don't always have the capability to integrate their systems quickly. CIT is responding to that need too.

"By integrating with us, they just feed us the data and we do the integration behind the scenes," says Small. "They can do a consultative sell to the customer, sell their solutions and services, and we can package it into one deal, handle the administration and provide the key accounting back to their system. It greatly improves data integrity and data alignment between CIT and the dealers, leading to a positive customer experience."

Everbank Commercial Finance

The two key words for Everbank Commercial Finance and its dealer partners in 2015 are "Total Solution." That's in response to changes in the firm's marketplace strategies and changing dealer expectations.

"Many dealers have multiple segments of their business—copiers, printers, as well as Managed Services, Managed Print Services, and Document Management—



Fred Carollo
Everbank Commercial Finance

so we're looking to put a master agreement in place so they can go to an end user and bundle all of those solutions together in one finance product," reports Fred Carollo, vice president of originations for EverBank Commercial Finance's Office Products Platform. "As simple as it sounds, there's a real need for it."

A Total Solution sounds great, but when asked if it's all that simple, Carollo responds, "Yes and no. The concept is simple, the execution is not."

The most important thing, he says, is the output and what the invoice looks like to the end user.

"The documentation and invoice have to be flexible because for varied solutions they want the invoice to look different,"

explains Carollo. "It could be an entire group of solutions listed in a total payment, it could be each one of the solutions broken out individually and summarized in any variation."

Everbank is also focusing more on higher volume devices such as production print, a segment Carollo believes has been somewhat overlooked or underserved by some of the finance companies.

"They're different from a regular copier from a pricing and agreement perspective," he explains. "It's different from some CPP and print out programs because it's not your standard product where it's in constant use by the end user. Usage often varies quarter by quarter and it's difficult to estimate [usage] at the beginning, so we're working on a product with a lot of flexibility to protect the dealer and the user."

Another area of focus in 2015 is its internal technology. By that Carollo means gathering information from meters more efficiently. "We're trying to take that to a different level for our vendors," he says. "We are regularly told that our dealer portal, where vendors submit transactions and manage all of their portfolio information, is best in class. We're trying to expand that and make it even more relevant as well as easier to use and administer."

Mobile technology is another area that Everbank Commercial Finance is concentrating on. "We're trying to give dealers' sales reps more tools so when they're doing a transaction they have the information they need to get it done while in the field as well as real-time updates on their devices," states Carollo.

Two product segments where Everbank sees a lot of promise and growth are digital signage and smartboards.

"At this point in time, from a residuals standpoint, it's kind of tough to get your arms around," states Carollo. "We're already financing digital signage and smartboards but are looking to do more, and, for lack of a better word, do it smartly."

GE Capital

It continues to be business as usual at GE Capital as the finance company examines ways to help its customers sell more in a challenging marketplace. Using feedback

from its Customer Advisory Board, GE Capital's Glen Clark identifies challenges, including multiple competitors and similarity between machines, which have made it difficult to differentiate the products in the marketplace.

One area GE Capital has identified where it can help is sales training. "Obviously we sell the biggest commodity out there and that's dollars," says Clark. "We spend a lot of time internally on how to



Glen Clark
GE Capital

provide value and how to get to the crux of the customer's issue, and how to solve their problems, not necessarily sell them something."

Those issues are important to GE Capital's dealers as well and it offers a two-day workshop for dealers' sales people. "We also do short snippets," adds Clark. "Our regional sales manager might show up at a dealership for a Friday sales meeting and spend 10 minutes on overcoming objections, for example, and just add these little pieces into that presentation."

Clark says he's received great feedback from dealers who tell him that GE Capital is helping them sell, which is a strong value add.

The ultimate goal is delivering results for its customers. "Along this line of helping our dealers find new customers, we've developed a prospecting tool for them that they can access online," says Clark. "The tool provides folks with a list of prospects in a particular area and we've done some enhancements to it so a sales manager can go in and get a list by zip code, for example, and hand that out to his people."

GE Capital also has a feature that allows the dealer to look for opportunities within a particular industry, which is ideal for dealerships with a vertical sales strategy. "They'll have one sales group, for example, focused on law firms," explains Clark. "We developed a tool, and in fact had a customer use this, where they were completing a delivery for a law firm in a big office building; they pulled up our tool and identified other law firms in the building, made cold calls and got a lead on a deal."

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GreatAmerica Financial Services Corp.

The name of the game at GreatAmerica for its upcoming fiscal year is Managed Services and Managed IT. "We gained a lot of momentum with the resources we brought to the table in FY15 and there's strong interest right now," states Jennie Fisher, Sr. VP/General Manager Office Equipment Group at GreatAmerica Financial Services Corporation.



Jennie Fisher
Great America
Financial Services
Corp.

That interest is reflected in the company's Managed IT groups, encompassing 48 dealers and five groups, plus GreatAmerica has four prospects on the verge of starting another group.

"These are office equipment dealers that are furious about going down the IT path and they're figuring out how to do it right," states Fisher. "When they think about what they need to do in the IT sector, they're thinking about acquiring a company and transitioning it into their organization or outsourcing, they're not thinking of their finance company as being a good resource first and foremost."

With the focus on Managed Services/Managed IT, GreatAmerica is educating customers on what it can do around financing options for Managed Services. "We've put a lot of time into introducing our value-added products and resources like Collabrance and GSL Gamut because dealers don't truly know what we can do on the finance side," states Fisher. "When I talk about that, I'm talking about bundling the services group with IT financed equipment, I'm talking about financing software, up front services, and software only agreements. We're going to be charging down that path in addition to IT."

With interest in the channel building for 3D printers and digital signage, GreatAmerica is rolling out products by providing financing for products from the likes of Stratatsys, 3D Systems, and Envision Tech. "We'll continue to charge down that path too," emphasizes Fisher.

Digital signage is another product segment that GreatAmerica can finance through a new product for the channel

called Vistify. The company has even entered into a digital signage financing partnership with Toshiba.

"We haven't had an official launch yet," reports Josie Heskje, director of strategic marketing, Office Equipment Group. "The reason it's branded as an AV financing product is because we see growth in AV products and product adoption by the channel down the line."

GreatAmerica is also looking into financing the content development piece of digital signage as well. "We're evaluating how to come up with a finance solution to fund ongoing blocks of content," adds Fisher. "As we venture into some of these newer areas we need to make sure that we have our arms wrapped around all the legality and risk factors that come along with that."

Another area of focus in the coming year is integration. "We understand where the world is going—the more sophisticated we can be with our dealers and vendor partners in bringing it all together and making it easier for our customers will bode us well to tag along with the already sophisticated invoicing capabilities we already have," says Fisher.

UniFi Equipment Finance

Last year was a great one for UniFi Equipment Finance with unparalleled growth in the independent dealer channel and the roll out of its Pass Through program, a new CPC program, and a rental program.

"Our growth is coming from the independent dealer space and UniFi grew over 278 percent," reports RJ Grimshaw, president & CEO. "There aren't many



RJ Grimshaw
UniFi Equipment
Finance

companies in our space that can speak to that type of growth."

What's going on?

"We've reengaged the marketplace with a fresh new brand, a new name, and we brought back more of a personal touch where [dealers] can pick up the phone and call someone," responds Grimshaw. "Dealers look favorably at that and want to work with a company that has the longevity of a UniFi. We've served the marketplace since 1978. We're not

looking to be the next Wells Fargo, or GE, or Everbank who are all great competitors. Our goal is focused on serving the independent dealer marketplace, not going after manufacturers' programs, and adding a personal touch to differentiate ourselves against the competition."

UniFi is currently in the final stages of development of its web portal, Velocity. Dealers can access the portal to submit applications, view their portfolio, and manage upgrades and trade outs. The plan is to have a full roll out by the end of the year.

"We're beta testing it with certain dealers before we roll it out across the country to make sure we have a product that is extremely user friendly and well positioned for the dealers," states Grimshaw.

U.S. Bank Equipment Finance

For U.S. Bank's dealers, knowledge is power.

"We have put an emphasis on providing dealers with access to more information to help them succeed," states Phil Buysse, SVP, general manager, Office Equipment Vendor Services. "We have introduced additional benchmarking tools, providing dealerships with added



Phil Buysse
U.S. Bank Equip-
ment Finance

metrics and measurements for their businesses. We have also updated our online portfolio reporting, allowing our dealers to better manage and secure client opportunities.

Additionally, we have successfully implemented an organization-wide Client Advocacy initiative that is driving strong care and support of our dealerships' employees and their clients. We've also enhanced invoicing and tracking capabilities to offer our dealer clients more solutions to introduce to their customers."

Meanwhile, the company is actively working on digital documentation/signature capabilities to allow for a streamlined lease process for its dealers and their customers.

"With this will also come several improvements to our online offerings, which already get strong reviews for ease of use and client management," notes Buysse. ♦