



## **Auto Dealers and Credit Unions Build Stronger Relationship – Colorado Credit Unions Purchase Indirect Lending Program**

**Denver, CO, May 7, 2003** – As of May 1, 2003, the most successful auto indirect lending program nationwide is now owned and operated by **CUILA, the Credit Union Indirect Lending Association**. CUILA was established in 1997 and is owned by area credit unions. Operating as **CU Direct Connect**, it serves 58 credit unions with a combined member base of over 1 million people.

CUILA has seen tremendous growth in its indirect auto loan volume, up **24%** from 2001 to 2002. This is phenomenal in a market where the national auto industry fell approximately 4%. CUILA's volume was nearly \$1 billion in 2002, ending the year with **\$995,780,234** in auto loans.

“This transaction will produce a significant improvement for both our credit union partners and auto dealers in general. By cutting out a middleman the credit unions can control their own futures and dealers can finally form the close and direct relationships we should have always had with credit unions,” says **L.G. Chavez Jr., President and CEO of the Burt Automotive Network**.

“After years of constant improvement, the time had come for credit unions to take complete control of the business processes to ensure sustained outstanding service to our members,” says **Doug Ferraro, CEO of Belco Credit Union**. “The level of cooperation amongst the Colorado and Wyoming credit unions has made it possible to establish and maintain a program utilizing tried and tested best-practices in indirect lending.”

To ensure optimum performance and continuity of the programs success, CUILA has hired Steve Anderson as President and CEO. Steve Anderson was an integral part of the founding team that developed indirect lending in Colorado. Furthermore, he's worked closely with participating credit unions and dealers on a direct basis since the program's inception in 1992.

With the credit unions now taking ownership, the program is truly a model of cooperation for the industry. **Plans to enhance technology, streamline processes and build stronger relationships with the area's auto dealers are already in motion. For instance, top-producing auto dealers will be able to showcase their inventory on the web-based auto purchase and research site, [www.cudirectconnect.com](http://www.cudirectconnect.com).**

“The standards driven by the group promote excellent relationships with the auto dealers, and have resulted in continued significant growth in market-share,” explains Doug Ferraro.

“We need to control our own destiny. The indirect lending volume has become a substantial portion of everyone's overall volume. We felt owning and operating the program was the best strategic move,” **says Chuck Mabry, CEO of Norlarco Credit Union.**

Production goals for 2003 include exceeding **\$1 billion in volume** for the Colorado indirect lending program.

CU Direct Connect is a program that enables credit union members to obtain credit union auto loans at area dealerships.