



Cantrell & Associates

Cultivating partnerships
for lasting success.

Partner Profile

Cantrell & Associates

7554 Maynardville Pike
Knoxville, TN 73938

Objectives:

- Incentivize unit sales with dealer partners
- Significantly increase dealer profit

Results:

- 15 - 20% increase in VSC Sales
- Utilizes relationship with EFG to initiate new dealer business.

Overcoming Economy

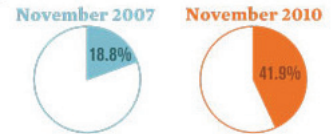
In 2009, businesses across the nation were struggling to survive in a time characterized by mass layoffs, corporate bankruptcies, salary freezes, and mandatory furloughs. By October, the unemployment rate reached 10.2%, the highest level in 26 years according to the Labor Department.

The auto industry took the spotlight when General Motors and Chrysler Group became the recipients of a government bailout to keep the two automotive giants from going under. **Vehicle sales bottomed out at 10.4 million for the year, representing a decline of 21.1 percent.**

UNEMPLOYMENT RATE



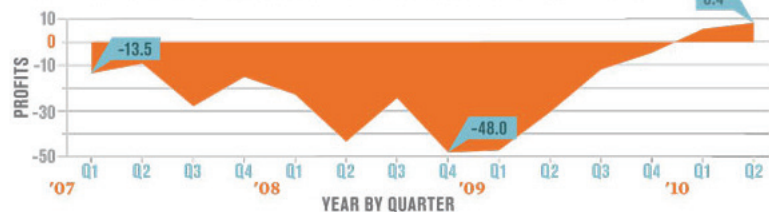
PERCENTAGE of UNEMPLOYED WHO HAVE BEEN UNEMPLOYED for 27 WEEKS or more



GOVERNMENT UNEMPLOYMENT BENEFITS PAID



DOMESTIC AUTO-INDUSTRY PROFITS (in billions of dollars)



Those companies and dealerships which survived to 2010 began to see an economy on the rebound, but with a very different consumer. These consumers had kept their vehicles much longer than historical norms because of the economic crash. In addition, this new brand of consumer was still extremely concerned about their family's welfare and budget constraints in an uncertain economy. **Their mindset had shifted to wanting more value for their money and better protection from life's uncertainties.** In addition, dealers would come to realize that the vehicle ownership cycle had permanently shifted to longer periods of time.



* Infographic source: Atlantic Magazine, January/February 2011 Issue

The Approach

At this time, Cantrell & Associates, Inc., a Tennessee Corporation, was undergoing its own change to provide dealers with more holistic solutions to increase unit sales, profitability and customer retention. The Tennessee agency had already established itself as a discerning provider of quality F&I products. However, with dealers shifting to focus on the consumer experience, it became clear that **agents needed to shift their service model as well, to provide dealers with full-service solutions that went beyond the F&I products themselves.**

Cantrell & Associates took a very deliberate approach to addressing specific dealer needs, starting with high mileage vehicle service contracts (VSCs). **In late 2009, early 2010, the customers who were returning to dealerships were still very hesitant to purchase new vehicles.** This resulted in an increased in pre-owned vehicle sales, especially in the high-mileage segment.



The agency reached out to EFG Companies to fill this need based upon EFG's reputation of being customer, as well as client, oriented. Cantrell & Associates had already experienced the difficulty of sourcing a high mileage VSC that operates within franchise dealer protocol. The majority of products available tended to cover and pay for much less than what customers were demanding, in terms of service level. Out of the highly competitive landscape, **EFG's MAP High Mileage VSC stood out because of the product's unique ability to provide coverage on vehicles with any age, any mileage** and still operate within the franchise dealer protocol. In addition, EFG set aside enough money to pay retail labor rates on both parts and labor, resulting in increased customer satisfaction.



Ongoing Engagement

To ensure the product's success, EFG engaged with **Cantrell & Associates** to install the product within their dealer client base. EFG worked with Cantrell to provide store onboarding, product training, success metrics and ongoing follow-up.

While most dealers and agents consider paid claims a table-stakes benefit of F&I products, Cantrell & Associates was so impressed with EFG's level of customer service, they **added nine more products to their offering in 4 years**, including:



DRIVE FOREVER
worry free



APPEARANCE
PROTECTION

DENT PROTECTION

TIRE & WHEEL
PROTECTION

KEY REPLACEMENT
PROTECTION

WINDSHIELD
PROTECTION



Results

With each product addition, **Cantrell & Associates further established themselves** as a true dealership partner. With EFG's partnership, they became adept at evaluating consumer trends, and nimbly addressing consumer demand with innovative products to provide dealers with menus tailored to increase PRU and customer retention.

To date, more than half of Cantrell & Associates dealers provide EFG products. Beyond initial product design and installation, EFG acts as an extension of the agency, conducting ride-alongs every 60 to 90 days to assist with dealership training and product installation. Additionally, EFG is actively engaged with Cantrell & Associates to address agency goals, performance, and evaluate the overall state of the agency.

Cantrell & Associates approached EFG to help them differentiate dealers. What they didn't expect was for EFG to help them differentiate themselves. **Now, the agency uses its partnership with EFG to start conversations** with prospective dealer clients, highlighting delivering high program quality, and overall coverage.

"Since engaging with EFG Companies, we have seen approximately a **15 - 20% increase in service agreement sales** in our stores," said Chuck Christopher, the director of training and dealer support services at Cantrell & Associates. "This is in due in part to the great relationship we have built with EFG, and with EFG's efforts in engaging with our dealership partners directly."



Section Header

In 2010, Cantrell & Associates made the decision to evolve to get ahead of the auto industry and help dealers implement proactive profit solutions. Along with EFG's agile product development and expert implementation, the agency drove real results for their dealer clients. By focusing on end-to-end solutions, EFG empowers their clients to differentiate themselves within their respective markets, drive purchase behavior, and meet or exceed their business goals.



Adam Quart
Vice President
Agency Services
EFG Companies



To learn more about EFG Companies, visit
efgcompanies.com

Or Contact

Adam Quart, Vice President

Agency Services

aouart@efgusa.com