

DriveUpSavings

Build Your Personal Savings with Every Auto Loan Payment

Presented by The



DriveUpSavings

Solution Summary and Website

- Automatic saving product for members struggling to save
- Monthly contribution when loan payment is made
- Flexible...certificate or savings account
- MATCHING RATE
- Website features...guidelines, financials, marketing, disclosures

www.driveupsavings.org



DriveUp Savings

a project of the taped crusaders ignite indiana working group

[Blog](#) [Contact Us](#) [FAQ](#) [Welcome](#)

Give your members an easy way to drive up their savings dollars each time they make a loan payment!



Welcome

The DriveUp Savings product is an outgrowth of the ignite program, which is rooted in the Filene Research Institute's i3 program.

This site was designed with one very specific purpose: to provide credit unions with a way to easily implement the DriveUp Savings product.

What is it?

The DriveUp savings product is a savings account, such as a certificate, that is opened at the same time a member closes on their auto loan. The loan officer and member agree on a monthly contribution amount and through automated electronic transfers, the DriveUp Savings is funded at the same time the auto loan payment is made.

Where is the Opportunity?

Studies prove that half the US population lives paycheck to paycheck. The percentage is even higher (60%) for young adults. Many of these people earn respectable incomes, yet they have never been able to save money. They have either never been taught to save or have fallen into



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How it Works

- [How to Implement](#)
- [CU's Offering It](#)
- [Disclosures & Legal](#)
- [Marketing Materials](#)
- [The Financials](#)
- [Media Room](#)
- [Resources & Fun Stuff](#)
- [@ TELL A FRIEND](#)

Give your members an easy way to drive up their savings dollars each time they make a loan payment!



Marketing Materials

We are pleased to provide credit unions with marketing materials that can be used to help launch the DriveUp Savings program at their institution. There are several types of marketing collateral provided below. Some are more customizable than others - but all can be deployed fairly quickly with minimal effort.

Please note: Many of the materials available here and throughout this site include the "money car" image. If you utilize this image in any of your marketing efforts, you must purchase the image from [istockphoto](#). We do NOT own the copyright on it. [Click here to view/purchase](#).

Newsletter Articles & Web Content: [Click Here](#)

Web Banners and Buttons (all images are in .gif format):
120x240 | 125x125 | 160x600 | 486x60 | 728x90

Statement Stuffers: [Click Here](#)

Press Releases: [Click Here](#)

Posters: 8x11-[Click Here](#)

The full suite (download everything that is listed above in one .zip file): [Click Here](#) (13MB)

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Related Links

- [AutoSavings.org](#)
- [Filene i3](#)

Marketing Materials

Insert

Web graphics

Introducing DriveUp Savings

Get an Auto Loan...
Get a Savings Account...
AT THE SAME RATE!

Everyone wants to save more money. Very few of us find that to be an easy thing to do. That's why we are happy to introduce you to a new way to help you save. It's the DriveUp Savings account.

It's really (really) simple. Just make your auto loan payments. That's it!

When you open an auto loan with us, just tell us you want the DriveUp Savings added. Then, we'll work with you to determine a monthly contribution amount into an account that features a savings rate that is **the same as your approved loan rate!**

With each payment, we'll apply the full loan payment amount and put the contribution amount into the special savings account. Just think of the savings you'll have by the time that loan is paid off!

You could use that money for a down payment on your next loan, a vacation, an emergency fund or talk to us about the many other savings and investment opportunities that are available to you as a member.



Get on the Road to Higher Savings!

One Auto Loan. One Savings Account . . . **ONE RATE!**



The DriveUp Savings Account!
Click Here for more.



Get on the Road to Higher Savings!



The DriveUp Savings rate is **THE SAME** as your Loan Rate!

Give your members an easy way to drive up their savings dollars each time they make a loan payment!



The Financials

Good New\$ for Members

- You can save without hurting your pocket book.
- It's possible to save \$1,000-\$3,000 over a three year period.
- Just \$20 per month can help you buy your next car and/or save for major repairs.
- You could use your savings to pay insurance premiums twice a year (cheaper than monthly).

Good New\$ for Credit Unions

You can help your members develop savings habits that will:

- increase or add stability to outstanding deposits
- keep loans on your books longer
- enhance member loyalty (higher net promoter activity)
- generate good spin among local press/media

And it won't obliterate your bottom line!

[Click here for an Excel Spreadsheet](#) that will allow you to model specific scenarios. [note: this sheet assumes you will be matching the savigns rate with the approved loan rate to a 10% cap].



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Related Links

- [AutoSavings.org](#)
- [Filevine i3](#)

Scenario Sheet		Individual Pmts/Balances	
1	Scenario Sheet		
2	Three Credit Score Options		
3			
4	Number of Loans	50	Input Desired Amts
5	Avg Dollar Amount of Loan	\$ 15,000	
6	Savings Contribution	10%	
7	Loan Term (months)	48	
8	Loan Loss Ratio - High Score	0.25%	
9	Loan Loss Ratio - Mid Score	0.75%	
10	Loan Loss Ratio - Low Score	1.50%	
11	Loan Rate - High Credit Score	5.00%	
12	Loan Rate - Mid Credit Score	8.00%	
13	Loan Rate - Low Credit Score	12.00%	
14	Pct in High Credit Score Paper	60%	
15	Pct in Mid Credit Score Paper	30%	
16	Pct in Low Credit Score Paper	10%	
17	Loan Amount	\$ 750,000	
18	Loan Amount - High Score Paper	\$ 450,000	
19	Loan Amount - Mid Score Paper	\$ 225,000	
20	Loan Amount - Low Score Paper	\$ 75,000	
21	Loan Payment - High Score	\$10,363.18	345.44
22	Loan Payment - Mid Score	\$5,492.91	366.19
23	Loan Payment - Low Score	\$1,975.04	395.01
24	Dollar Amt to Savings CD - High	\$ 1,036.32	34.54
25	Dollar Amt to Savings CD - Mid	\$ 549.29	36.62
26	Dollar Amt to Savings CD - Low	\$ 197.50	39.50
27	Total Monthly Payment - High	\$ 11,399.50	379.98
28	Total Monthly Payment - Mid	\$ 6,042.20	402.81
29	Total Monthly Payment - Low	\$ 2,172.54	434.51
30	Savings Balance at Term of Loan - High	\$ 55,169.21	1,838.97
31	Savings Balance at Term of Loan - Mid	\$ 31,158.84	2,077.26
32	Savings Balance at Term of Lan - Low	\$ 11,694.56	2,338.91
33			
34			

DriveUpSavings

Credit Unions Who Are Piloting

- Members United (Full Launch on July 1)
- Purdue Employees (Partial Launch on July 1)
- Three Rivers (Pilot Launch to 4 branches on August 22)
- Kemba (Est. Launch of Mid September – Early October)
- Eli Lilly FCU (Launch to SEGs in Q4 2008)



DriveUpSavings

The Approval Process

Proposal Content

- Components of the program
 - Types of Loans eligibility
 - Savings Product prototype (features, benefits, limitations)
 - Direct deposit requirements
 - Fees & Charges
 - Target Markets
- Financial Scenarios – www.driveupsavings.org



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Implementation

- Product set-up
- Testing
- Staff Training
- Marketing plan
- Sales Incentives

Many credit unions will implement
this differently



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Preliminary Results



Purdue Employees FCU; \$500 Million ~ 57,000 Members
Location: West Lafayette, IN
Core Processor: Summit Information Systems
Contact: Evelyn Royer (eroyer@purdueefcu.com)

Product Set Up Info:

Product Name: DriveUp Savings

Certificate or Savings Account?: Add on Certificate

WD Restrictions: Standard Certificate Penalties Apply

Contribution Requirements/Restrictions: Up to 10% of monthly loan payment

Rate Offering: Match Loan Rate of Auto Loan no maximum

Marketing Strategy: 7/15/08 Marketed to a Select Employee group through press release and special member appreciation day.

8/18/08 Email sent to all members with the same SEG code as above

9/1/08 Allowed all staff to promote product to all auto loans approved for the month of September



DriveUpSavings

Preliminary Results



Three Rivers FCU; \$500 Million ~ 70,000 Members
Location: 7 County Community Charter in Northeast Indiana
Core Processor: Open Solutions, Inc.
Contact: Chad Gramling (cgramling@trfcu.org)

Product Set Up Info:

Product Name: DriveUp Savings

Certificate or Savings Account?: Certificate

WD Restrictions: Standard Certificate Penalties Apply

Contribution Requirements/Restrictions: Up to 10% of monthly loan payment

Rate Offering: Match Loan Rate to Maximum of 10%

Marketing Strategy: Initial pilot in 4 of 19 branches. Offer on all new auto loans. Follow-up calls from branch staff with indirect members and recent new loans. Integrated into Auto Loan Recapture (ALR) program.



DriveUpSavings

Preliminary Results



Kemba Indianapolis Credit Union; \$55 Million ~ 8,000 Members
Location: Indianapolis, Indiana
Core Processor: Summit Information Systems (online)
Contact: Brian Wilkerson, (317) 351-5722; brianw@kembain.org

Product Set Up Info:

Product Name: DriveUp Savings

Certificate or Savings Account?: Add on Certificate

WD Restrictions: Standard Certificate Penalties Apply

Contribution Requirements/Restrictions: Up to 10% of monthly loan payment, electronic payment

Rate Offering: Match Loan Rate to Maximum of 10%

Marketing Strategy: Website marketing, employee incentives, member incentives, offer made to all auto loans



DriveUpSavings

Preliminary Results



Members United FCU; \$7 Million ~ 1,700 Members
Location: LaPorte, Indiana
Core Processor: Electronic Recordkeeping Services, Inc.
Contact: Carolyn Probasco, (219) 362-3741

Product Set Up Info:

Product Name: DriveUp Savings

Certificate or Savings Account?: Add on Certificate

WD Restrictions: Standard Certificate Penalties Apply

Contribution Requirements/Restrictions: Up to 10% of monthly loan payment, electronic payment

Rate Offering: Match Loan Rate to Maximum of 10%

Marketing Strategy: Website marketing, employee incentives, member incentives, offer made to all auto loans

Results:

Take-up Percent: 30% of July Auto Loans



DriveUpSavings

Preliminary Results



Eli Lilly Federal Credit Union: \$800 Million ~ 34,000 Members
Location: Indianapolis, Indiana
Core Processor: Integrasys (FiServ) – service bureau
Contact: Joe Hasto, (317) 276-7043; jhasto@elfcu.org

Product Set Up Info:

Product Name: Pedal to the Metal Savings

Certificate or Savings Account?: Savings – freely accessible to member

WD Restrictions: None

Contribution Requirements/Restrictions: Up to 10% of monthly loan payment, electronic payment

Rate Offering: Match Loan Rate to Maximum of 10%

Marketing Strategy: This will be offered to potential members of new SEGs for a period of time (90-120 days) in an effort to more quickly get new members signed up and start building relationships



DriveUpSavings

Thank You!



DriveUpSavings.org

Joe Hasto; Eli Lilly FCU
Evelyn Royer; Purdue Employees FCU
Chad Gramling; Three Rivers FCU
Michelle Peterson; Via Credit Union
Brian Wilkerson; Kemba Credit Union

