



## A New Player In Powersports

*They're Here...*

**T**hey are huge! They employ 42,000 people. They are one of only seven U.S. industrial companies with an AAA stock rating. They have more than 500,000 clients and 40 dedicated client trainers. They also have more than 17,000 car and truck dealers who rely on them every day.

Who are *they*? The company is ADP (Automatic Data Processing), and they are now in the powersports industry! In June of 2004, ADP purchased Lightspeed from ProQuest. As most of you know, Lightspeed is the leading Dealer Management Systems (DMS) provider, with well over 2,300 clients in the motorcycle, marine and RV industries.

So why would a company that bills more per year than the entire motorcycle industry combined bother with us? They saw that we needed help to become more efficient and more profitable. They knew that we didn't have the resources within this industry, and they already had relationships with many of the companies that supply us with products and services.

Although it's only been a few months since the purchase of Lightspeed, there are some changes that will be available to you by Indy, if not sooner. Here are just a few examples:

**Credit Check** — While you're in the sales and F&I screen you'll be able to hit one key and get a credit check from Transunion, CBI or Equifax almost immediately. I've talked with dealers who find getting a credit check quickly is at times both difficult and costly.

**CVR (Computerized Vehicle Registration)** — The auto industry has had this advantage for years. Now it's our turn. Thanks to ADP's prominence in the car market and their relationship with state DMVs, you'll be able to handle the entire registration via computer. In a few states you'll even have the ability to stock license plates. This service has been available for auto, truck and now motorcycle and marine dealers in 19 states.

Knowing how difficult it can be to work with the DMV, I'm impressed they got so many state approvals in such a short time. This feature alone will be a real time saver, especially for those high-volume dealers who have to send someone down to the DMV and struggle for hours to accomplish the same task.

**Hardware maintenance** — ADP Dealer Services has 300+ field hardware engineers on call throughout the country. This service will bring a technician to your door within four hours if you are in a metropolitan area and within 24 hours in smaller cities and towns anywhere in North America. To be factual, there are actually some 670 software installation specialists, 300 field hardware engineers, 125 technical support specialists and 800 telephone support specialists.

These highly skilled technicians can do everything from a full installation, including wiring, to repairing hardware and installing software. And it can be done without the frustrating phone calls to the software or hardware providers. With this level of professional help, many automobile dealers have found they can manage without an IT employee on staff. This one feature alone can save tens of thousands of dollars in payroll. Speaking of payroll, ADP's Employer Services Division has a service which pays 30 million people worldwide every day! They send out 40 million tax statements (W2s) each year. They are responsible for paying one in six private sector workers in North America. Didn't I say they are huge?

**Forms** — Another added value being offered by ADP Lightspeed is forms. You can choose from templates or create your own. You can also buy your toner, ribbons or other consumables cheaper because of ADP's buying power. Would you like to have a custom-designed flyer mailed to, say, Gold Wing owners? Using the DOX division of ADP, they will create the mailer and send it out for you and chances are they can do it faster and cheaper than you can on the dealership level.

ADP calls these services "layered applications." I've looked through their catalog and discovered they have more than 80 such layers currently available, some, but not all, of which can be imported directly into the Lightspeed dealer's DMS.

It gets better. A decade ago I did some work with Sandy Corporation. Sandy was the company that created and ran the now-famous Harley-Davidson HDU. This was the most professional training company I'd ever worked with. Guess what? They've been a part of ADP Dealer Services since 1997.

Our own industry gurus have been telling us that we are 10 years behind the auto industry. I believe that we will catch up quickly now. So what's the catch you ask? I have heard rumors, mostly from the competition, that this acquisition is going to force dealers to buy more and pay more for the services they now get.

Not so. According to Lurn Rice, VP of sales for Lightspeed, all these new "layered applications" are options. As for the current costs related to Lightspeed's DMS, the only increases they foresee relate to the rate of inflation. Lurn was quoted as telling dealers, "If our prices are better and our services are better, buy from us. If not, buy from them."

Another area you can expect to become available in the next year or so is complete online training. ADP currently operates 100 "20-Clubs" in the automotive, RV and even, I've

been told, motorcycle industry. They know how it's done. While it won't be available immediately, you can expect to see that "layer" added to the ADP Lightspeed product line soon.

Rob McBratney, ADP Lightspeed's VP and general manager, has already increased the staff at the Salt Lake City facility by more than 10% just to handle support and training for the powersports industry. More staff will be added as the additional layers become available.

Is there still more to come? Sure is! How about RF-ID? That's a Radio Frequency ID tag that will be attached to each unit. Taking inventory will become a snap. You can even have a reader on the gate of a fenced area that logs every unit as it comes in or goes out.

Still more future layers will include a parts locator, IP Telephony, Customer Relations Management (CRM) software, the ability to have your server at a remote ADP location, which means no more backup, no more service calls. This may be a boon to the larger dealers and those with multiple locations.

I also find ADP's values and philosophy refreshing. For instance, they expect every single one of their 42,000



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associates to complete at least 40 hours of training per year. Most exceed that and in some cases double or triple the hours annually. Isn't it nice to know that there's a training company that walks the walk and talks the talk?

ADP's published values and beliefs read as follows:

**Values:**

- Total commitment to the highest ethical standards
- Treating everyone with honesty, fairness and respect
- By conducting our business with the highest level of integrity

**Beliefs:**

- Open, informal communications
- Hard work
- Prudent financial management

I can't imagine any outfit that only provides services could grow to be in the top half of the Fortune 500 companies and AAA-rated unless they truly adhere to their stated values and beliefs.

If you'd like to know more about ADP, I suggest you take look at their very comprehensive website at [www.ADP.com](http://www.ADP.com). To learn more about Lightspeed, visit [www.lightspeeddms.com](http://www.lightspeeddms.com) for DMS details. 