

Case Study

Spokane Teachers Credit Union Earns \$2,600 Over Asking Price For Hard-To-Sell Motor Home Using CUAuctions Tools

STCU Troubled by Low 38% Repo Sales Rate at Local Used Car Lots

For Spokane Teachers Credit Union (STCU), a \$700 million credit union committed to serving the hard-working educators in the heart of eastern Washington state, repossessing 10-12 vehicles per month was standard business.

Before signing on with CUAuctions, STCU handled its repossessed vehicles like many credit unions: by working with a local used car dealer.

When vehicles sold at the lot, STCU earned a fair 106% of wholesale value—but only 38% of the vehicles were selling, with the majority being shipped to out-of-state wholesale auctions where STCU received only 78% of wholesale value.

STCU became troubled by the meager results. “The dealers only wanted the really nice vehicles, and we never really knew how well they were pushing our vehicles,” says Martha Sherwin, Lending Manager. “I never knew how many people actually looked at our vehicles.”

That’s when STCU found CUAuctions.

CUAuctions Doubles STCU’s Profitable Sales

CUAuctions provides Web-based competitive-bid auction tools that empower Credit Unions to quickly remarket repossessions to their members and get prices closer to fair market value than traditional auction houses typically deliver.

Tapping into the CUAuctions tools, Martha and her team were immediately able to boost sales. STCU now sells 72% of its repossessed vehicles directly to its own members and to consumers at an average of 102% of wholesale, sending less than one-third of her vehicles to the less-profitable wholesale auctions.

STCU Sees Immediate Return on Investment

In her first year partnering with CUAuctions, Martha discovered that while her employees spent a little more time posting a car than dropping it off with the local used car lot, she netted \$300 more per repossession than she had at the consignment lot. TitleAuction’s fixed price fee was less than 17% of what she paid to the consignment dealer.

Class C Motor Home Gets 576 Viewers and 26 bids

“Normally RV’s don’t resell well for us—I didn’t think we were going to be able to sell this one,” Martha says, referring to a motor home STCU repossessed.

But after posting a few photos on the Repo Depot—STCU’s auction page powered by CUAuctions—Martha received 26 bids from 4 bidders, and was pleased to sell the 28’ 2002 Atlantis Holiday for \$2,600 above asking price.

The results have continued, as well. STCU also recently sold a 2003 Toyota Tacoma for \$2,700 over asking price after receiving 27 bids from seven bidders. The vehicle was viewed online 878 times by Web site visitors.

CUAuctions Detail Report Is Key Evidence For STCU Records

Martha has found that CUAuctions not only helps STCU earn higher sales prices for its vehicles, it provides an excellent record of the credit union’s efforts and results in selling vehicles.

“What I really like is that CUAuctions can give me a screen shot that summarizes transaction details, like the pictures posted, number of viewers, how we advertised, etc.,” Martha says. That record has been the key proof she has needed to demonstrate STCU tried to get the best price for every vehicle.

“It has supported my sales prices 100% to any prior owner or attorney who has asked,” she added.