



The Reynolds and Reynolds Company
A Most Trusted Provider of Software, Services, and
Document Solutions for Automotive Retailers

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The Reynolds Way

- *Legacy of innovation.*
- *Experienced, knowledgeable people.*
- *Proven development processes.*
- *Industry-leading software.*
- *Award-winning service and support.*

Those are the core strengths of The Reynolds and Reynolds Company and hallmarks of our brand.

With 85 years of experience serving automotive retailers, Reynolds is driven to be a world-class dealer services provider.

Automotive dealerships across the globe rely on Reynolds software, services, and document solutions every day to help them operate their businesses more effectively and profitably and to build stronger relationships with their customers.



“Reynolds continually works to deliver the software and services that help dealerships deliver better results – day after day, month after month, year after year. That’s because results matter more than ever for dealers today. Our solutions are aimed directly at helping dealerships improve their operations and profits – for now and the long term.”

Chairman and CEO Bob Brockman

“Reynolds’ vision is to help automotive dealerships transform their business and to revolutionize the customer experience. That vision is anchored in the capability of the Reynolds Dealership Management System – ERA[®] and POWER – and it extends to every aspect of the dealer’s retailing that affects the consumer experience, whether that’s inside or outside the four walls of a dealership.”

President Ron Lamb

Company Facts



- Founded in 1866 as a business forms printing company, Reynolds started serving automotive retailers in 1927.
- In 2006, Reynolds and Universal Computer Systems (UCS) merged their two organizations under the Reynolds brand to form the world's pre-eminent dealer services company.
- In 2008, Reynolds acquired DiversiForm Inc. to complement its document solutions business.
- Headquartered in Dayton, Ohio, Reynolds has major North American operations in Houston and College Station, Texas, and Celina, Ohio, as well as Mississauga, Ontario, and Montreal, Quebec.
- Kalamazoo-Reynolds, based in Birmingham, England, serves customers in the U.K. with automotive dealership solutions and IT services.
- Reynolds Europe serves dealerships across the continent from Belgium to The Netherlands, Luxembourg, France, and Germany.
- The company's customer satisfaction rankings are continually rated above 90 percent, with customers consistently willing to recommend Reynolds to others.

Firsts

- In 1869, Ira Reynolds invented and patented a removable, reusable hard cover for duplicating sales books that used an insertable carbon leaf.
- In 1927, Reynolds began producing standard business forms and paper-based accounting systems for U.S. Chevrolet dealerships.
- Reynolds entered the electronic data processing field in 1960 and became the first to offer computer services to auto dealerships.
- In the 1990s, UCS introduced a number of innovations for the POWER dealership management system (DMS), including software for customer satisfaction, human resource management, computer assisted instruction, and integrated vehicle barcode inventory.
- The company released the automotive industry's first Internet-based executive reporting software for use with the POWER system in 2004.
- Reynolds was the first to deliver real-time vehicle inventory updates directly from the DMS to the dealer's website.

Awards

- Honored in the Dealers' Choice Awards from *Auto Dealer Monthly* every year since the Awards' inception in 2005.
- Top Rated DMS Award for 2009 and 2010 in DrivingSales.com Dealer Satisfaction Awards.
- Phoenix Award for advances in search engine marketing in the 2010 Automotive Website Award competition.
- Software Technical Assistance Recognition, Lifetime Achievement Award, and Hall of Fame recognition from the Service & Support Professionals Association.
- Service Quality Award from the Association for Services Management International for exceeding industry benchmarks in customer service and support.
- Recognized as one of the top 50 companies to sell for by *Selling Power Magazine*.

U.S. Industry Figures and Forecasts

Automotive retailing is a large and complex industry that is a significant economic engine for local, regional, and national markets across the globe.

Prior Year Figures

Early published results for 2011 include*:

- The number of auto dealers in the U.S. held steady at nearly 17,700.
- U.S. new vehicle sales rose to 12.7 million units, a 10.2 percent increase over 2010.
- Franchised dealers sold 1.2 million new vehicles in December 2011, which was an increase of 8.9 percent over the previous December and the best December in five years.
- Ford, GM, and Chrysler captured nearly 47 percent of industry new car sales, up 1.9 percent over the previous year.
- Japanese-based OEMs held a 35 percent market share, down 3.7 percent over 2010. Supply chain issues from the March 2011 Japanese earthquake and tsunami played a role in this decline.
- BMW was the top-selling luxury brand, just edging out Mercedes-Benz and dethroning Lexus, who previously held that title for 11 consecutive years.
- The Toyota Camry was the best-selling new car, while the Ford F-Series pickup was the best selling truck.
- The sport utility (SUV) segment – led by the Ford Explorer and Jeep Grand Cherokee – had the largest volume increase of any segment, while crossover utility vehicles (CUV) were the most popular segment in 2011.

Source: www.nada.org

* Note: Final NADA Data reports are published mid-year for the previous year.

Outlook

As the economic recovery continues from the lows of the Great Recession, the future of the automotive industry is much brighter.

NADA's Chief Economist, Paul Taylor, has given three reasons that new car and light truck sales will increase in 2012: aging vehicles, affordable credit, and aggressive incentives. In January 2012, he forecasted sales of 13.9 million units for the year.

According to Polk, the average age of cars and trucks on U.S. roads today is 10.8 years, an all-time high. In addition to fueling car sales, an aging U.S. fleet also can be a boon to dealerships that can effectively reach, attract, and retain customers who bring their vehicles into the dealership for maintenance and repairs.

Automakers also appear to be poised for a financial rebound. KPMG LLP predicts continued growth for U.S. automakers – Ford, GM, and Chrysler – from product innovation, restructuring, and improvements to overall product quality.

Factors that may inhibit automakers' growth include slow U.S. job creation, fuel price increases, and supply disruption.



Making Business Better: Dealership Management Systems

Reynolds offers automotive retailers their choice of two comprehensive, robust dealership management systems, ERA[®] and POWER. Both provide dealers with an integrated approach to surrounding the dealership with the software, services, and support they need to maximize performance and profit across every employee, department, and store.

ERA-IGNITE

Dealerships in the U.S. and Canada can use the Reynolds ERA[®] dealership management system (DMS) to manage the daily operations of the dealership: sales, finance, parts, service, and the business office.

In 2010, Reynolds introduced ERA-IGNITE, which is built on the core foundation and software of the ERA DMS, including the system's single name file that helps demonstrate a clear picture of customer value for each department and overall for the dealership.

Each ERA-IGNITE application features an advanced graphical user interface (GUI) and architecture to help dealerships further improve the productivity of their employees and the profitability of their operations.

ERA-IGNITE offers dealers the tools to:

- Work more efficiently with streamlined applications that leverage the capabilities of the GUI to reduce the number of keystrokes and screens needed to perform core business transactions.
- Work faster with a familiar point-and-click environment, including drill-down fields and hyperlinks.
- Work more effectively with more business information available at users' fingertips.

Additional integrated solutions and services help dealers further develop and manage customer relationships, drive department and business efficiency, and increase sales and profitability.

ERA-IGNITE is delivered through an in-house server or through Reynolds' business-class hosted solution.

The POWER System

In the U.S., the POWER dealership management system (DMS) is the most integrated suite of dealership software available and provides a single source for every dealership's software needs. Developed with advanced technology, POWER drives constant control and profits in all aspects of dealership operations with fully integrated sales, finance, parts, service, and Internet applications.

The POWER system capitalizes on users' familiarity with other PC-based programs, enabling them to learn the software quickly. Users are able to navigate the system through a graphical user interface (GUI) with intuitive point-and-click functionality. Hyperlinks, clickable buttons, and expandable "tree view" menus further add to users' ability to easily learn and use the system.

POWER also incorporates robust reporting tools for dealership management to help them easily view and monitor key areas of their business, which can simplify management control and enhance employee productivity.

Reynolds supports utilization of POWER's advanced features through in-dealership visits, system-wide electronic manuals and help windows, and computer-driven training.

Training and Support

Reynolds offers world-class training and support to help dealers make the most of their investment.

The Reynolds customer support centers are staffed with experienced professionals who are trained to assist customers in resolving their technical concerns – from the simplest to most complex software, hardware, and networking issues. On-site hardware support is also provided.

DMS training options include in-dealership training, phone-based training, webinars and online courses, and computer assisted instruction.

Making Business Better:

Delivering Results Beyond the DMS

In addition to dealership management systems (DMS), Reynolds develops and delivers a broad range of business solutions and services that deliver results in every aspect of a dealer's retail operation, inside or outside the four walls of the dealership. Below are examples of the additional retail management solutions that Reynolds offers through our other brands and business partnerships.

Marketing & Advertising

Reynolds partners with **Naked Lime Marketing** to deliver bold and innovative full-service marketing, advertising, and web solutions and services that help automotive dealers turn the heads of consumers and inspire consumer loyalty at every point in the retail process. Naked Lime Marketing is an approved vendor for the GM in-Market Retail Turnkey program. Naked Lime's partners include Zimmerman Advertising and IMN.
(www.nakedlime.com)

F&I Selling Solution

docuPAD[®] offers a complete F&I selling solution for dealerships and their customers. It provides personalized menu presentation, presents all forms in an electronic menu format, discloses all necessary contract and lease information, and captures files in an electronic job jacket. All of this adds up to greater profits, increased accuracy and compliance, and improved customer satisfaction. Reynolds has an exclusive marketing partnership with COINdata, the original developers of docuPAD.
(www.reyrey.com/docupad)

Data Archiving

Data archiving solutions from **Kodata** provide rapid, accurate, and secure access to archived business data, which can help dealerships reduce storage costs and increase information security. Critical data are stored on a CD or can be easily viewed on a website.

Call Management

Reynolds works with **Callbright** to provide dealers with real-time telephone communication management delivered through web-based tools built on cutting-edge technologies. Callbright's tools to track advertising effectiveness, record and monitor calls, and send broadcast messages help dealers optimize their marketing investments and enhance customer relationships.
(www.callbright.com)

Pre-Employment Testing

TestFirst Hiring is Reynolds' partner in providing pre-employment assessments to assist automotive dealerships in finding applicants that are well-suited both for the dealer's business and the position. The long-term benefits include reduced turnover rates, maximized benefits of recruiting investments, and increased productivity by appropriately matching employees to positions. (www.testfirsthiring.com)

Business Consulting

Reynolds Consulting Services can help dealers address operational challenges, improve business processes, implement best practices, and achieve their desired results in all areas of the dealership.
(www.reyrey.com/consulting)

Making Business Better: Business Forms and Supplies

While technology is ever-present in the dealership, traditional business forms, promotional products, and business supplies remain critical parts of any dealer's operation. In fact, these items are essential tools to help dealers brand their retail enterprise, reduce compliance risk, and improve operational efficiencies. Reynolds provides document solutions and retailing supplies to more than 80 percent of dealerships across North America.

For added convenience, dealers can place and track their form and supply orders through Reynolds' online portal, ReySource®. (www.reysource.com)

Business Management

The heart of Reynolds' document solutions business continues to be supplying the printed business forms that help dealers effectively manage their retail operations – everything from deal jackets and sales contracts to financial statements and payroll checks to parts invoices and service repair orders.

LAW® Contracts

The Reynolds LAW® 553 universal retail sales contract is the most widely accepted document in automotive finance. LAW 553 contracts can be used by all funding sources – prime and non-prime banks, finance companies, captive lenders, and credit unions – making the F&I process faster and easier for dealerships and consumers. The LAW 553 is regularly reviewed to keep pace with new legislative and regulatory developments.

Dealership Branding

Reynolds can supply a wide array of promotional products to help dealers maintain their competitive edge in the marketplace by building and strengthening their dealership image in the minds of consumers. These products include apparel, key chains, license plate frames and inserts, and much more. Additionally, Reynolds offers custom artwork and full color marketing materials to help dealers capture customers' attention, enhance productivity, improve communication, and increase sales.

Managing Relationships

Reynolds document solutions help dealers turn today's leads into tomorrow's lifetime customers. Dealers can select the solutions that meet their needs, including direct customer materials, one-to-one marketing solutions, in-vehicle merchandising, or personalized home mailings. Whether used with Reynolds software applications or separately, these document solutions help dealerships build stronger relationships with consumers throughout their entire vehicle ownership cycle.



PromoTAG™ from Reynolds transforms the standard service hangtag into a cost-effective, attractive, in-vehicle advertising channel.

Global Presence: U.K. and Europe

Reynolds serves dealerships in the United Kingdom (U.K.) through Kalamazoo-Reynolds, based in Birmingham, England. Reynolds Europe serves dealerships across the continent.

Kalamazoo-Reynolds

Originally founded in 1896, Kalamazoo-Reynolds has been at the forefront of the U.K. computer industry since the 1960s. The company's automotive solutions include the POWER and Automate dealership management systems.

The POWER system has been built to meet the specific needs of dealerships in the U.K. and offer dealers integration, efficiency, and control for all dealership departments.

In 2008, Kalamazoo-Reynolds acquired MMI Automotive and added the Automate DMS to its portfolio. Automate is a real-time Windows®-based system with core software modules that include marketing and customer relationship management, accounts, vehicle and parts sales, stock management, and service management.

In addition, the Kalamazoo-Reynolds IT Services division provides hardware support services for a number of different types of businesses in the U.K. Offerings include desktop and printer support, data storage, and business continuity solutions.



Reynolds Europe

Reynolds Europe brings together a number of operating units and different dealership management systems to serve automotive retailers across the European continent.

Reynolds has built favorable relationships with a number of auto manufacturers and dealer councils in Europe, who exert a stronger influence on their dealerships than their U.S. counterparts. This has helped the company operate successfully in a number of European countries.

In 2006, Reynolds acquired DCS Automotive, which serves dealers in France and Germany.

In 2008, Reynolds Europe acquired Bogaarts Automation, a well-respected DMS provider in the Belgium, The Netherlands, and Luxembourg region. Bogaarts' Windows®-based DMS has been endorsed by more than a half-dozen auto manufacturers.

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