

Don't Forget the Fleet

Corporate attorneys can save themselves and their clients valuable time and resources by utilizing CSC to manage compliance needs of vehicle portfolios.

When managing complex financial transactions such as mergers, acquisitions, or bankruptcies, the transfer of vehicle assets are sometimes overlooked in the deal. It is often not until late in the deal, or even after the deal has been completed, that an acquiring company discovers that it must perfect either a financial interest or an ownership interest in a portfolio of vehicle titles.

The result can be an unpleasant surprise for the client, who must now take time to complete title perfections, an often protracted and costly process that adds unbudgeted costs to the transaction.

To avoid this situation, corporate attorneys and paralegals should determine at the outset of a deal whether vehicle assets are involved and bring them to their client's attention, so that time and expense involved in perfection can be accounted for.

And they should call Corporation Service Company to handle the paperwork.

CSC is a leading provider of motor vehicle titling, registration and document retrieval services to corporations, law firms and financial institutions for all types of vehicles including passenger cars, buses, trucks, watercraft and manufactured homes. The company's seasoned agents and innovative technologies provide fast, accurate and secure service, and free the corporate attorney from the need to invest time and resources in a rather arcane and labor-intensive area.

"There is no need for a law firm to cultivate an expertise in motor vehicle portfolio management," says Tom Charno, Product Manager of CSC Motor Vehicle Services. "Our involvement early on can help identify financial implications and compliance requirements that will be necessary to secure the interests of the law firm's client."

Planning ahead and relying on CSC to manage the title perfections for motor vehicle portfolios in a complex transaction will not only help law firms avoid costly headaches, but it will also demonstrate the firm's thoroughness and expertise, Charno explains. In addition, using vehicle portfolio management with CSC provides another revenue opportunity for the law firm, as it is an additional service that the firm will be offering and billing to the client, he points out.

“We’ve seen law firms try and do this on their own by hiring a army of temporary employees to perfect the titles of an acquired motor vehicle portfolio,” Charno recounts. “It is an onerous and often costly task to manage the team, and the quality can be inconsistent, which does not reflect particularly well on the firm,” he says. “It makes more sense to use CSC, because motor vehicle services is one of our core competencies. CSC has simplified the titling and registration processes and we keep up with the jurisdictional knowledge nationwide, that would take a significant amount of time and people to maintain in-house.”

Charno points out that many law firms are likely using other CSC services when completing deals such as mergers, acquisitions, or the consolidation of subsidiary activities, and it would be simple to take advantage of the motor vehicle expertise. “Attorneys are already coming to us for UCC searches and filings, to ascertain good standing as well as to protect domain names in these deals. It makes sense to add motor vehicle services to the list.”

Customer Service and Technology

Once a deal is done, law firms that have used CSC’s Motor Vehicle Services often find that their client will continue to use CSC to manage the vehicle portfolio, which further enhances the firm’s image in the eyes of the client, Charno says. “Clients see that their attorneys are looking out for their interests by contracting a quality service that they can continue using after

the deal is done to manage their assets,” he explains.

Clients brought to CSC through their attorneys have been quick to recognize the benefits of our well-trained staff and sophisticated web-based applications. The CSC Motor Vehicle Service customer service representatives typically average 10 years of service directly related to vehicle title perfection and associated services. We also have a nationwide network of correspondents that have established ties to state and local DMVs across the country and are able to bypass many of the typical barriers to perfecting and maintaining vehicle portfolios, explains Charno. These representatives work closely with clients to develop customized solutions for their fleets. “Every company is a little different, and is best served with a solution tailored to meet its needs,” he says.

On the technology side, law firms can use web-based tools to monitor and manage their clients’ transactions and portfolios. With the Motor Vehicle Inquiry tool, for example, a firm can check the status and history of all motor vehicle transactions in a client’s portfolio, while a second tool, Collateral Agent Inquiry, gives them access to title portfolio data, including images of stored titles. Both tools provide access to title data 24 hours a day 365 days a year.

In addition to vehicle title management, CSC can perform a number of different types of motor vehicle searches for its customers. A title search will confirm the vehicle owner’s name

