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RIFCO to partner with Travelers Acceptance Corp.

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Red Deer Express

A Red Deer based specialty finance company whose focus is on the automotive aftermarket has announced the formation of a strategic alliance.

RIFCO, a specialty consumer finance corporation providing motorists with non-prime auto purchasing financing has formed a strategic alliance with Travelers Acceptance Corporation, a group which consults with its business clients to create specially tailored term financing solutions and services.

The alliance broadens the scope of Travelers Acceptance consumer-based finance solutions. It also allows RIFCO to maximize unprecedented growth of its non-prime auto purchasing financing through its Canadian automotive dealer network.

Lance Kadatz, RIFCO's vice-president and financial officer said the alliance is a win/win for both companies.

"I consider this beneficial for every party in the transaction because the repair sites that offer financing can offer an unsecured loan product.

"Travelers Acceptance gets a vast network of point of sale outlets. RIFCO gets trailing revenue, improved operational efficiencies and the ability to focus on a rapidly growing auto finance product."

Karl Sigerist, senior vice president and chief operating officer for Travelers Acceptance Corporation said the company will work with RIFCO senior executives to ensure that there is no disruption of service delivery to repairers utilizing automotive aftermarket financing.

"Our aim is to provide a service experience that will drive the former RIFCO channel to choose Travelers as their financing partner of choice, and assist them to grow their businesses with point-of-sale consumer finance programs that meet the needs of their customers."

Kadatz said the Red Deer based company is working with Travelers Acceptance to make the transition of the enrolment of RIFCO's dealers into their network as smooth as possible.

"Ours is a fax based system, theirs is an online system," he said.

RIFCO will continue to operate in all provinces except Saskatchewan and Quebec.