



TOYOTA DE PUERTO RICO

and Strategic Business Systems



A History of Success Drives Toyota de Puerto Rico right back to Strategic

Toyota de Puerto Rico has selected Strategic Business Systems to design and implement their new vehicle distribution system in 1996. Toyota gains the efficiencies of accuracy, time, and reduced costs by automating their entire distribution process with features that include:

- Standardized Order Planning
- Allocation
- Damage Control
- Lot Management
- Pre-Delivery Inspection (PDI)
- Tax Declaration to Hacienda (import duty processing)
- Vessel Processing
- Vehicle Dispatch
- Retail Registration

Strategic's Vehicle Distribution System provides Toyota with the tools necessary to receive and transmit information between distributor and factory. A custom-built bar code tracking system enables automatic updates to the system from RF terminals in the port and vehicle inventory lot. Toyota gains complete control over their vehicle inventory with the knowledge of where vehicles are in the pipeline, while drastically reducing the high cost of data entry, lost data, and input errors.

1998 Automating the Warranty System

On the heels of successfully automating their vehicle activities with Strategic's Vehicle Distribution System, Toyota de Puerto Rico extends automation to their warranty processing using Strategic's Warranty System. The system

achieves significant cost savings, while valuable management analysis tools reduce warranty expenses and enhance customer service. The integration between Strategic's previously installed Vehicle Distribution with the new Warranty System and Toyota's existing Parts System provides Toyota with a seamless flow of centralized data that guarantees timeliness and accuracy. Because Strategic systems are designed for modular integration, Toyota is able to take full advantage of a phased approach - adding systems in the order and time schedule of their own choosing. The new phase for integrating the warranty system includes:

- Retail Registration
- Warranty administration
- Campaign and Service Bulletins
- Part Return Inspections
- Analytical Reporting
- Factory Communications
 - ◆ EDI claims submission
 - ◆ Claims resubmission
 - ◆ Claims adjudication acknowledgments
- Built-in Database Interfaces
 - ◆ Vehicles
 - ◆ Parts
 - ◆ Accounting
 - ◆ Dealers

With the back-end systems for Vehicle and Warranty completed, the foundation is primed to support Toyota de Puerto Rico's implementation of a Dealer Communication System.



1996

Toyota de Puerto Rico Selects Strategic's Vehicle Distribution System

1998

Toyota de Puerto Rico continues their automation success

2000

Strategic sets up Toyota's Automotive Systems in Puerto Rico

2002

Toyota de Puerto Rico extends Internet Access using Strategic's Warranty Systems

2004

Toyota de Puerto Rico adds Strategic's Web-based Dealer Parts

2000 Strategic sets up Client/Server Architecture

Third time is the charm for Toyota de Puerto Rico and Strategic Business Systems. The successful automation of Toyota's Vehicle and Warranty back-end systems by Strategic creates the strong foundation needed to support the new Internet-based 1st generation client/server architecture. For a user-friendly interface to the back-end systems, Strategic delivers the Internet-based warranty claim system known as Dealer Communication System (DCS) to Toyota and their dealers. The system allows for batch processing of claims for the smooth and timely transmission of data over the Internet from the dealers to Toyota. The lower communication costs and resource requirements are additional benefits for Toyota.

2002 Extending Dealer Warranty Claim Submission 24/7

Toyota de Puerto Rico carries on the progress of their automotive systems with Strategic Business Systems. With Toyota's Vehicle and Warranty back-end systems now integrated and automated by Strategic, the foundation is ready to support Internet browser functionality. The new front-end provides Toyota dealers with 24/7 centralized access to their warranty system as well as a two-way electronic communication link to their dealers from any Internet connected computer. The new Dealer Communication System includes:

- Dealership Management Systems (DMS) Sockets Layer (SSL) supported Uploads¹
- Orders/Claims Draft Areas
- Data Entry and Validation
- Online System Access
- Report Distribution
- Dealer News Network

The DMS Upload supports SSL protocol to encrypt data transmitted on the Internet. The upload feature allows Toyota Dealerships to retrieve existing warranty from legacy systems (Reynolds & Reynolds, ADAM systems, and ADP) directly into Strategic's draft area thereby eliminating the need for double entry of data. The uploaded draft also allows for the addition of Toyota mandated information prior to submission to the distributor. The system permits dealerships to save their orders or claims as drafts at any time in the input process until they are ready to submit. This ability to save draft orders/claims reduces input errors and eliminates time-out concerns. The new Warranty System validates the data in real time simply by previewing or submitting the claim, which then displays results with submission status. Toyota dealers can instantly correct the data and guarantee submission by resolving any displayed status concerns.

The system also supports the Dealer News Network – an Internet-based bulletin board that enables users to upload HTML-compliant text. This broadcast capability gives personnel the medium to publish news, announcements, policies and procedures to different department as needed.

The design of web DCS coding structure integrates directly with Strategic's Warranty, Parts, and Vehicle back-end systems and is customizable for integration with legacy systems. Strategic also supplies Toyota personnel with their Help Desk Center that provides live support. For 24/7 support, Web DCS extends user support with full-time access to online and downloadable Help reference manuals.

2004 Adding Web-based Dealer Parts module

In April 2004, Toyota de Puerto Rico goes live with the new Web Parts System by Strategic Business Systems, Inc. After the success of integrating the vehicle and warranty back-end systems with the warranty Web DCS front-end, all

¹ Collaboration involving Strategic, Reynolds & Reynolds, ADP and Adam Systems.

by Strategic, Toyota reinforces these accomplishments with Strategic's Parts front-end system. As with warranty claims, part orders will have the ability to be accessed online, a 24/7 achievement from any Internet connected PC.

The new web-based Parts module has all the same advantages of the Warranty system including a draft area for order submissions, giving Toyota the ability to save any order before submitting, which eliminates time-outs, reduces input errors and data loss. Toyota dealers and independent vendors will find Strategic's system fast, accurate, and easy to use. Features, such as data validation and inventory verification execute upon order submission. Toyota's new parts system includes the following features:

- Parts Categorization and Pricing
- Dealer Ordering/ Allocations
- SSL Upload

Since 1996, Toyota de Puerto Rico has been coming to Strategic Business Systems for their IBM iSeries expertise and customer-centric Automotive Systems. Throughout this time span, Strategic has either replaced or integrated their Vehicle, Parts, and Warranty front- and back-end systems with Toyota's legacy systems.

The automation and accessibility of the web-based Parts and Warranty systems have provided Toyota with ease of use, flexibility for growth, and considerable cost savings while at the same time using state-of-the-art technologies. The success for enhancing their warranty system has

increased prompt payments from 84% to 99% reconciliation by providing cleaner warranty claims. Toyota's dealers and customers also benefit from 24/7 real time access, data validation, and transmission. Because Strategic's automotive systems are designed for flexibility, Toyota's has reaped the benefits of a phased approach to implementation, leveraging the equity in their existing systems. The relationship between Toyota & Strategic continues to benefit both with future customization and enhancements in the planning stage that will continue to identify both companies with *"an adventurous spirit and a passion for challenge."*

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