



# Arizona MVD saves \$1.2 million annually registering vehicles online.

Visiting a motor vehicle department (MVD) office to renew a car, truck or motorcycle registration can be frustrating and time-consuming. As lines of customers inch slowly toward the service windows, a task that should take minutes can stretch into an hour-long ordeal. Arizona residents, however, have been freed from waiting

in line; they can save time and avoid late penalties by renewing their motor vehicle registrations online at [www.servicearizona.com](http://www.servicearizona.com). And, if they don't have Internet access, they can dial in to ServiceArizona to renew their registrations using a touch-tone phone.

Arizona MVD Director Russell Pearce says, "ServiceArizona is popular with our residents, because it gives them a convenient choice for renewing their vehicle registrations. It also costs us less. Processing an online request costs only \$1.60, compared to \$6.60 for an over-the-counter transaction—a saving of 76 percent."

IBM developed the front-end applications for ServiceArizona as well as hosts and manages the Website at the IBM Global Industries data center in Houston, Texas. The site and phone-in service are tightly integrated with the Arizona MVD's back-end IBM IMS™ databases.

This cost saving is important for the MVD, considering that every year the number of vehicle registrations in Arizona increases 13 percent, with close

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**Application** Online renewal of motor vehicle registrations

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**Business Benefits** 76% reduction in cost of processing registration renewals, equating to an estimated annual savings of \$1.2 million; 5% of registrations online, with 500% increase projected over next year; 99% positive approval rating

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**Software** IBM Corepoint Voice Response  
IBM eNetwork™ Firewall

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**Hardware** IBM RS/6000®

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**Services** IBM Global Industries

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The ServiceArizona Web site gives Arizona residents an easy, secure way to renew vehicle registrations 24 hours a day, 7 days a week from their home or office.



*It's about business, not just technology.*



*A growing number of Arizona drivers are avoiding long lines at the MVD by getting on the Information Superhighway.*

*“ServiceArizona is popular with our residents... It also costs us less. Processing an online request costs only \$1.60, compared to \$6.60 for an over-the-counter transaction—a saving of 76 percent.”*

*—Russell Pearce, Director, Arizona MVD*

to 2.6 million vehicles registered last year alone. In ServiceArizona's first year of operation, approximately five percent of the state's residents used it to renew their registrations online. That number is expected to increase by approximately 500 percent over the next year as more residents become aware of the service. If this projection is correct, it will equate to an annual saving of approximately \$1.2 million for the Arizona MVD.

“Once people understand that renewing their vehicle registration over the Internet is convenient, safe and immediate, we predict that it will become the most popular way to register a vehicle,” explains Jim Douglas, assistant division director for strategic planning and special projects at the Arizona MVD.

This convenience is appreciated by Arizona residents who want to renew their vehicle registration after hours, on weekends or during holidays when the MVD is closed. For people who have waited until the last minute, it is a salvation. Because the renewal takes effect as soon as the transaction is completed, ServiceArizona saves procrastinators the \$8 late fee charged by the MVD—as long as they registered by midnight on the due date. It also provides residents and local law enforcement agencies immediate proof of registration renewal.

#### **ServiceArizona rates high with users**

The ServiceArizona Web site gives residents an easy, five-step process for renewing vehicle registrations. They start by logging on to the site and submitting a renewal request. The request is routed from the Web server to Arizona MVD's data processing center over AAMVAnet, a nationwide motor vehicle telecommunications network that helps all government agencies share vital and time-sensitive motor vehicle information. The information is confirmed and displayed on the screen along with a fee breakdown for either a one- or two-year renewal period. The user then chooses the renewal option, pays the fee by credit card and can view and print a receipt. Users also have the option to provide feedback on the service by completing a short survey.

In its first year of operation, ServiceArizona has received a 99 percent positive rating. The comments below, taken from an online survey, are typical of users' enthusiasm:

—“A very non-stressful, quick way to register my vehicle. Can be done in my pajamas.”

—“This is so wonderful! This is the second vehicle that we have renewed over the Internet, and we are very satisfied. I have two small children and now I don’t have to go down to the MVD and take a number and wait forever and hear my screaming kids complain. PLEASE don’t ever get rid of this option of renewal by Internet. Thanks again.”

—“Congrats! You made it quick and painless. So many fail in this regard when they set up a Web site. I only spent a short time here and found nothing that irritated me, so I think you did a great job.”

—“I may never wait in line again.”

### **Successful partnership draws national attention**

Since 1993, Arizona MVD has successfully partnered with private entities to offer value-added services to the public, especially when these services involve simple, routine, repeat transactions. In this application, the Arizona MVD required a third-party partner that could not only develop and manage the Web application, but also provide interactive voice response (IVR) telephone renewal services and develop stand-alone renewal kiosks for placement in MVD offices and other locations. According to Douglas, IBM was the only company with the technical capability and the inclination to fulfill all three requirements.

“IBM won the contract with Arizona,” Douglas notes, “because they were willing to evaluate several different electronic mediums, make the necessary investment to establish electronic service delivery channels at no cost to the MVD and participate in the marketing and advertising costs.”

Because of positive recommendations from the state of Arizona, IBM was recently awarded contracts to manage similar projects for the states of Arkansas and Louisiana. ServiceArizona has also drawn national attention from federal and state agencies hoping to repeat the logistical and financial success of the partnership between IBM and the Arizona MVD.

### **Complete realtime transactions**

According to Douglas, the most attractive feature of the service is its realtime transaction capabilities. Credit card authorizations are verified online as are various renewal prerequisites, such as passing the emissions test. That way, the MVD can be sure all the conditions have been met prior to approving the renewal.

*“IBM offered a wide variety of services and went out of their way to build a solid working relationship. In the last 25 years, I’ve worked with many contractors, both large and small—none offered the high level of personal attention that we received from IBM.”*

*—Penny Martucci, Assistant Division Director in Charge of Commercial Licensing Services, Arizona MVD*



*From the PC to the MVD’s RS/6000 server, registration is verified in seconds.*

In addition, because the vehicle records in the MVD's central database are updated in realtime during the online renewal process, they always reflect the vehicle's actual registration status.

ServiceArizona leverages a wide range of IBM software, hardware and services. At the IBM Global Industries data center, an RS/6000 server is dedicated for phone-in renewals, with IBM Corepoint Voice Response providing interactive voice response in both English and Spanish. A second RS/6000 system functions as a Web server, while IBM eNetwork Firewall runs on the third RS/6000 server, protecting the back-end systems from unauthorized entry and ensuring the integrity of the packets containing registration and financial information. An RS/6000 SP™ server is used to route information to both the MVD data center over the AAMVAnet and to the vehicle owner's financial institution for credit card processing. Ongoing support from IBM Global Industries ensures that all IBM hardware and software used in this application operates seamlessly.

Craig Stender, director of the special projects group for the Arizona MVD, says, "IBM's integration of the Web site with our back-end systems has automated much of the vehicle renewal process, so we can support a growing number of online transactions with the same size staff. We currently process 25,000 online transactions per month, but we could easily handle many times that number."

### **Relationship driven by responsiveness**

In addition to renewing registrations for single vehicles, businesses can perform fleet registration renewals through ServiceArizona. Residents can also use the service to request specialty license plates, and the Arizona MVD is working with IBM to enable online ordering of duplicate driver's licenses. In addition, plans are in the works to allow recording of sold vehicle notices as well as access to motor vehicle and driving records. The MVD predicts that once these services are easier to obtain, the volume of requests will increase—ultimately reducing waiting times and generating additional revenue for the State.

Penny Martucci, assistant division director in charge of the Competitive Government Partnership Program, says, "IBM offered a wide variety of services and went out of their way to build a solid working relationship. In the last 25 years, I've worked with many contractors, both large and small—none offered the high level of personal attention that we received from IBM."

Douglas agrees. "Because of IBM, people now look at the Arizona Motor Vehicle Division as being more advanced, an agency that gives choices to its customers. Consequently, in all cases, we would recommend IBM."

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For more information about  
Arizona MVD, visit:  
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