

# Department of Motor Vehicles

## Preferred Services Report for July 2008

### Individual Customers

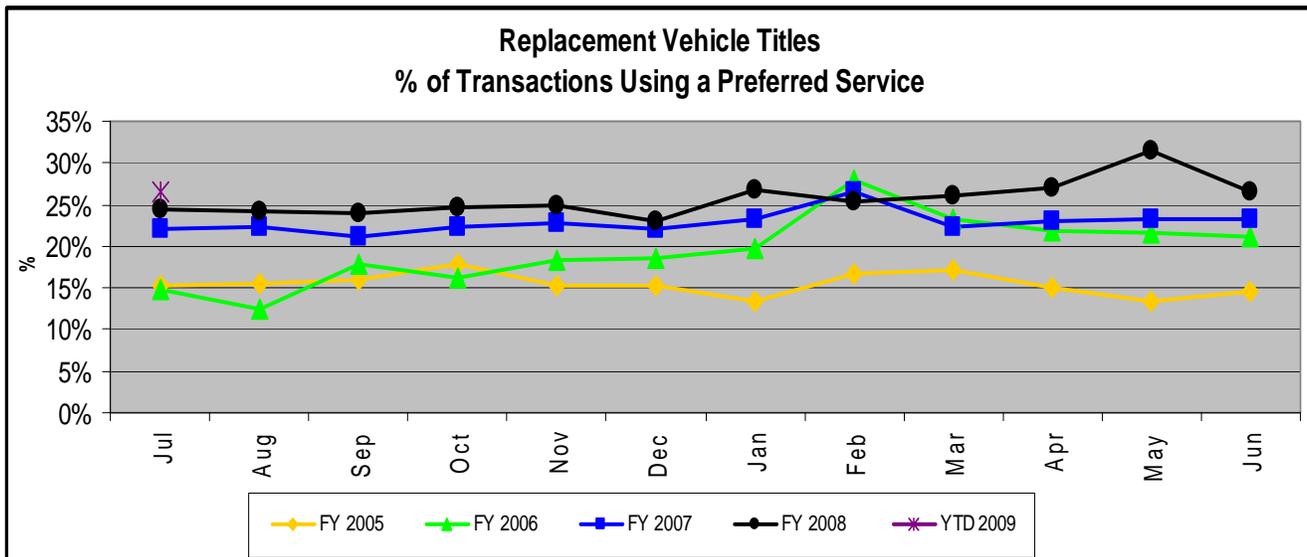
#### Replacement Vehicle Title Volumes by Service Option

|                            | This Month             |                  | Same Month Last Year   |                  |
|----------------------------|------------------------|------------------|------------------------|------------------|
|                            | Number of Transactions | Percent of Total | Number of Transactions | Percent of Total |
| Total                      | 11,125                 | 100.0%           | 10,731                 | 100.0%           |
| <b>CSCs</b>                | 8,166                  | 73.4%            | 8,105                  | 75.5%            |
| <b>Preferred Services:</b> | 2,959                  | 26.6%            | 2,626                  | 24.5%            |
| Mail-In                    | 744                    | 6.7%             | 817                    | 7.6%             |
| Internet*                  | 592                    | 5.3%             | 551                    | 5.1%             |
| Touchtone                  | 9                      | 0.1%             | 1                      | 0.0%             |
| DMV Select                 | 1,614                  | 14.5%            | 1,257                  | 11.7%            |

Source: Statistical Repository

\* GATARS transactions are included in the Internet numbers.

Customers increased their percentage use of preferred services for Replacement Vehicle Titles by 2.1% from July 2007 to July 2008. During this time period, customers increased their percentage use of the Internet and DMV Select options, while the use of the Mail-in option declined. As shown in the chart, the percentage use of preferred services for July 2008 was greater than the same month for the previous four years.



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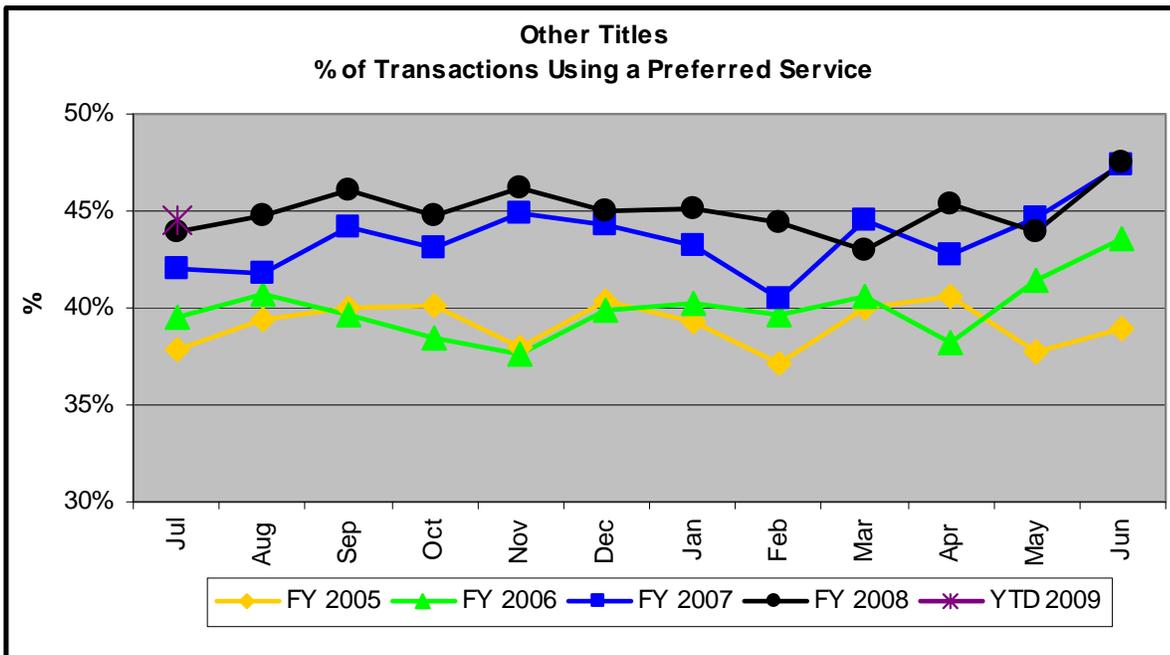
### Other Vehicle Title Volumes by Service Option\*

|                            | This Month             |                  | Same Month Last Year   |                  |
|----------------------------|------------------------|------------------|------------------------|------------------|
|                            | Number of Transactions | Percent of Total | Number of Transactions | Percent of Total |
| Total                      | 198,467                | 100.0%           | 201,586                | 100.0%           |
| <b>CSCs</b>                | 110,216                | 55.5%            | 112,945                | 56.0%            |
| <b>Preferred Services:</b> | 88,251                 | 44.5%            | 88,641                 | 44.0%            |
| Mail-In                    | 6,498                  | 3.3%             | 9,597                  | 4.8%             |
| GATARS                     | 124                    | 0.1%             | 117                    | 0.1%             |
| On-Line Dealer             | 52,639                 | 26.5%            | 56,307                 | 27.9%            |
| DMV Select                 | 28,990                 | 14.6%            | 22,620                 | 11.2%            |

Source: Statistical Repository

\* Consists of original, transfer, supplemental, substitute, repossessed, and salvage titles.

Between July 2007 and July 2008, the percentage use of preferred services for other Vehicle Titles increased slightly. During this period, while the percentage usage of the Mail-in and On-Line Dealer options decreased, the use of DMV Selects increased by 3.4%. As shown in the chart, the percentage use of preferred services for other Titles for July 2008 was higher than the same months for the last four years.



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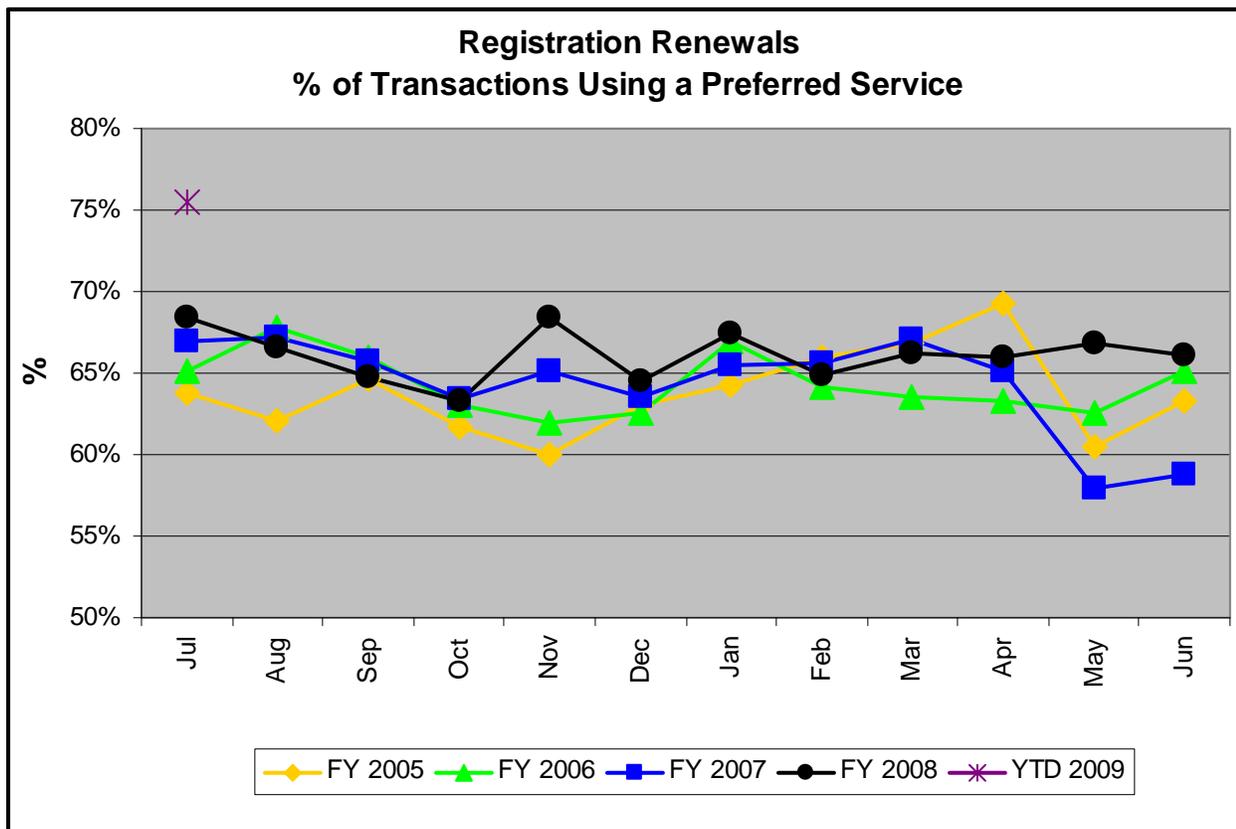
## Preferred Services Report for July 2008

### Registration Renewal Volumes by Service Option

|                            | This Month             |                  | Same Month Last Year   |                  |
|----------------------------|------------------------|------------------|------------------------|------------------|
|                            | Number of Transactions | Percent of Total | Number of Transactions | Percent of Total |
| Total                      | 473,169                | 100.0%           | 422,203                | 100.0%           |
| <b>CSCs</b>                | 115,776                | 24.5%            | 133,462                | 31.6%            |
| <b>Preferred Services:</b> | 357,393                | 75.5%            | 288,741                | 68.4%            |
| Mail-In                    | 185,283                | 39.2%            | 171,305                | 40.6%            |
| Internet                   | 131,891                | 27.9%            | 84,033                 | 19.9%            |
| On-Line Dealer             | 2,794                  | 0.6%             | 2,018                  | 0.5%             |
| Touchtone                  | 10,578                 | 2.2%             | 8,825                  | 2.1%             |
| DMV Select                 | 25,757                 | 5.4%             | 20,639                 | 4.9%             |
| Cyber Sites                | 1,090                  | 0.2%             | 1,921                  | 0.5%             |

Source: Statistical Repository

The percentage of vehicle registration renewals completed by a preferred service increased by 7.1% when comparing July 2008 with July 2007. The key reason for the increase was the 8% increase in percentage usage of the Internet which offset the decline in Mail-in use. The increase in Internet use can be attributed to the mandate of SB116 which makes the Internet a less expensive option than using a CSC. **As shown in the following chart, the percentage use of preferred services by customers for July 2008 was higher than any month for the last four years.**



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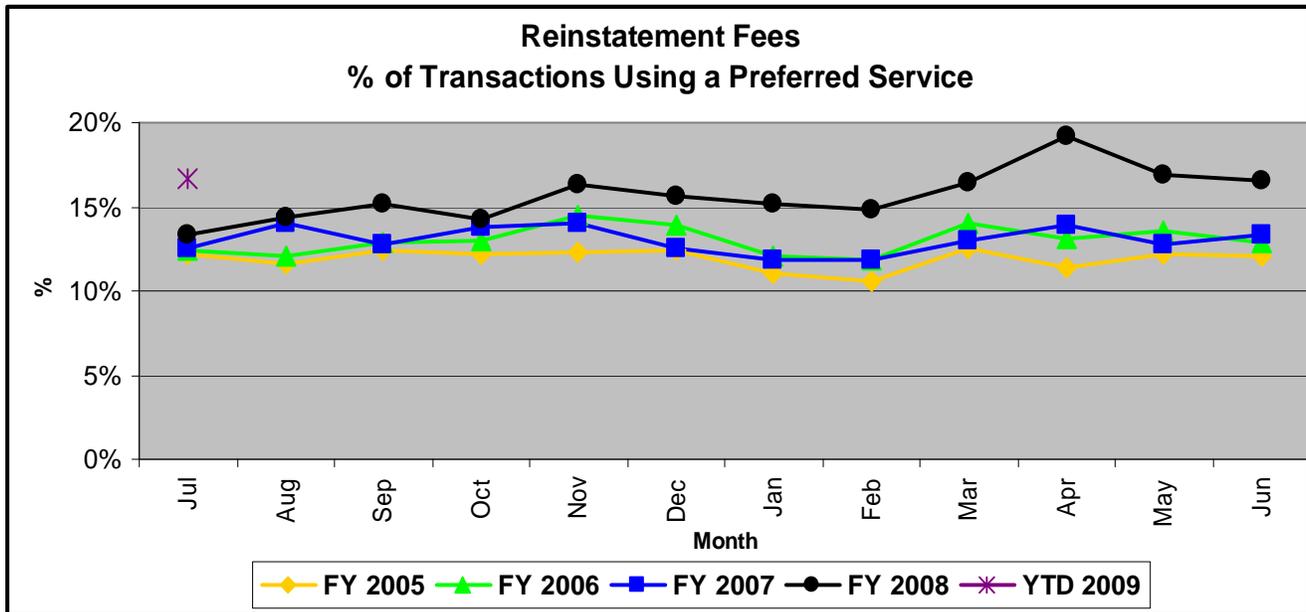
## Preferred Services Report for July 2008

### Reinstatement Fee Volumes by Service Option

|                            | This Month             |                  | Same Month Last Year   |                  |
|----------------------------|------------------------|------------------|------------------------|------------------|
|                            | Number of Transactions | Percent of Total | Number of Transactions | Percent of Total |
| Total                      | 19,725                 | 100.0%           | 18,438                 | 100.0%           |
| <b>CSCs</b>                | 16,434                 | 83.3%            | 15,978                 | 86.7%            |
| <b>Preferred Services:</b> | 3,291                  | 16.7%            | 2,460                  | 13.3%            |
| DMV Direct                 | 2,663                  | 13.5%            | 2,009                  | 10.9%            |
| Internet                   | 237                    | 1.2%             | 0                      | 0.0%             |
| Mail In                    | 372                    | 1.9%             | 422                    | 2.3%             |
| Weigh Station              | 19                     | 0.1%             | 29                     | 0.2%             |

Source: Statistical Repository

The percentage of customers who paid their reinstatement fee by a preferred service increased by 3.4% for July 2008 versus July 2007. DMV Direct and Internet options increased, more than offsetting the decline in Mail In and Weigh Station options. As shown in the chart, the percentage use of preferred services by customers during the month of July was higher than the same month for the last four years.



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## Preferred Services Report for July 2008

### Business Customers

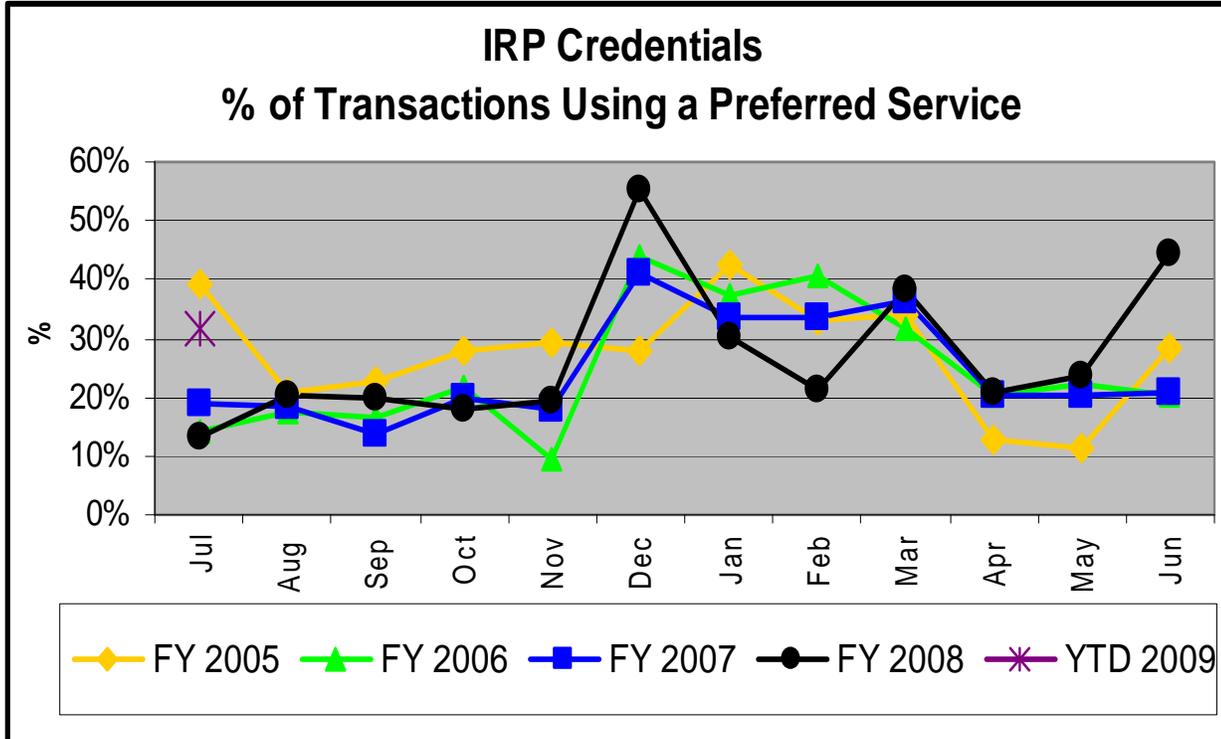
#### IRP Transaction Volumes by Service Option\*

|                            | This Month             |                  | Same Month Last Year   |                  |
|----------------------------|------------------------|------------------|------------------------|------------------|
|                            | Number of Transactions | Percent of Total | Number of Transactions | Percent of Total |
| Total                      | 2,979                  | 100.0%           | 2,983                  | 100.0%           |
| <b>CSCs</b>                | 2,042                  | 68.5%            | 2,588                  | 86.8%            |
| <b>Preferred Services:</b> | 937                    | 31.5%            | 395                    | 13.2%            |
| Mail-In/Fax                | 344                    | 11.5%            | 194                    | 6.5%             |
| WebCAT                     | 593                    | 19.9%            | 201                    | 6.7%             |

Source: VISTA/RS

\* IRP transaction numbers reflect where transactions originated.

The percentage of business customers who completed IRP transactions via a preferred service increased about 18.3% when comparing July 2007 with July 2008. Both the Mail-in/Fax and the WebCAT options increased with the WebCat option showing the larger increase. One key reason for the WebCAT increase is DMV's promotion that if carriers want same day service, they must use WebCat.



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## Preferred Services Report for July 2008

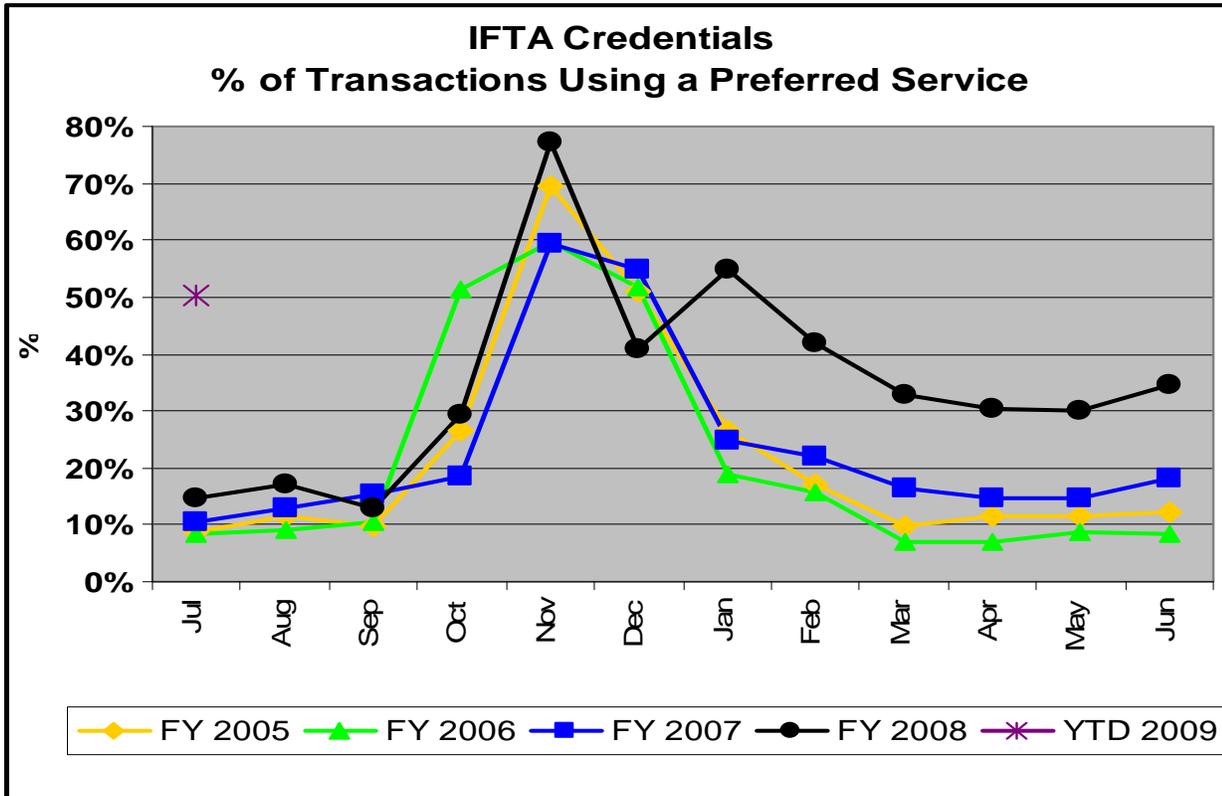
### IFTA Transaction Volumes by Service Option\*

|                            | This Month             |                  | Same Month Last Year   |                  |
|----------------------------|------------------------|------------------|------------------------|------------------|
|                            | Number of Transactions | Percent of Total | Number of Transactions | Percent of Total |
| Total                      | 253                    | 100.0%           | 333                    | 100.0%           |
| <b>CSCs</b>                | 126                    | 49.8%            | 284                    | 85.3%            |
| <b>Preferred Services:</b> | 127                    | 50.2%            | 49                     | 14.7%            |
| Mail-In/Fax                | 110                    | 43.5%            | 38                     | 11.4%            |
| WebCAT                     | 17                     | 6.7%             | 11                     | 3.3%             |

Source: VISTA/TS

\* IFTA numbers reflect where transactions originated. Includes IFTA credentials only and does not include IFTA tax transactions.

The percentage of IFTA credentialing transactions via preferred services increased by 35.5% from 14.7% in July 2007 to 50.2% in July 2008. As shown in the graph below, Preferred Service usage for July 2007 is over 30% higher than the same month for the last four years. DMV's promotion to carriers about the faster service through WebCAT and the Mail-in/Fax options is a key reason for the increase usage in Preferred Services.



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## Preferred Services Report for July 2008

### DMV's Promotion of Preferred Services

#### Quotes from Customers Who Recently Completed DMV Transactions On-Line

- **Vehicle:** I'm a native New Yorker living in Virginia now for a decade. Y'all got it right with DMV on the web! This is an OUTSTANDING example of how a state can provide the citizenry with routine services efficiently, cost-effectively, and PAINLESSLY. Thank you for your investment in DMV on the web. Chris DePippo (7/25/2008 10:28:51 AM)
- **Driver:** Thanks for making this so easy! Also saves a lot of time (7/15/2008 9:41:43 AM)
- **Plate:** Great feature especially since gas prices are too high!! (7/10/2008 9:01:15 PM)
- **Insurance:** Thanks for making this easy!! (7/15/2008 1:19:14 PM)
- **Vehicle:** There could be an easier method to print the receipt for payment. This receipt can be kept in the car in case the renewal does not come in the mail before the tags expire. I was not confident the credit card information was encrypted during the transaction which would assure security of the account. (7/9/2008 3:49:51 PM)

#### Recent Activities to Promote Preferred Services

- DMV established the Newport News Denbigh DMV Select which will open on September 15, 2008.
- DMV added a press release to DMV's web site that announced how the use of Preferred Services for vehicle renewal transactions could avoid a \$5 fee for using a CSC.
- DMV posted a podcast on DMV's web site stating five reasons to avoid going to DMV.

#### Financial Transactions

| Financial Transactions for the Month* |                        |                  |                        |                  |
|---------------------------------------|------------------------|------------------|------------------------|------------------|
|                                       | This Month             |                  | Same Month Last Year   |                  |
| Source                                | Number of Transactions | Percent of Total | Number of Transactions | Percent of Total |
| <b>CSCs</b>                           |                        |                  |                        |                  |
| Cash                                  | 255,202                | 45.3%            | 283,612                | 45.0%            |
| Check                                 | 117,080                | 20.8%            | 159,506                | 25.3%            |
| Charge                                | 190,957                | 33.9%            | 186,841                | 29.7%            |
| <b>Total</b>                          | <b>563,239</b>         | <b>100.0%</b>    | <b>629,959</b>         | <b>100.0%</b>    |
| <b>Preferred Services**</b>           |                        |                  |                        |                  |
| Cash                                  | 25,687                 | 10.7%            | 22,249                 | 11.7%            |
| Check/E-check                         | 54,102                 | 22.6%            | 46,356                 | 24.3%            |
| Charge                                | 159,484                | 66.7%            | 122,370                | 64.1%            |
| <b>Total</b>                          | <b>239,273</b>         | <b>100.0%</b>    | <b>190,975</b>         | <b>100.0%</b>    |

\* Sources: "CSC Fiscal—CSC and License Agent Revenue" report and "Echeck-Credit Card Transaction" report from Stuart Napier.

\*\* Includes Internet, Cyber site, and DMV Select