

# GrooveCar Deal Links it with National Credit Unions

Teaming with Teledata Communications will give it access to more than 100 new lenders.

By [Laura Glasser](#) | September 28, 2010



Credit [Anthony Montemarano](#)

Hauppauge-based GrooveCar kicked off its national push last week with a partnership with Teledata Communications that will give it access to more than 100 new credit unions across the country.

Through the partnership, GrooveCar, which links auto dealers and credit unions, will be offering its car buying and leasing system to all the credit union clients of Teledata, a loan-origination software company also based in Hauppauge.

The move is the first step in GrooveCar's planned expansion across the United States. The company launched its West Coast operations this week.

"We're already in talks with credit unions throughout the country," said David Jacobson, GrooveCar's chief executive. "California is a big lease and credit union area, so that's a natural for us."

GrooveCar currently works with credit unions and car dealerships in New York, New Jersey, Pennsylvania and Michigan.

Jacobson said the partnership with Teledata will springboard his company's national expansion. The deal will give GrooveCar about 120 new credit unions to work with in states like Arkansas and Washington.

The two local companies have worked together since 2004, when Teledata first gave GrooveCar a Web-based system to take auto loan applications from credit union members at dealerships, and Jacobson said he gave Teledata its first credit union clients.

"Now we're looking for national expansion, so we talked with them and because of our reputation, they were more than happy to introduce us to their clients," Jacobson said.

GrooveCar will first focus its expansion on the West Coast and then move to the Florida area, Jacobson added.

Nancy Orlando, senior vice president of credit at Farmingville-based Teachers Federal Credit Union, said the national push should prove well for GrooveCar.

"I think other credit unions would absolutely be interested in working with them," Orlando said. "It's a way to continue to reach out to your members in an environment that, without GrooveCar, you would not be able to do."

GrooveCar allows Teachers to offer its auto financing to members right at the car dealership, Orlando said, adding before working with the company in 2002, Teachers could only originate auto loans from its branches.

Davidson said his auto-buying product will also help the new credit unions gain more members. By making their financing an option at the dealership, credit unions can convert more non-members through exposure.

"GrooveCar allows us to do a one-stop-shop at the dealership," Orlando said. "A large percentage of the relationship is bringing in new members."