

**Case Study**

# The importance of holistic and proactive lien management: City National Bank

Wolters Kluwer

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**As a lender to customers around the country, City National Bank (CNB) understands the importance of holistic and proactive lien management.**

The Wolters Kluwer Lien Solutions team worked with Sheira Smith, a collateral manager with over 25 years experience in CNB at the time, which experienced firsthand the transition from manual to digital handling of UCCs and the growing importance of a more comprehensive, automated, and active approach to lien management.

When Smith began, the whole process of perfection was paper-based. Forms would be filled out and sent to the relevant jurisdiction. Smith recalls how much paperwork was involved and the time-consuming process of sending documents by mail. And even then, she notes that with requirements varying by jurisdiction and room for human error, "It was hit or miss whether they got recorded or not."

CNB and Smith understood that effective lien management has impacts on an organization at many levels. It's a core for mitigating risk to secured assets and for remaining compliant with both internal and external regulations.

It also has implications for effective operations — a centrally coordinated lien management system can ensure visibility across a portfolio.

**The context**

## Continually perfecting lien perfection

As Smith reflected, "There was a time when the servicing of loans was very fragmented." But with the evolution of the industry, the advance of automation technologies, and the support from providers like Lien Solutions, the landscape is very different today. Smith highlights the importance of having a single touchpoint for managing a large portfolio of liens: "I don't have to have people in 20 locations monitoring. I can do it in one location and have just one person managing it." This highly-integrated approach to lien management is the result of a close working relationship between CNB and Lien Solutions — one where insights and innovations can be readily shared and actively applied.

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**The challenge**

## The need for a responsive service provider and an integrated approach



When CNB initially migrated away from paper, the bank used another lien services provider. But with the scale and complexity of the transition and all the details that needed to be addressed, Smith realized that her team simply wasn't getting the level of support and responsiveness that they needed. It was hard to get in touch with the rep, answers were slow in coming, and CNB wasn't being kept abreast of the many critical changes happening in the industry.

Smith led the charge to find a different and more responsive provider, a challenge that brought her to Lien Solutions. Where not only could they get the kind of customer care they were looking for, but also the full spectrum of services needed for comprehensive lien portfolio management.

**The solution**

# Multiple solutions that work together as one



## Monitoring

iLien's monitoring functionality has been fundamental to Smith's team. For example, the stipulation that an entity name in a UCC filing must be kept current has created an extra burden and degree of risk for the organization — if the name isn't right, CNB loses its ability to collect on a collateralized asset. So, CNB uses iLien Monitoring alerts to keep CNB aware of business entity and UCC status changes.

As Smith said, all of this "keeps us ahead of the game so we can be on the same page and protect our ability to collect if a loan goes south." Smith noted that her operations have been transformed by centralizing monitoring in her shop and having a single source like iLien to support it. "I don't have to be running to every person in our organization asking what happened to our liens. I now have the control and can get everything from one location — your system at our fingertips makes that possible."



## Auto Continuation

To ensure there are no loose ends in their lien portfolio, CNB uses iLien's Auto Continuation to catch items that they may have missed. For example, sometimes UCCs are created by other groups in the organization, or even by outside counsel. There are times when a UCC is filed after the loan was booked and the way it's entered into the mainframe system bypasses iLien. Auto Continuation catches these loans in time for them to be continued.



## Premium Reporting

Further building on the interconnected approach to portfolio management, Smith saw the iLien Premium Reporting tool as an augmented way of monitoring. CNB uses iLien reporting to pull up her pending expirations, and specifically to review the filings they are allowing to lapse. The Premium Reporting tool enables CNB to set up custom reports that work for their organization. But the impacts of reporting go beyond the tracking of liens themselves. Smith noted that she used Premium Reporting to inform her internal SLAs. By seeing how many filings one of her processors completed, she was able to monitor production.

**The result**

# Benefits build on each other

Far from a disparate menu of services, Smith saw Lien Solutions' Manage Offerings as an integrated way to maintain control over CNB's portfolio of liens. Through the use of Monitoring and Alerts, Automation, Reporting, and more, Smith's team was able to maintain broad awareness of what's happening, or will happen, across the portfolio and take action as needed.

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