

# The Collector Chronicle

NORTH AMERICAN RECOVERY

February 2014

Utah, Colorado & Idaho's  
Collection Authority

## LAST MONTH'S LUCKY WINNER

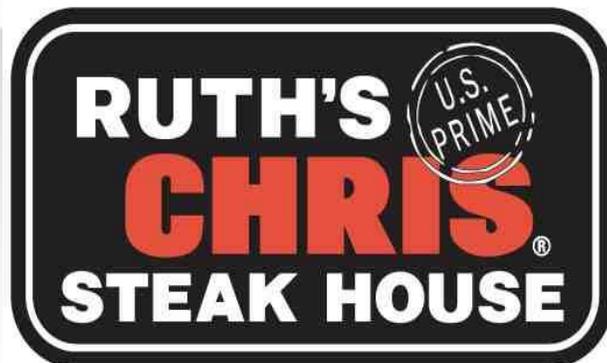
Congratulations to Sleep and Lung Clinic for being the lucky winner of our client prize for last month. We are excited for Sleep and Lung because they've only been using our agency since July of 2013. We work with Stacey and will be sending a gift card to PF Chang's China Bistro! Enjoy!



## THIS MONTH'S PRIZE

This month we will be giving away a gift certificate to Ruth's Chris Steakhouse. Each client who sends accounts during February will have their name entered into a drawing. At the end of the month we will draw a name, and if it's yours, you'll win the prize.

**Don't miss out on your chance to win;  
Send new accounts in February!  
Good luck!!**



## IS THERE ANYTHING I CAN DO TO HELP?

**By: David J. Saxton**

President, NORTH AMERICAN RECOVERY

When a prospective client is considering using our agency, they usually have a few questions. These questions range from "What's your commission rate?" to "What if someone moves to a different state? What can you do?" However, the question I wanted to discuss in this month's newsletter is: "Is there anything I can do to help the collection process?"

This may seem like an odd question for a client to ask because we are the ones charged with collecting your account. Keep reading and you'll see why this question is so important.

Collections is an interesting field. When I first started as a front-line collector nearly 25 years ago, I was baffled by the fact that so many people didn't pay their bills. Then, as I became more experienced, I discovered that not only did people not pay their bills, they also moved all the time and changed jobs with the seasons. I learned that, before I could even consider collecting from someone, I had to find them. This is still the case today. Sometimes it's easy, but most of the time we have to use every one of our sophisticated skiptracing tools and techniques to find the consumer. Only then can we start collecting from them.

So, how do we find a consumer? Well, the source of our best skiptracing information may come as a surprise. People think that, with the Internet, and the amount of information that's available today, we should have an easy time of finding someone. That's not the case. With the increases in identity theft, most sources of information have become more difficult to access. So, what's our best source of skiptracing information? It's you, our client.

When you think about it, it makes a lot of sense. If a consumer is trying to obtain credit, or receive some type of good or service, they are very willing to provide you with just about any personal information you could ask for. And this is why you are the best source of information when it comes to collecting one of your accounts.

So if a client were to ask, "What can we do to help the collection process?" I would tell them there are actually three specific things they can do:

1. Collect detailed and specific, personal information from the consumer during the initial transaction.

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2. Send the account to us when it becomes 90 to 120 days delinquent.
3. Send all of the information you have on the consumer when you assign the account.

Sounds simple, right? Well, let's discuss each item in more detail starting with: "Collect detailed, specific personal information from the consumer during the initial transaction." You might be asking, "What information should I get?" The minimums are: email address, social security number, date of birth, home address, phone number, name of employer, work phone number, and the names and phone numbers of at least two relatives that are not currently living with the consumer.

These items are usually collected as part of your standard credit application process. So, if you make sure every customer completely fills out the application, when the account falls delinquent and is sent to us, we have everything needed to identify and locate the consumer.

Most of the forms I've seen are very good. The only problems we encounter are when customers leave large sections of the document blank. So don't let that happen.

The next item: "Send the account when it's 90 to 120 days delinquent." is just as important. The "ideal" time to send an account to collections is between 90 to 120 days after the last payment or service. If you wait any longer, the chances of collecting the account are greatly reduced. I know it's tempting to wait another month before sending the account with the hopes that "Maybe they'll pay!", but you have to resist that temptation. The sooner we start working the account, the sooner we'll collect it.

The last, and maybe most important item, is: "Send all of the information you have on the consumer when you assign the account." Why? Well, if you collect every possible bit of personal information from a consumer, and assign the account when it is 90 days delinquent, if all we receive is the consumer's name and address, it defeats the purpose.

Here is an example of what I mean; We had a prospective client ask if we could collect one of his

past-due rental accounts. This client owned some rental properties, and this specific consumer had lived in one of his units for about a year. The consumer disappeared one day and owed for one month's rent. This is a fairly typical situation, and we collect accounts like this all the time. We instructed the client to send the account to us, and we would get started right away.

A few days later, we received a package in the mail from the new client. It included a typewritten form that listed the consumer's name, address (the apartment he just moved from), and his old phone number. There was also a copy of the lease and a detailed description of the charges. Sounds good, right? Well, actually, we didn't have any personal information about the consumer. The documents we received did a very good job of establishing the details of the debt (a copy of the signed lease is a necessity and a detail of the charges is also required); however, there wasn't any personal information about the consumer. No date of birth. No social security number. No email address. No information about his employer. No references. This lack of information would make finding the consumer very difficult.

In the end, everything turned out okay because we contacted the client and had him send a copy of the application, which actually had a good deal of personal information about the consumer. But without that additional document, we would have been sunk.

Most of our clients are very good about collecting the necessary personal information from a consumer, assigning the account when it's 90 to 120 days delinquent, and sending us everything. That's one of the reasons our recovery rate is double the national average (36% compared to 18% for the national average).

So, to sum it up, make sure you obtain detailed personal information from every consumer. Then, if the account goes delinquent, send us everything you have when the account is between 90 and 120 days past due. It might take more time to do this, but I promise it will be worth it. Following these steps will ensure that we have everything necessary to provide you with the best collection services possible.



*The Collector Chronicle* is published monthly by NORTH AMERICAN RECOVERY for prospective and current clients. Please direct questions or comments to the Editor, Stephen Halling, at: [StephenHalling@North-American-Recovery.com](mailto:StephenHalling@North-American-Recovery.com)

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