

# The Collector Chronicle

NORTH AMERICAN RECOVERY

May 2015

America's Collection Authority

## LAST MONTH'S LUCKY WINNER

The lucky winner of our client prize for the month of April is Cascade Family Dental. Congratulations! We work with Chelsey and will be sending her a gift card for dinner for two at Red Lobster. Enjoy!



## THIS MONTH'S PRIZE

This month we will be giving away a \$100 gift card to Nordstrom. Each client who sends new accounts during the month of May will have their name entered into a drawing. At the end of the month we'll draw a name, and if it's yours, you'll win the gift card.

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



## What Should You Do When a Consumer Calls You?

BY: David J. Saxton

President, NORTH AMERICAN RECOVERY

It starts out innocently enough. You answer the phone, and to your surprise it's John Doe. The same John Doe you just sent to collections because he ignored your phone calls and collection letters for the last six months. John starts telling you how he's "been out of town and didn't get your messages" or "he's not responsible for the bill because he has insurance" or "if I knew you were going to send me to a collection agency, I would have paid." As you listen to John, your frustration level begins to rise. If he would have called a month ago, you would have worked with him. But now, it's too late.

Even though you are upset, you would like to believe what he's saying. You're tempted to forgive him, and when he tells you he'll pay the bill if you call off the collection agency, you're faced with a dilemma. You've worked very hard trying to collect this account for several months and now it seems like you'll finally do it. However, recalling the account from our office is absolutely the worst thing you could do. Here's why.

Even though Mr. Doe sounds very convincing, it's just another stall tactic; the chance of him actually paying is very low. The real reason he's calling, after months of ignoring you, is because we contacted him and demanded payment in full! This shocked Mr. Doe into realizing that he can't ignore the account any longer. The time has come for him to finally pay his debt. He called you as a last ditch effort at not paying, and he's hoping—with all his heart—that you'll give in.

# The Collector Chronicle

NORTH AMERICAN RECOVERY

May 2015

America's Collection Authority

He's done it before with other creditors and he believes it will work with you.

It's important that you hold your ground and simply tell Mr. Doe, "I'm sorry. We are no longer handling the matter. You must call NAR and talk to them." It will be difficult because he'll try his best to convince you that this time he really will pay, and will ask you to recall the account. If you stand firm and refer him to us, we'll collect the bill much faster, and you won't have to deal with the continued frustration of him promising to pay but never following through.

When you take the position of never recalling an account, you'll see much better collection results on the accounts you send to us, *and the ones you don't*. Let me explain why:

When you know you aren't going to recall an account, it gives you a much stronger position when talking to a consumer during your collection calls. This translates into higher collections for you, because the consumer will hear it in your voice, and know that if they don't pay, their account is going to a collection agency. This is a very important tool for you, and you should use it for all it's worth. In fact, we're counting on you doing this before assigning an account because it helps us collect the account once it is in our office.

This is one of the reasons we collect the full balance so quickly on so many accounts. Our clients do an excellent job of letting consumers know that they'll be turned over to a collection agency if they don't pay. Then, when we receive the account, we take the time to educate each consumer about the consequences of non-payment. When a consumer realizes we can

garnish 25% of their take home pay or that we can garnish their bank account for the full amount of the bill, the consumers who are serious about paying will do whatever it takes to pay.

If a consumer doesn't have the funds necessary to pay in full, that's okay because part of our job is helping the consumer alternative ways to pay their bill. We do this by giving the consumer suggestions and ideas on what they can do to come up with the money. The most common solution is for them to get a loan. We discuss this option with them and refer them to different lending institutions based on their individual circumstances. Sometimes they'll need a co-signer and sometimes they can get a loan on their own. Whatever their individual situation warrants, we take the time to explore these options with them, and by the end of the call we have helped the consumer establish a plan of attack.

If, however, the consumer can't get a loan, we will work with them to find an alternative solution. But before we do this, we verify that they have tried to get a loan and were denied. It's important that the consumer works with us during this process so they understand how serious we are about collecting the account.

Sometimes it's difficult for the consumer to deal with the finality of our demands. They've been getting away without paying for such a long time and now they have to "ante up." That's why they call you. But if you stand strong and have faith in the process—while always referring the consumer to us—your job will be easier, and we will continually provide you with optimum collection results.



*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)

1600 West 2200 South, Suite 410, West Valley City, Utah 84119  
801-364-0777 • Fax: 801-364-0784  
[www.North-American-Recovery.com](http://www.North-American-Recovery.com)