

# The Collector Chronicle

NORTH AMERICAN RECOVERY

May 2014

Utah, Colorado & Idaho's  
Collection Authority

## LAST MONTH'S LUCKY WINNER

The lucky winner of our client prize for April is Logan Urology. They have been assigning accounts since November of 2000! We will be sending Rebecca a gift card for a 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 will 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!!**



## THE POINT OF NO RETURN

BY: David J. Saxton

President, NORTH AMERICAN RECOVERY

The collection process has many deadlines. It has to be this way because, if we didn't have deadlines, we wouldn't collect half of what we do.

We aren't the only ones with deadlines; you also have deadlines. If a consumer doesn't pay as agreed, you give them a certain amount of time before you send a letter or make a collection call. Then, if they still don't pay, you send the account to us. But sometimes a consumer will call you after you've sent the account to us, and this is what I want to discuss this month.

The collection process starts before you ever assign the account. What do I mean? Well, it's important that you've done EVERYTHING possible to collect the account before you send it to us. In fact, I tell clients that they shouldn't send an account unless they've given up all hope of ever collecting it.

If you can collect it yourself, please do so. It will be better for both of us in the long run. Now I realize it may sound strange for me to encourage you to collect your accounts instead of sending them to us, but it will actually help our success in the future.

Here's why: There will never be a time when everyone will pay their bills. It just won't happen. I know this, and I know that you will always have a need for our services. So no matter how effective you are at collecting, there will always be an account or two that you just can't collect. That's okay, and it happens to every business that extends credit. Those are the accounts you should send to us. Furthermore, in order for us to be effective, it's important that you've done everything possible to collect the debt. You can't have any second thoughts about assigning an account because, as sure as the sun shines, a consumer will call your office once we've made contact and ask that you recall the account.

As much as a consumer may insist, recalling an account is something you should never do. If you have an effective in-house collection process and

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you've given the consumer every opportunity to pay, it will be easier for you to simply say, "I'm sorry, the account is no longer in our office. You must call North American Recovery and talk to them about your bill."

Don't worry, even if the consumer insists that you work with them, you don't have to. You've given them every opportunity to pay, and you don't have to feel sorry or worry that you're being harsh. It's important to our success that you simply repeat what you already said, "I'm sorry, your account is no longer in our office. You must call North American Recovery and talk to them about your bill." Even if you have to tell the consumer two, three, or even four times, stand your ground.

Why do consumers try this tactic? It's because they're scared. We are very direct about telling a consumer to pay in full—immediately—and this scares them. They hope that by calling you, they will find a sympathetic ear, you'll recall the account, and the pressure to pay will stop (so they can go back to ignoring the bill). But you've got to be strong. Don't succumb to the temptation to give the consumer a break.

Our success on your accounts is dependent on us working together and being on the same page. If we're telling consumers to pay in full, they can't hear a different story from you. If they call your office and they're told that they can make small monthly payments it's going to ruin any chance we have of collecting the balance.

However, when a consumer tells our collector, "I'll just call your client and work out payments with them." The collector will respond with, "At this point they have hired us to collect the account, and it is in our office now. If you call them, they will refer you back to me." Then, if the consumer does call your office and you say, "I'm sorry, your account is no longer in our office. You must call North American Recovery and talk to them

about your bill," the consumer will realize that they must deal with us and find a way to pay.

This is why it's so important that you've done EVERYTHING possible to collect the account BEFORE you send it to us. When a consumer does call in asking you to recall the account, you're going to have to take a stand, and you don't want to be second-guessing yourself. You must know that they have been given every opportunity to pay and, you're not going to recall the account or even talk to the consumer.

Our clients that take our advice and refer consumers to us experience two distinct advantages: First, our recovery rate is anywhere from two to three times higher for these clients. Seriously! This could mean thousands of dollars in additional collections each year. I know every client would like to see a higher recovery rate.

Second, the client doesn't waste time dealing with non-performing accounts. If you take a call from a consumer that's been assigned to us, you'll have to go back and forth talking to the consumer, then to us, then the consumer, and so on. It makes the process of using our agency a frustrating experience. Don't let that happen to you. Refer consumers to us so you can spend time focusing on your job.

I guess it boils down to this: Let us do the job you've hired us to do. You'll experience higher returns, you'll have peace of mind because we're taking care of the collections, and you'll enjoy using our agency even more. When it's all said and done, that's the most important part of our relationship with our clients. We want you to be completely satisfied with our service and everything we do on your behalf.

So when a consumer calls, just say, "I'm sorry, your account is no longer in our office. You must call North American Recovery and talk to them about your bill."



*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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