

AGENCY FOCUS:



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Justin Berg and Jeff DiMatteo are two of the five owners of American Profit Recovery (www.americanprofit.net), leading the Marlborough office, with Barry Jennings, Matt Moskowitz and Jeff Spurgess heading the branch in Farmington Hills, Mich. APR specializes in third-party, flat fee and contingency collection in a variety of businesses, including financial institutions, medical, lawn care and trade organizations.

Collection Advisor: I understand you tout the firm as having a "gentler, kinder" approach to collections. Tell me what you mean by this and how it benefits your clients.

Jeff DiMatteo: The collection industry has become a commodity with creditors jumping ship to find a lower percentage. Through APR, we strive very hard to be different in all areas, starting with our employees, clients and consumers. We feel that if we offer a great place to work, our employees will be happier – resulting in better workflow and a higher resolution of debt with less loss of the client's customer. We sponsor many company events, including out-of-office trainings, employee week once a year, employee morale surveys, and very competitive sales and collector rewards programs. The "gentler, kinder" approach starts at the top and permeates throughout our entire company.

Justin Berg: In the past, most collection agencies had one goal: getting clients paid. Our goal is two fold – getting our clients paid and retaining their customers.

Alienation and cost are the two main barriers to entry for a company to use a collection agency. APR developed a softer approach and charging a minimal fee; as a result, our clients tell us they feel comfortable turning accounts over

sooner while the account is still collectable. This allows us to handle the debtor with diplomacy, because the debt is still fresh in the debtor's mind vs. using an intensive approach because of the debt being old. Our approach benefits our clients because their patients and customers feel as if they are still dealing with the original creditor, yet our clients have the impact of a non-alienating third party. To demonstrate this, all debtor payments go to the clients rather than directly to our agency. This changes the debtors' perception because they feel they are still in a working relationship with the creditor compared to having to deal with us. APR also believes in creating a diplomatic letter series instead of going immediately to telephone contacts. Phone communications are generally considered more abrasive than written contact.

Collection Advisor: I understand a majority of your collections are for banking and medical clients. How have regulations in these industries affected your collection efforts?

Jeff DiMatteo: Regulations have not affected our recovery rates in the least, but they have made us step up our security – which is good for everyone. Obviously, one of the largest issues in our industry is consumer privacy. In keeping with the idea of fully serving our customers and their needs, we are increasingly diligent with the consumer's information provided to us. The biggest area of risk is usually human error. Therefore, we feel we need to ensure we go overboard to screen, train, test and educate our employees about these issues. Our technology allows us to maintain security for internal and external terminals.

Collection Advisor: What kinds of technology do you use at APR?

Justin Berg: We created a proprietary system because of the uniqueness of our services and the ability to tie our diplomatic Tier I process into our collection piece. With our experience and development team, we think we can match, if not exceed, anything out there in terms of software.

Jeff DiMatteo: As many collection agencies continue to offer the same services, we continue to differentiate ourselves by offering customized options based on clients' needs and wants. As for vendors, we mainly use Accurint, Experian, Fast Data, Global Direct and DANTOM.

Collection Advisor: I'm assuming "APRweb Advantage" is a portal for clients. How does this benefit them and the firm?

Justin Berg: APRweb gives clients 24/7, real-time reporting on their accounts. Clients are able to see the status of any given account, along with how many times the debtor was contacted. This system also allows clients to enter accounts online at their convenience, which minimizes our data entry and allows us to keep our costs low.

Our clients have full control of their accounts in our system, and can mark an account paid, cancel, suspend or mark a partial payment. We have been told by many clients that one of the issues in using an agency is the difficulty of submitting an account and communicating payments to the agency. We recently had an outside marketing company interview our clients and found we had a 95 percent approval rating on the ease of use of our technology. Time is money, so we make it easy for our client to enter and update their accounts online. ☺