

# Company finds debt collection virtually recession-proof

BY MIKE SCOTT

Oakland@mbusinessreview.com

American Profit Recovery finds success taking a more graduated approach to debt collection.

The Farmington Hills company saw revenue rise by an average of 100 percent each year since being established in 2004, partner Matt Moskowitz said, growing to include more than 50 employees in Michigan, Charlotte, N.C., suburban Boston and Lexington, Ken.

### What sets your services apart in the debt collection industry?

We recognize that one of the reasons that businesses hang on

“We get involved as a third party representative of our clients sooner and work more as an intermediary than a last resort.”

Matt Moskowitz

to their past-due bills is that they want to retain customers. Yet the approach many debt collectors take is that they become involved later in the process, often six months or so after rendering a product or service and by then it can be too late, which is why the national average is that only 11 percent of pay-due bills are collected by collectors.

We get involved as a third party representative

of our clients sooner and work more as an intermediary than a last resort. We call this our APR Tier One step. We attempt to collect debts in a more diplomatic way during that period until it has been established that debtor is unlikely to pay. Our ability to become involved earlier often will help clients collect faster. Our recovery rate averages between 40 and 50 percent.

### Who are your typical clients and how do they find you?

There are several industries where we see a good portion of our business come from. That includes financial institutions such as banks and lenders, service providers such as plumbers and lawn and landscapers, colleges and universities, health care providers and more. We even work with a professional sports team to help collect on advertising clients.

If ever an industry was recession-proof,



Matt Moskowitz.

### Equal 'Opportunity'

**Company:** American Profit Recovery

**Location:** Farmington Hills

**Executive:** Matt Moskowitz, partner

**Web:** [www.americanprofit.net](http://www.americanprofit.net)

Send your 'Opportunity' ideas to [paulag@mbusinessreview.com](mailto:paulag@mbusinessreview.com).

ours virtually is. When the economy is down there are more debtors and more businesses struggling to collect that debt. When the economy is good, there is more credit being lent and more business transactions in general so even if debtors are down, the number of potential opportunities for us remains high.

### What are some possibilities for future growth in your business?

One option is to essentially serve as an accounts receivable department and handle certain accounts for certain clients from day one. This could be effective for physician practices, which often have this role handled by an office manager or someone internally that has a number of other responsibilities.

Another service we have been asked to do before and have considered for two years is running credit checks on businesses for our clients. The issue, though, is that we don't want to become a jack of all trades and a master of none.

■ Mike Scott is a freelance writer.