



Collector of the Month

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Team Van Nuys



Sales Rep of the Month

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The Biz

CREDIT & COLLECTION NEWS



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C&W holds annual strategic planning meeting

Van Nuys, CA—As sub-zero temperatures paralyzed much of the nation a group of C&W executives enjoyed mild weather in the mid-60's when they met here for the annual strategic planning meeting held January 16-18.



The meetings which are a key component of C&W's business plan provide a central venue for the company's executives from across the country to discuss performance, identify areas where improvement is needed and to set goals for the year.

Other agenda items include; formulating marketing strategies, implement-

ing value-added services, policy review and having direct contact with C&W's vendors.

Conducting the meeting was Robert E. Caine, Chairman and CEO, Greg A. Cohen, President and COO and William J. Valle-

corse, President—Central US. The attendees included: Frank Dispensa, Brad Schaffer, Dan Poloko, Rick Luther, Tony Albanesi, Steve Simon and Frank Draper.

The Vendors included Cindy Barker of Compass

Home Prices Rose 7.9 Percent in 2003

New York City, NY - U.S. average home prices rose 7.9 percent in 2003, driven by strong housing demand and historically low mortgage rates, the Office of Federal Housing Enterprise Oversight reported.

This increase marked the fourth straight year in which

average home prices climbed more than 7.5 percent across the country. In the past five years, average home prices rose 41.8 percent, OFHEO said.

The strong market has defied analysts' forecasts

and is expected to cool a bit in 2004 as interest rates head higher with stronger economic growth.

"The housing market will not be strong", said Wayne Ayers, Fleet Boston's Chief Economist, "but it will still be healthy".

Political debate heats up as US Firms move more work offshore.

Washington, DC— Outsourcing has become a hot-button political issue as a new push for legislation to halt the offshore jobs exodus is countered by an aggressive business campaign arguing the effort will backfire.

Some US lawmakers, blaming offshore outsourcing for many of the estimated 2.2 million jobs lost in the past three years, are pressing for

legislation to curb the outflow of jobs to low-wage countries like China and India.

Two recently introduced bills in Congress aim to counter the trend. One bill proposed by Senator Christopher Dodd would prohibit taxpayer funds from being used to outsource or take offshore work formerly done in the United States.

Meanwhile Representative Bernie Sanders and 50 co-sponsors proposed a bill in the House to bar companies from receiving federal grants, loans and loan guarantees if they lay off a greater percentage of workers in the United States than they lay off in other countries.

“Companies should not be asking for US government

handouts if they want to secretly throw American workers out on the street while they are expanding employment overseas”, Sanders said.

The outsourcing issue has gathered momentum as new technology allow many tasks to be handled at locations outside of the United States.

The Biz: New face, new format....same heart!

Van Nuys, CA—The Biz has undergone a face lift!

The issue you are reading was published in the new format.

“The all new version,” said Frank Draper, the Biz editor, “is a slicker and more refined publication than its predecessor. Its crisp lines, linear layout and for-

mat is easier on the eyes and is also easier to produce.

Newly acquired software which includes the easy linking of text boxes has reduced the publication time by 40%.

“Setting the production aspect aside”, said Draper, “the purpose of The Biz is to keep our cli-

ents informed of industry news, happenings in Washington and useful information that will inform and entertain our readers.

“We welcome story ideas, news of Industry events and interesting information from our clients”, said Draper. “This is what makes The Biz one of the more interesting industry publications.”



Victoria Fields and Belinda Garcia of Team Van Nuys check out the new format of The Biz.



Do you have business news to report or something exciting to say?

Email Frank Draper at frank.draper@caine-weiner.com

Wells Fargo Unit sues Kmart for Unpaid Fees

Chicago, IL— Wells Fargo & Company's Trumbull Group LLC unit has filed a breach of contract lawsuit against Kmart Corp to collect about \$6.6 million in unpaid fees related to work done on the retailers bankruptcy case.

Trumbull, a claims agent which handles tasks such as document mailings and Web site management for

major bankruptcy cases, said in court papers recently filed that its troubles collecting invoices began after ESL Investments, Inc., gained control of Kmart.

ESL's Edward Lampert, a financier who is now Kmart's chairman, owns more than 50% of the retailer's stock as part of its

reorganization plan.

While Kmart has paid all Trumbull invoices for work completed during the case, the retailer still must pay for all work done after the emergence date, Trumbull said.

Kmart has already paid Trumbull about \$800,000 for work completed.

Older Americans Retiring Under Mountain of Debt

New York City, NY – Over the last decade, high interest rate debt among America’s seniors has skyrocketed, making them the fastest growing age group headed into bankruptcy court, according to a new report, “Retiring in the Red: The Growth of Debt Among Older Americans,” released from Demos, a New York City-based public policy group.

The report’s findings put into stark relief the trouble ordinary older Americans are having at making ends meet in this economy. Over the last two decades, retirement wealth (pensions and social security) has fallen for all but the wealthiest seniors. Also, the value of savings-based sources of income – savings accounts, CDs and other conservative investments favored by seniors has steadily declined.

Since 2001, more than one-third of seniors were dependent on Social Security for over 90% of their income.

“As older Americans face shrinking income and savings”, said Tamara Draut, Director of the Economic Opportunity Program at Demos, “just one unexpected expense such as an illness, hospitalization or even a repair to an aging home can start a vicious

cycle of debt, hence seniors are turning in droves to credit cards as a safety net”.



42% of Americans are making minimum or no payments on their credit cards

Islandia, NY—Over four out of ten Americans (42%) are making just minimum payments or no payments on their credit card balances according to the Cambridge Consumer Credit Index.



Of those respondents surveyed with revolving balances on the cards, 39% made only the minimum payment and 3% made no

payment at all.

Another 39% paid less than half the balance

while 19% paid more than half their balances. In 2003, 46% of Americans surveyed paid just the minimum (40%) or made no payment at all (6%).

The survey also asked Americans who are taking on more debt why they are doing so. 49% of the respondents (up from 44% in 2003) said they are adding

debt because they don’t have the funds to pay for the purchases in full when the credit card bills arrive. 51% of Americans (down 56% in 2003) are taking on debt because they are confident of their ability to pay the balance off in full.

The results of the survey show Americans are split between those who can and those who are unable

Credit Cards Replace Collection Plates

Charlotte, N.C.— From systems that duplicate sermons to television gadgets that guard against foul language, electronic devices are a big hit at the National Religious Broadcasters Convention.

More and more religious institutions are embracing new technology and some have even begun to accept

donations electronically.

Emil Billman’s company processes credit card transactions for churches, synagogues and ministries across the United States.

The transactions “are used to accept donations or offerings on the Internet or with a regular care termi-

nal”, said Billman, President of TransPay Processing.

The idea has taken off for dozens of institutions ever since a church member recommended the idea to TransPay.

Some churches, however, are concerned that elec-

tronic donations could make the offerings less personal. But others are choosing to provide their worshippers with the convenience.



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The Biz

The Biz is published quarterly by Caine & Weiner to provide our clients and business partners with industry news and credit/collection information.

Information contained in The Biz is acquired from a wide range of sources.

Comments or questions can be directed to the editor.

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Robert E. Caine

President & COO

Greg A. Cohen

President-Central US

William J. Vallecorse

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Caine & Weiner is an international accounts receivable management company that provides commercial and retail credit & collection services to the global business community.

Established in 1930 by Sidney Caine and Charles Weiner our firm has offices strategically located across the country to service our 3,500 clients.

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Imaging, Connie Cameron of Jorgenson HR, Chris Benson of FEDChex and Jim Stone of Fast Track.

It was recognized that 2003 was a difficult year for many collection agencies. As such, the revenue for the industry's three largest agencies was down considerably from the prior year.

As a middle-sized agency, C&W however, enjoys a favorable industry position—not having to cobble programs according to the wishes of outside investors, as do large publicly

traded agencies, and free from having to reduce rates as many smaller agencies, who lack value-added services are doing.

Robert Caine presented each attendee with a copy of *Who Moved My Cheese?* written by Spencer Johnson, MD, that addresses a commonplace issue in today's fast-moving work place-change! The easy-to-read best seller explains the dynamics of change in simple language, hence reducing the fear of it.

Although the collection industry struggled in 2003,

Caine & Weiner's sales increased over the prior year and a record number of new clients were acquired through aggressive sales programs and innovative marketing.

Early economic indicators forecast a robust economy in 2004. Mindful of this and Caine & Weiner's ongoing desire to provide exceptional client service, the strategic planning meeting addressed the development of additional value-added services and convenient ways for their clients to access them.