

The Biz

Credit & Collection News from Caine & Weiner

Q-4 2011 Volume 11 Issue 4

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Holiday Greetings!

As we celebrate the Holiday Season and look forward to the New Year I wish to convey my heartfelt appreciation to our clients. We sincerely value the opportunity they've given us to provide them with innovative accounts receivable management solutions, and are genuinely thankful for their support of our service.

We take considerable pride serving our highly valued clients and are always mindful that they are the foundation of our success. Representing every major worldwide industry, their satisfaction is our highest priority. With this in mind Caine & Weiner is steadfast in our commitment to deliver best-in-class service and unmatched performance, enabling them to accomplish their accounts receivable management objectives.

Sincere appreciation is also extended to our alliance and global business partners and business associates, with whom we share similar core values and solid relationships based on trust and mutual respect.



Jake, Greg, Chris, Matt, Zac and Cami Cohen

We also want to thank Caine & Weiner's team of dedicated professionals. Their efforts have not gone unnoticed. They are genuinely appreciated for their selfless dedication, loyalty and commitment to excellence.

I wish everyone and their families warm holiday greetings and a Happy New Year.

Greg A. Cohen

President & CEO
Caine & Weiner

A brighter holiday for two little Louisville boys!

Louisville, KY— Two little boys who otherwise faced a bleak holiday season will have the joyful experience of receiving food, clothing, toys and other holiday gifts thanks to the generosity of Caine & Weiner's Mid-South center.

For the past few years, the Louisville-based team members have sought out needy families through the Kentucky Cabinet for

Health & Family Services and then generously reached into their pockets to support them.

This year's recipients were 9-year old Cornelius and 6-month old Milachi, the children of Stephanie, a single mother.

Caine & Weiner salutes team Louisville!

Analysts: Decline in credit card spending a trend

Bloomberg Business Week

Los Angeles, CA -- Credit card use has been declining and that trend is likely to continue next year after holiday spending abates, according to a report by Sterne Agee analysts.

In November the volume of credit card debt, or receivables, that major credit card companies funneled to master trusts totaled \$243 billion, essentially flat from the prior month, but down 10.5 percent from November last year. Last month's number also represents a 25 percent to 30 percent drop from late 2008 levels, the Sterne Agee analysts said Friday.

Major credit card companies often sell the debt to special trusts so that it can be securitized, or converted into securities. Those securities are sold to investors, who end up collecting the interest and

other payments from borrowers.

"Although seasonal holiday spending will likely provide a short-term lift to purchase volumes and subsequent securitization activity, the secular decline is unmistakable," the analysts wrote.

They noted that JPMorgan Chase & Co.'s current balances are down about 50 percent from 2008 highs, while Bank of America Corp.'s are down 32 percent and American Express Co.'s are off by 25 percent.

The latest data also show credit card delinquencies and charge-offs are continuing to decline, though at a slower pace, Sterne Agee said.

TransUnion finds only about one in ten Americans met 2011 financial goals

By John Branham
Marketwire

Chicago, IL—As 2011 comes to a close, TransUnion commissioned a Zogby IBOPE survey and asked consumers to look back on their financial goals for 2011. Unfortunately, 36 percent said they were not on track to meet their goals for the year, while only 12 percent said they had achieved their financial goal for the year.

"Even though consumers may be busy with the holidays, now is the perfect time for consumers to appraise their current financial situation and make goals for where they want to be at the end of 2012," says Heather Battison, TransUnion's senior director responsible for consumer education.

With a few weeks left in the year, now is a great time for consumers to start making their financial resolutions for the new year. TransUnion recommends the following tips to help consumers plan their financial goals for 2012:

Check your credit reports every three months: The first step to healthier credit is to recognize which bad financial habits, such as late payments, you

have and how they are represented on your report. Regular check-ups will also help you guard against identify theft.

Know your score: The higher your credit score, the better interest rate you are likely to receive.

Create a monthly spending plan and stick to it. This simple commitment can help you start a savings plan and will help keep you from building up unmanageable debt. Also, setting aside a fixed amount each month or week will guarantee funds in the case of emergency, while helping you develop financial discipline.

File a dispute. It is your right to question information on your credit report that you don't recognize or that might not be reflective of your credit behavior. Online dispute forms can be found on TransUnion.com.

Guard against identity theft. To help guard against this increasingly prevalent crime, sign up for a credit monitoring service that will quickly alert you to any changes in your report.

IN.gov launches free Identity theft prevention toolkit

By Sloane Wright
Business Wire

Indianapolis, IN—IN.gov and Indiana Attorney General Greg Zoeller launched an Identity Theft Prevention Toolkit in an effort to aid Hoosiers in protecting themselves against identity theft through education, detection practices, and corrective procedures. Identity theft starts with the misuse of your personal identifying information such as your name and Social Security number, credit card numbers, or other financial account information.

The Federal Trade Commission (FTC) estimates over nine million stolen identities each year. Many of these cases go unnoticed by victims while others are not realized until review of a credit report or contact by a debt collector. 4,163 self-reported consumer complaints for identity theft were received by the FTC for Indiana in 2009.

"Identity theft is a real crime with serious costs for victims and that's why our office created an easy-to-use toolkit and webpage that offers help ranging from prevention to identity restoration," Zoeller said. "These resourceful tools now available at your fingertips could help prevent you from losing thousands of dollars, time spent repairing your name or credit and the stress of being victimized."

The toolkit, available at <http://www.indianaconsumer.com/idtheft>, allows you to keep an inventory of the contents in your purse or wallet in order to contact creditors upon the loss or theft of information as well as detailed notes of all contacts with your financial institutions and law enforcement agencies, including the names, dates, phone numbers, and topics discussed. Account registration is free and quick to complete by creating a secure username and password.

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Retail sales rise for sixth straight month

By Christopher S. Rugaber
Associated Press

Washington—The start of the crucial holiday shopping season in November helped fuel the sixth straight monthly increase in retail sales. Gift-buying Americans spent more on clothing and electronics, and sales of autos and furniture also rose.

Still, the overall gain was the smallest since June. Consumers pulled back on some purchases unrelated to holiday shopping, such as groceries and building materials.

Retail sales rose 0.2 percent in November, the Commerce Department said. That was lower than October's gain, which was revised up to show a 0.6 percent increase.

Even so, more spending on retail goods shows the economy is continuing to grow steadily, if slowly.

The higher sales of furniture and autos suggested that consumers made more big purchases in November. So-called "core" sales, which exclude the volatile categories of autos, gasoline and building materials, rose for an 11th straight month.

Meanwhile, sales fell at gasoline stations and restaurants. "People decided to go to the store and do their shopping rather than go to the restaurant," said Jonathan Basile, an economist at Credit Suisse.

The report is the government's first read on monthly consumer spending, which accounts for 70 percent of economic activity.

A rebound in consumer spending helped revive the economy this summer after it slumped in the spring.

Economists expect consumers have helped boost growth even further in the final three months of the year.

Lawsuit claims lender left damaging voice mail

By Darren Waggoner
Collections & Credit Risk

Chicago, IL—When a Chicago man fell behind on his car payments, he claims in a new lawsuit that his lender tried to ruin his marriage by leaving a phone message mentioning his girlfriend.

The man's wife intercepted the message.

According to an ABC News report, Larnell Pillow is suing Prestige Financial Corp, based in Salt Lake City, for "intentional infliction of emotional distress." He claims an agent for the lender deliberately left the phone message. It seems Pillow had built a strong, friendly relationship with Prestige Financial as he kept his payments current. It was so friendly, in fact, that Pillow confided to one agent that he had a girlfriend "on the side," whom he now refers to as Jane Doe.

Every now and then, he says, Jane helped him make payments on his car. She thus became known to the agent. Pillow says he expressly told the agent never to mention Jane Doe to his wife.

But when Pillow lost his job as a crane

operator and fell behind on payments, the agent - according to the report on the lawsuit by ABC News - eventually phoned Pillow's home, leaving a voice message that mentioned Jane Doe, using her real name. Pillow says his wife soon left him, taking with her the couple's two young children.

Prestige Financial could not be reached for comment. However, the company did respond by e-mail through the chief counsel for its parent company, stating it had not yet been served with a copy of the complaint. That statement reads in part: "We are not in a position to address the merits of the lawsuit. Prestige does not comment of pending litigation matters."

Pillow also could not be reached. He previously stated that when he protested to the agent about the phone message, the agent allegedly said: "Now we know a pressure point to use on you."

The Fair Debt Collection Practices Act does not apply to original lenders, only to collection agencies and bad-debt buyers.

Finish the year strong!

This time of year presents extra challenges and unique opportunities where Caine & Weiner can provide you with essential accounts receivable management expertise and debt recovery services.

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The Biz

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

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

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Caine & Weiner—Since 1930, the world-class accounts receivable management solution for the global business community

Established in 1930 by Sidney Caine and Charles Weiner the firm has offices strategically located across the country to service their 2,500 clients.

FDCPA lawsuits near 11,000 year-to-date

Darren Waggoner
Collections & Credit Risk

Grand Rapids, MI—Lawsuits citing Fair Debt Collection Practices Act (FDCPA) violations reached 10,788 this year through Nov. 30. Last year, the 10,000 mark was reached on December 1st.

FDCPA lawsuits in the most recent reporting period of November 16-30 totaled 385, reported WebRecon LLC, a Grand Rapids, Mich.-based company that tracks the data from the courts. Through November 30th, the number of consumer statute lawsuits reached 11,597. The total includes not only FDCPA cases but also Fair Credit

Reporting Act (FCRA) cases (1,714), Telephone Consumer Protection Act (TCPA) cases (432) and the Truth-in-Lending Act cases (1,432). Many of the lawsuits list more than one alleged violation.

For the November 16-30 reporting period, consumers sued an estimated 427 different collection agencies and creditors, down from 474 in the November 1-15 period and down from 498 in the October 16-31 period.

Year-to-date, attorney David M. Larson has represented 314 consumers in cases

against agencies and creditors, followed by Feng Li (299), Craig T. Kimmel (239) and Sergei Lemberg (227). In the most recent reporting period, attorney Edwin D. Haskins led the way representing 18 consumers, followed by Larson with 14.

The top courts for lawsuits in the second half of November include: Colorado District Court - Denver (25 lawsuits); California Central District Court - Western Division - Los Angeles (22); and Minnesota District Court (21).

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