TheBiz

Credit & Collection News from Caine & Weiner

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Caine & Weiner readies for ICE Conference

Woodland Hills, CA—Caine & Weiner is honored to participate in the Insurance Collection Executives (ICE) Conference in Las Vegas as a selected vendor.

This years event is being held at the Monte Carlo Resort & Casino on October 21-23.

Established 40 years ago, ICE is an organization devoted exclusively to supporting the insurance industry collection professional.

The ICE conference, held each year at a different national venue, serves the members in several ways—keeping them informed of ever changing regulations, round table discussions concerning industry challenges and areas of key importance, seminars, learning first hand about services available to them, renewing relationships and more.

As an event supporter, Caine & Weiner is the proud sponsor of the golf tournament, in which prizes will be awarded in several categories to the winners.

Visitors to Caine & Weiner's exhibitor's booth will have the opportunity to learn first hand about our insurance industry-specific ARM services and successful strategies for increasing their revenue and lowering their DSO. They will also be able to participate in a drawing to take home a mobile device and win other prizes.

Monte Carlo Resort & Casino, Las Vegas

Caine & Weiner has established a strong presence in the insurance industry, providing ongoing services to over 75 carriers, including some of the nation's largest.

Consumer Financial Protection Bureau is keeping banks in check

David Lazarus

Los Angeles Times

Michael Barr served as the U.S. Treasury Department's assistant secretary for financial institutions in 2009 and 2010. He oversaw the Obama administration's dealings with Congress in creating the Consumer Financial Protection Bureau.

And he's still smarting from the experience. "The banks fought against the bureau tooth and nail," Barr told me. "They were in an all-out war with the administration over this."

"The financial sector lost that fight," Barr said. The bureau grew out of the debris of the financial meltdown, which more or less began five years ago this week when Lehman Bros. went kerblooey.

Although the banking industry and its friends have worked hard to limit the bureau's power, the agency is at last up and running, cracking down on unfair industry practices and providing new resources to consumers.

Click here for full story

Big U.S. banks keeping door open to another financial crisis

Michael Hiltzik
Los Angeles Times

There are two ways to think about how far we've come in protecting against a repeat of the financial meltdown five years ago that plunged the world into recession.

You can conclude that we've pretty much eradicated the risk of another such crisis. That's the bankers' viewpoint. Here's how Morgan Stanley Chief Executive James Gorman put it in an interview with Charlie Rose earlier this month: "The probability of it happening again in our lifetime is as close to zero as I could imagine."
Or you can conclude that we've done almost nothing to stave off another banking meltdown. That's the realist's viewpoint.

Financial historians may date the onset of the financial crisis from the collapse of Lehman Bros., which failed five years ago, on Sept. 15, 2008, though it was building for at least a year, and arguably several years, before that. Lehman's fall may be perceived more accurately as a symptom, rather than the cause, of a disease that had already infected the financial system.
The virus hasn't been cured, and while the patient itself — that is, the banking industry — seems to be back on its feet, it's still a carrier.

Today's big banks are materially larger than they were before the crash of 2008 — America's six biggest banks have 28% more in assets than they did in 2007, according to an analysis by Bloomberg. The U.S. economy has been growing consistently, but slowly, since hitting bottom in 2009. Gross domestic product still remains 9% below where it would have been if the pre-2008 trend line had continued, and some analysts worry that the economy may have sustained "permanent damage" from the severe downturn.

Family incomes also have recovered, but the joy has been spread unevenly. As Berkeley economist Emmanuel Saez discovered in the latest of his invaluable updates on income trends in the U.S., the top 1% captured 95% of all income gains from 2009 to 2012 — the real family income among the top 1% grew by 31.4% in that period while everyone else gained only 0.4%.

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States with the biggest drops in foreclosure

Paul Ausick and Michael B. Sauter
USA Today

In August, the number of homeowners entering the foreclosure process, known as foreclosure starts, fell below pre-recession levels for the first time. In some states, the decline in foreclosure starts has been even more pronounced, according to data released by housing research firm RealtyTrac.

In Illinois, the number fell by more than two-thirds in August, compared to a year ago. Despite the improvement, many of the states with the biggest declines in foreclosure starts also had among the highest foreclosure rates.

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Executive joins Caine & Weiner

Caine & Weiner is pleased to announce that John Handley has joined the ranks of our executive team on August 19th.

John, whose 25 year career includes sales, credit lending, collections, customer care and receivable outsourcing experience allows him to fully understand the needs of our clients. Throughout his career in the ARM industry John has held direct national sales, executive sales management and operation executive leadership positions with large account receivable companies.

He is a goal-oriented strategist whose confidence, perseverance and vision promote success. His background in credit lending, collections, customer care and receivable outsourcing experience allows him to fully understand the client's needs.

As Caine & Weiner's Vice President—Business Relationship, he will focus on national new client acquisition and relationship management of existing major clients.

John has a BS in Finance and furthers his industry understanding with numerous continued education courses such as Sales/Marketing Management at Darden Graduate School of Business and by being active in client associations like CFDD, TRMA and TRMG. John holds Certified Collection Agency Executive and Certified Commercial Credit Executive certifications with ACA Creditors International.

John and his wife, reside in Kansas City. They have three grown sons.

U.S. foreclosure filings drop 34% as property prices rise

Dan Levy
Bloomberg News

Foreclosure filings fell 34 percent in the U.S. last month as first-time defaults dropped to the lowest level in almost eight years and rising home prices made it easier for distressed owners to sell, RealtyTrac said.

Default, auction and repossession filings totaled 128,560 in August, with one in 1,019 U.S. households receiving a notice, the Irvine, California -based data seller said today in a report. It was the 35th consecutive month in which total notices declined on an annual basis, with foreclosure starts plunging 44 percent, RealtyTrac said.

“The foreclosure floodwaters have receded in most parts of the country, but lenders and communities continue to clean up the damage left behind,” RealtyTrac Vice President Daren Blomquist said in the report.

Increasing buyer demand and climbing property values are helping some troubled borrowers refinance or sell rather than lose their homes to foreclosure. The S&P/Case-Shiller index of property values in 20 cities rose 12.1 percent in June from a year earlier. Last month, foreclosure starts totaled 55,775, the lowest since December 2005, and fell on a year-over-year basis in 38 states, RealtyTrac said.

Declines occurred in states with and without court oversight of the process, with judicial states Illinois and Massachusetts both falling 66 percent, Florida dropping 65 percent and Indiana declining 43 percent, according to RealtyTrac. Among non-judicial states, Colorado fell 80 percent, Arizona and Washington both decreased 65 percent and California dropped 57 percent.

Bank seizures rose 6 percent last month from July, the third increase in four months, “a trend that will likely continue into next year,” Blomquist said.

The 26 states with increases in repossessions from a month earlier included New York, where seizures climbed 123 percent to the most in close to three years, and New Jersey, where they surged 63 percent to a 31-month high. Repossessions rose 48 percent in Florida, 46 percent in Ohio and 41 percent in Indiana.

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Credit cards show how regulatory reform can work

Darrell Delamaide,
USA TODAY

Credit cards, long a target for critics of predatory financial practices, are becoming something of a poster child for how regulation can help fix things.

Thanks to reforms from the 2009 CARD Act reforms, American consumers last year saved $1.5 billion on lower late fees and $2.5 billion from new restrictions on fees charged for going over your credit limit.

Perhaps best of all, stringent requirements on credit cards for those under age 21 has resulted in the percentage of 18 to 20-year-olds with a credit card account dropping by half.

These are some of the highlights from a report released last week by the Consumer Financial Protection Bureau, a new regulatory agency created in the wake of the 2008 crisis.

Other reforms from the legislation — formally known as the Credit Card Accountability, Responsibility and Disclosure Act — included restrictions on raising interest rates, requiring payments due on the same day every month, applying payments to high-interest balances first and so on.

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TransUnion launches credit monitoring app for iPhone

eCredit Daily

More consumers are banking, keeping track of their finances and making purchases with their smartphones, so why not monitor your credit reports as well.

TransUnion, one of the three major credit bureaus, hopes to expand its base of subscribers who sign on to their credit monitoring service for about $17 a month.

The credit reporting agency announced Tuesday that it is launching a mobile credit monitoring app for iPhone users, with an Android version on the way.

The app allows consumers to review their credit information from their smartphone, and get alerts to help better protect them against identity theft.

“People are more mobile than ever before; with TransUnion’s credit monitoring App, they are connected to their credit information whenever and wherever they want it,” said Julie Springer, vice president at TransUnion. The new app is available to those with a current TransUnion credit monitoring membership.

A study cited by TransUnion found that 53 percent of U.S. adults say they use online banking and investment applications regularly, and 70 percent of those users say these tools make them more diligent about tracking finances

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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.

TheBiz

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

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Est. 1930

Almost 80 per cent of America's wealthiest business owners are self-made, with the youngest ones being the most charitable

Ryan Gorman
Mail Online

America's wealthiest business owners are self-made and the younger they are, the more generous to charity they tend to be.

According to two separate recent surveys, a clear majority of America's most successful business owners are self-made, and younger ones tend to be more socially conscious. Across all age groups, a majority also say they started those businesses to have more control over their futures.

The younger high-net worth entrepreneurs are, the more quickly they pile up wealth, according to a separate survey – likely a cause for Millennials more freely donating to various charities and causes than their older counterparts.

A US Trust survey of 711 people with at least $3million in investible assets that found that 78 per cent founded or co-founded the businesses the made them wealthy also found that 70 per cent acquired the bulk of their wealth through that business.

The American Dream isn't dead yet.

'Business ownership is alive and well in the U.S. economy, and new innovation is fueling entrepreneurship that knows no age limits,' Keith Banks, president of U.S. Trust, told Fox Business.

With 60 per cent telling US Trust they feel more able to create significant wealth by going into business themselves, it's no surprise that 60 per cent say they did so to have more control over their futures.

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