



Credit Bureau, Inc.

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Collection & Credit Insights

Upcoming Events

- **MDA**
May 14-17, 2003
- **Towing Rodeo**
August 7-9, 2003



Welcome to Our New Clients

- Jerry's Towing & Recovery, Inc.
- Steve's Auto Parts
- Nelson's Towing
- Integrity Counseling
- Louis Tsui
- New Release Video
- Stoney Creek Equine
- Pioneer Transmission
- Mercy Amicare Home
- Healthcare at Home-Oak
- Adair & Shamley Tool Sales, Inc.



Our Offices

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(517) 265-8161

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(800) 710-4821

Jackson Credit Bureau
(517) 787-5333
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Debt in America

• The Average Debtor:

The average American household (with at least one credit card) carried a total balance of \$8,367 in 2001, up from \$8,123 in 2000. (Source: Credit Web).

Bank credit card loans in the U.S. totaled \$607.7 billion in 2001, up 6.9 percent from 2000's figure of \$568.4 billion. (Source: Credit Web).

Nellie Mae reports that the percentage of students with credit cards rose from 67 percent in 1998 to 78% in 2000. Average student credit card debt also rose from \$1,879 to \$2,748.

• The Magnitude of Consumer's Debt:

By the end of February 2002, outstanding consumer credit totaled \$1.67 trillion (Source: Federal Reserve Board).

According to the Federal Reserve Board, families dedicated 7.93 percent of income to consumer credit and loans and 6.37 percent to mortgages.

In 2001, 63 percent of workers felt confident that they will have enough money to live comfortably in retirement, compared with 72 percent in 2000 (Source: American Savings

Education Council Retirement Confidence Survey).

More than 6,500 collection agencies and 1,600 credit reporting agencies service an estimated \$135 billion in delinquent consumer debt placed for collection in 2000. This is nearly double the \$73 billion placed for collection in 1990 (Source: The Kaulkin Report, August 2001).

• Bankruptcy:

Myth: Collectors force people into bankruptcy.

Fact: In reality, it would not make sense for a collector to encourage a consumer to file for bankruptcy. When people file for bankruptcy, their financial obligations to their creditors are usually wiped clean-and the credit grantor and collector receive very little. Collectors understand that people in financial trouble often need guidance in settling



Let us bring you a little green this month!
Happy St. Patrick's Day!!

their accounts without expensive litigation, and often need the flexibility of alternative payment arrangements to work out their financial trouble. A collector's business is to collect, but in practice, collecting often includes counseling.

• Role of Professional Third Party Debt Collectors:

The debt collection market generates approximately \$13 billion in revenues for United States companies (Source: The Kaulkin Report, August 2001).

Recent estimates by the Bureau of Labor Statistics show employment in the collection industry is expected to increase by 35 percent or more by 2008

(Source: Bureau of Labor Statistics, 2000-2001 Occupational Outlook Handbook).

Article source:
ACA Web site



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www.a2cb.com

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