



## KEY MESSAGES ABOUT CONSUMERS AND THE COLLECTION INDUSTRY

### Introduction

Often when a reporter covers a story the goal is to present it with a local angle, so a local collection agency will be contacted rather than ACA. The following tips are provided to help ACA members conduct a successful media interview when contacted about personal finance and consumer collection issues. But please note: **If you are contacted by an aggressive reporter, suspect answering a reporter's questions may do more harm than good or are simply uncomfortable being interviewed; it is best to decline comment and instead refer the reporter to ACA.** Contact Nate Thompson, public relations specialist, at (952) 928-8000, ext. 714 or [thompson@acainternational.org](mailto:thompson@acainternational.org). Nate will help you prepare for the interview or if you prefer, will contact the reporter directly.

### Key Messages

- **There's no such thing as an unpaid bill.** Those of us who pay our bills end up paying for those who don't as well, in the form of higher prices passed on to consumers to make up for losses to bad debt. ACA estimates that collectors save the average family of four \$331 a year. This represents money they would have spent in increased cost of goods and services, if businesses raised their prices to cover their losses to bad debt instead of recovering the revenue through a collection agency.
- **Without the help of third-party collectors,** small businesses like your neighborhood hardware store, dentist or veterinarian would not be able to offer flexible payment options. The risk of loss would outweigh the benefit of convenience in accepting anything other than cash payment in full and up-front. Collectors make it possible for you to write a check at the grocery store and open a low-interest car loan at your credit union.
- **The most effective collectors** are those who work *with* consumers to find positive solutions to their financial challenges. A collector wants to motivate the consumer to resolve the debt, and threatening or abusive tactics do not motivate.

- **This is an extremely professional industry.** We use the latest in technology—predictive dialers, predictive scoring models, and specialized software—to do our jobs as efficiently as possible.
- **ACA supported** the passage of the federal Fair Debt Collection Practices Act (FDCPA) in 1977 to help put a stop to unfair and abusive tactics. Members of the association represent best practices in the collection business and strive to maintain an ethical, professional industry.
- **The best way for consumers to avoid negative financial experiences** is to learn how credit works and manage their money successfully. That’s why education is so important. If you know how to budget carefully, and how to save, you can be prepared for many of the financial challenges life throws at you. Having money problems doesn’t make you a bad person. Everyone experiences a setback at some point in their lives, even the collectors themselves. Collectors understand that the consumers they contact are usually just in a temporary period of difficulty, and we work with the consumers to find a workable solution to their challenges.
- **ACA member agencies make over 87 million consumer contacts each month.** The number of complaints is very small considering how often we are in contact with consumers. There are several reasons the number of complaints has risen—first of all, the amount of consumer debt has risen dramatically in the last decade. The Fed reports that consumer debt rose 50% in the last six years alone. Secondly, the FTC has made it much easier than it used to be to file a complaint, so it’s expected that more consumers are using this recourse.

#### Additional Tips for Working with the Media

- You don’t have to talk to a reporter unprepared. If a reporter calls unexpectedly, ask for more information and tell the reporter you will call back. Prepare for the interview by staging a mock run-through with your staff or other colleagues. S/he may be on deadline, but you may still take a few minutes to collect your thoughts before answering his/her questions.
- Lead with ACA’s key messages about the issue. You don’t have to immediately begin by answering the questions. You may say, “Before I answer your questions, I’d like to tell you a little about the industry”...or something similar.
- Anticipate the questions that might be asked and prepare answers. You may ask for a list of questions the reporter would like answered, or a list of the issues they hope to cover. Sometimes reporters will agree; sometimes they refuse. Explain that you want to be sure you can give them the most up-to-date information and statistics to answer their questions.
- Ask the reporter what other sources he/she has spoken with for this story.
- If you’re not sure of the answer to a question, it’s OK to say: “I don’t know.” This is always preferable to being called on a misstatement later.
- Ask when the story will run, and make sure to let ACA’s public relations specialist know so we can track the coverage.