

Business Wire - Press Release



## Collections Industry Veteran Launches Innovative Receivables Management Firm

Electronically reprinted from July 9, 2008

For years, large organizations have had two principal ways to deal with delinquent receivables: build an in-house collections capability, or outsource recovery to one or more collection agencies. Neither approach is ideal, the former requiring an investment of money and effort that many organizations find a costly distraction from their core business activities, the latter a continuing level of oversight that many are ill-equipped to provide.

Today creditors have a new and more cost-effective option: Business Processes Redefined, LLC, a receivables management firm launched in May of last year by collection industry veteran Lauren A. Irwin-Szostak. Headquartered in Parsippany, New Jersey, BPR offers a first-of-its-kind, turnkey debt collection solution to Fortune 1000-level organizations and professional debt buyers. In exchange for a monthly management fee, BPR clients enjoy higher gross revenues and lower net collection costs on their receivables, more than offsetting the cost of the service.

The key to BPR's effectiveness is a highly analytical, results-oriented approach to receivables management. Upon taking on a new client, BPR segments its receivables according to a variety of criteria, including age, balance, type of debt and customer credit scores. BPR then parcels out each segment to multiple collection agencies, drawing from its proprietary network of the best independent agencies in the country and selecting only those with a demonstrated record of success managing comparable portfolios. Once the initial round of collection efforts has been completed, BPR places accounts that still have outstanding balances

with a second tier of additional agencies specializing in aged debt, and later with a third or even fourth tier specializing in late-stage collection efforts.

BPR's business model creates a competitive, results-oriented collection process that drives its agency partners to produce superior returns, with financial bonuses and market share increases for top performers. By aggregating the combined purchasing power of many clients, the BPR model allows the negotiation of favorable agency fees for even its smallest clients, and ensures that their business is always given top priority by its agency partners. Collection agencies that partner with BPR also benefit, reaping a high volume of recurring business without incurring the usual sales commissions and marketing expenses associated with new business development.

Explaining the appeal of the BPR solution, Irwin-Szostak notes that many organizations with substantial levels of receivables simply do not have the in-house resources or the expertise to create a sophisticated collection function on their own. "Outsourcing directly to collection agencies can also be problematic," she says, "since no single collection agency can produce optimal results for every organization in every industry." She adds that creditors seldom have the information they need in order to choose the right agency, either, or they lack the resources to manage the performance of outside suppliers. "Our approach allows creditors to enjoy maximum returns, while simultaneously unburdening themselves of a non-core business process."

BPR has already signed several major

contracts, reflecting not only the quick acceptance of the company's value proposition, but also the fortuitous timing of its launch. "With the slowing economy and the slumping real estate market, consumer credit delinquencies are on the rise and creditors are looking for help in managing their increased volume of charged-off accounts," Irwin-Szostak says. "Our solution makes sense to a lot of them."

Irwin-Szostak adds that the BPR solution appeals not only to organizations with significant past-due receivables, but also to the growing number of public and private investors who have been buying past-due debt as an investment. "Debt buyers are finding that a turnkey receivables management solution is highly attractive," she says. "They are delighted to be able to shift the collection burden onto us."

BPR expects to announce a number of new contracts in the coming months, as more companies discover the value proposition of this collections outsourcing service.

### About Business Processes Redefined, LLC

Business Processes Redefined, LLC, is certified as a Woman-Owned Business Enterprise (WBE) by the state of New Jersey and by the Women's Business Enterprise National Council. It is a member of ACA International, the leading trade association for collection professionals, and is accredited by the Better Business Bureau. The firm also is registered with Central Contractor Registration, making it eligible to do business with the U.S. government.

Additional information about BPR can be found at [www.bprllc.com](http://www.bprllc.com).