TheBiz

Credit & Collection News from Caine & Weiner

2008 Volume 8 Issue 3 www.caine-weiner.com

In this Issue:

Caine & Weiner reacts to global credit crunch and cash crisis

10 day remittance policy immediately implemented for client cash flow infusion

Woodland Hills, CA—Caine & Weiner is revising our remittance policy to significantly expedite the delivery of collected funds to our clients.

Cognizant of the dynamic and shifting business paradigm whereby businesses, faced with reduced and eliminated bank lines of credit and severely restricted cash flow, are relying on their suppliers and service providers, our clients, to act as de facto banks to finance business operations.

"As an organization whose clients rely on us daily to provide solutions and results for their accounts receivable management needs, we recognize the critical importance of liquidity and adequate cash flow in today's turbulent global economy," said Greg A. Cohen, President and CEO of Caine & Weiner. "Our client's best interests are always our highest priority. As a result we made the decision to shorten our weekly remittance cycle to 10 days."

Remittance or holdover periods, the time between collection of the debt and submission of payment to the creditor, widely vary within the industry. Although the standard period in the industry is 30 days, some agencies remit collected funds at the end of the following month after the payment was collected. In such cases a creditor could wait up to 60 days before receiving proceeds from an agency.

"Although our previous 18 day remittance policy is measurably better than the industry standard," said Cohen, "Our decision to drastically reduce our weekly remittance cycle by 44% is our way of reaffirming our commitment to help clients improve overall net dollars recovered and flow-through of their money."

Realizing the vital importance of cash flow during this uncertain and unprecedented economic period, we are undertaking immediate, proactive measures and creative remedies for our clients.

Caine & Weiner leads the industry in taking this revolutionary action and challenges our competitors to follow suit.

Caine & Weiner unveils new website

Woodland Hills, CA—Following a comprehensive analysis by our senior executive team, project managers and web developer, we recently reengineered our website (www.caine-weiner.com). Our goal was to make it more intuitive, user-friendly and responsive to the increasing requirements of the diverse businesses, representing every major world industry, that turn to Caine & Weiner daily for accounts receivable management solutions.

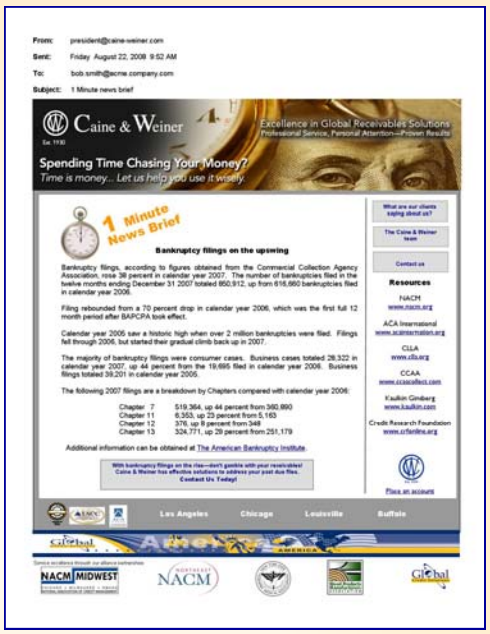
In addition to the site's attractively designed layout, which conveys Caine & Weiner's new brand, visitors will discover the site is easy to navigate. A helpful search link has been inserted into the home page task bar. Through its intuitive, functionally-designed engineering, the new site is extremely customer-friendly.

Clients can easily access the status of their files 24/7 through the powerful CWConnect feature. Their assigned ID and password assure them of complete security. The features of this state-of-the-art, and customizable tool, enable them to data-mine, perform account inquiries, create custom reports and more. It does not require additional software or hardware.

The site provides five easy ways for clients to place accounts for collection. Site features also include: a listing of industry events, functionality to accept payments from debtors, vital links, a resource center and much more.

1 Minute News Brief

New Value-Added feature for clients



Too much email, and too little time?

Beginning this month, Caine & Weiner's clients will receive the *1 Minute News Brief.*

As its name implies, the short email, abbreviated by design, will be distributed the second Tuesday of each month, and will contain helpful, relevant information for busy credit and collection professionals.

In today's ever-changing business landscape, having the right data is more crucial than ever. The *1 Minute News Brief* is your source for late breaking news and strategic information.

Tips for improved relationships between the Credit and Sales Department

* Do not blame the salesperson for a bad debt write-off.

* Releasing orders and evaluating Credit Applications should be given high priority.

* Whenever possible give the sales person advanced notice if credit has been denied or if the customer is put on credit hold.

* Be mindful that sales and credit provide a check and balance as it relates to selling new and active customers.

* Never misrepresent the facts or fail to disclose information.

Gap between world's rich and poor widens

As top earners' incomes increase, while others stagnate, the gap between rich and poor is getting bigger, according to a 30-nation report recently released.

The 20-year study by Paris-based Organization for Economic Cooperation and Development said wealthy households are not only widening the gap, but in the U.S, Germany and Canada they are also leaving middle-income earners further behind, with potentially ominous consequences if the global financial crisis results in a long recession.

The report found that inequity threatens social mobility—children doing better than their parents, the poor improving their lot through hard work—which is lower in the U.S., than countries such as Australia, Denmark and Sweden.

The United States has the highest inequality and poverty in the OECD after Mexico and Turkey, and the gap in the U.S has increased rapidly since 1930. France, meanwhile has seen inequalities fall in the past 20 years as poorer workers are better paid.

In the United States, the richest 10 percent earn an average of $93,000—the highest level in the OECD. The poorest 10 percent earn an average of $5,800—about 20 percent lower than the OECD average.

With several OECD countries already in recession, the "key question" raised by the report is whether governments can prevent a possible drop in top earners' incomes form sparking a "second wave" hit to the lowest-income households.

Greater income inequality stifles upward mobility between generations, making it harder for talented and hardworking people to get the rewards they deserve.

Foreclosures Increase

For the month of August foreclosures totaled 303,979, a 12% increase from July and a 27% increase from August 2007. These figures were contained in the U.S. Foreclosure Market Report from RealtyTrac.

Nevada lead the nation with 11,706, a 16% increase from July and 89% increase from August, 2007. For 20 consecutive months Nevada has topped the list.

California reported 101,724 foreclosures in August. With one in every 130 households, California has the nation's second highest foreclosure rate.

"In August the total number of U.S properties that received foreclosure filings were the highest we've seen in any month since we began issuing our report in January 2005," said James J. Saccacio, CEO of RealtyTrac, in a news release.

Caine & Weiner hosts GCS Americas Conference

Heidi Roszman, Brad Schaffer, Chuck Hendrickson, Greg Cohen, Peter Sorrentino Albert Knowles, Neill Campbell and Bill Lovitt.

Caine & Weiner hosted a conference for the Global Credit Solutions Americas partners at our Woodland Hills center on June 26-27. Attendees traveled from Canada and Latin America for this important event.

The agenda focused on the development and execution of strategies to continue to exceed the expectations of our respective clients' International receivable management needs.

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TheBiz

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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Est. 1930

Caine & Weiner—Since 1930, providers of world-class accounts receivable management solutions to the global business community

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

Industrial output declines more than expected

Washington-Government data show the nation's industrial output plunged in August by nearly four times the amount that had been expected. It is the worst performance since Hurricane Katrina devastated the Gulf Coast in 2005.

The Federal Reserve reported that industrial output dropped 1.1% in August, far worse than the 0.3% decline that economists had been expecting.

The weakness was led by an 11.9% drop in production of motor vehicles and parts, reflecting the hard times facing the U.S. auto industry.

The auto production problems contributed to a 1% overall drop in manufacturing, the first decline since a 0.9% fall in April.

Production at the nation's utilities was off 3.2% during the month after a 1.6% decline in July. Mild weather in much of the country in August contributed to lower demands for air conditioning.

Output in mining, the category that includes oil and gas drilling, fell 0.4% in August. The Fed said some of that weakness reflected precautionary shutdowns of oil platforms in the Gulf of Mexico ahead of Hurricane Gustav.

The U.S. manufacturing sector has been battered by a prolonged housing slump and feeble demand for autos because of the weak economy and the big jump in gasoline prices that occurred this year.

The problems hurting domestic demand have been partially offset by a boom in export sales helped by a weaker dollar.

But economists worry that the source of strength will come under pressure in coming months as some of the nation's biggest overseas markets in Europe and Asia face the threat of recession.