

Dear Friends:

One of the most gratifying aspects of doing business for more than three decades is looking back to where we began and where we have gone in the years since, and forward to where we may go in the future. Because of our loyal customers, we have continued to grow and expand our services for your ever-changing and complex industry. This issue's feature is about our newest innovations, and we hope you will offer valuable feedback on how we can continue to serve you better!

At the MFM's 50th Annual Conference in May, we were pleased to present the 2010 Peter F. Szabo Career Achievement Award to Pam D'Elia, Corporate Director, Credit and Collections, at CoxReps. Established in memory of our founder, Pete, the award recognizes Pam for her many contributions to the organization and the industries it serves.

On our summer calendar are the Szabo Quality Awards Banquet, August 30 in Atlanta; the MIXX Conference & Expo, September 27-28 in New York, New York; and the National Association of Broadcasters (NAB) & Radio Advertising Bureau (RAB) Radio Show, September 29-October 1 in Washington, D.C.

Best wishes for a great summer,



Robin Szabo, President
Szabo Associates, Inc.

“Green” Innovations Benefit Our Company and Our Customers!

When our company's founder, Pete Szabo, began our company 39 years ago, his vision was to create a company that specialized in media and was unsurpassed in customer service. Pete believed that a key element for success would be a focus on anticipating the complex challenges of an ever-changing industry, which meant a willingness to periodically step back—to reexamine our customer relationships, redetermine our customers' needs, and reevaluate how we do business. Accordingly, the company was reengineered in 1993 to create tighter partnerships with our clients and to further specialize our services for each industry segment. In 1997, we made a major investment in emerging Web technology, creating a fundamentally new avenue to deliver information and services.

Pete fostered the philosophy among his employees that individuals and companies have stewardship responsibilities to each other, to their customers, and to the world at large. Meeting those responsibilities was expected to be a continuous process rather than a series of isolated events, with constant vigilance and client feedback essential to success.

Over the past months, we have been implementing changes at Szabo. We call this our “Going Green” initiative since all of these changes have a positive impact on our environment. The title, how-

ever, fails to capture our broader goal of improved customer service. From small to large, simple to very complex, these changes reflect the principles upon which the company was founded.

“Going Green.”

It appears that the expression “going green” has become as recognizable a part of our 21st-century lexicon as the new definitions of “subprime” (not the inferior beef), “spam” (not the canned mystery meat), and “google” (not 10 to the power 100 or the supercomputer in *The Hitchhiker's Guide to the Galaxy*). In fact, if you google “going green,” you'll come up with more than six million hits—thousands of websites—offering articles, advice, and products designed to enlighten you on the subject.

For decades now, many businesses and consumers have increased their attention on practices that have an impact on the environment. The most recent green movement grew primarily from a concern that human-generated release of carbon dioxide into the atmosphere was contributing to the warming of the planet. The underlying theories are controversial, both in their assertions and in their implications for business and the economy, and have caused consternation and

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even resistance among many businesses. Even so, what most companies are willing to embrace is a broader notion of “going green,” the idea that using resources more efficiently and maintaining a healthy work environment are simply good business.

We approached the challenge of going green with the stipulation that the changes we chose to implement not only would maintain the quality of our work life, productivity, and customer service, but also would offer opportunities to improve it. The “going green” of Szabo would involve wise investment in tools and practices that provided meaningful return.

Energy. Like most companies with computer systems and peripherals, our electricity use was high, with our older model devices gobbling up kilowatts like sharks in a feeding frenzy. By investing in new servers, monitors, and printers that employ energy saving technology, including optional energy saving settings and sleep modes, we reduced our electricity usage by a whopping 60%.

Capacity. Our system upgrade included additional processing speed, memory, and storage capacity, which allow us to perform new tasks as well as previously labor-intensive and paper-consuming tasks with greater efficiency. Our system accepts input from multiple origins, including faxes, emails, and scanners. New proprietary middleware and software were custom-developed for our Unix system to provide desktop document imaging and work flow solutions for electronic document access, review, delivery, and storage, thus eliminating unnecessary printing and paper filing. As one example, we are

now able to electronically extract segments of client-provided documents that are pertinent to their claim, where previously the task involved multiple printing and re-scanning steps to create the file.

We have also increased our Internet “pipe” by an order of magnitude to accommodate a higher number of users with much improved performance.

Supplies. Significant opportunities to reduce, reuse, and recycle were found in the area of office supplies, especially paper. Reducing paper waste involved simple changes in practices as well as new work flow solutions, which had the added value of improving efficiency in intra-office communications.

We opted to limit printing to only those items for which a hard copy was essential. For internal documents, we print in draft mode, in black and white as opposed to color. Toner cartridges are recycled and reused where possible. We placed recycling stations conveniently throughout the office for copy paper, boxes, magazines, and toner cartridges.

Company updates, benefit plans, handbooks, and other Szabo-generated internal records are provided online. Our new system archiving allows internal records and reports to be viewed, then stored electronically. Benefit enrollments, 401K, and insurance matters are handled online, and payroll checks are direct deposited.

We estimate that our recent system changes and practices have reduced paper usage at Szabo by 50%!

The Air We Breathe. Besides making for a more attractive work environment, did you know that indoor plants absorb indoor air pollution and increase oxygen? We breathe a little easier at Szabo, with additional strategically placed plants throughout our offices and in common areas.

The air quality outside, however, is another matter, as is the often unpredictable and always annoying driving experience to and from work. Atlanta’s heavy commuter traffic is a force to be reckoned with, so we do our part by subsidizing employee use of mass transit, helping to reduce stress as well as carbon emissions.

Adding Value Through Our Website.

While we believe that all our conservation efforts have been worthwhile on their own merits, we reserve our greatest enthusiasm for the innovation that adds the greatest value to our customers—our new enhancements to the Szabo website! Our clients can now receive paperless, electronic monthly invoicing and reporting as well as historical and current data on all their accounts. These new innovations offer our clients instant “snapshots” of information that not only allow you to monitor Szabo’s activities and results on your behalf but also can help you uncover and analyze patterns in your customers’ behavior as well as strengths and weaknesses in your organization’s credit and collections efforts.

Walking Through the Client Portal. Our website’s new client portal offers you secured access, by username and password, to information on all accounts placed with Szabo, past and present. Multiple security levels provide access to information according to the status of the viewer. For example, if a client has a number of decentralized properties, the corporate office will be able to access information on all properties while each property will have access only to its particular accounts. Our sort capabilities allow you to view accounts in a variety of ways—all, active, closed, or by date range—with

expanded views of transactions, historical status, and real-time status of active accounts.

Once you have “walked through” the portal, the first page you see asks, “What would you like to do?” Seven options are available: view invoices and reports, view my accounts, change my password, view Szabo newsletters, view sample forms, file a claim, and contact Szabo.

Invoices and Reports. If you click on “Invoices and Reports,” you can choose to view all of your Szabo invoices or monthly collection reports dating from January 2000. The “Invoice” option will take you to copies of all your monthly invoices, arranged in descending order by year. A “Pay Now” option will allow you the convenience of paying an invoice via ACH.

“Collection Reports” will show you all monthly status reports, arranged by year. The reports include names of all accounts placed with Szabo, with beginning monthly balances, addition and subtraction amounts, monies collected, write off/litigation amounts, and

current balances. Also included are notes from your Szabo account representative describing the month’s activities and status on each account. For example, the note may state, “We have collected a partial payment from the debtor this month. We are making every effort to collect the remaining balance by the end of next month.”

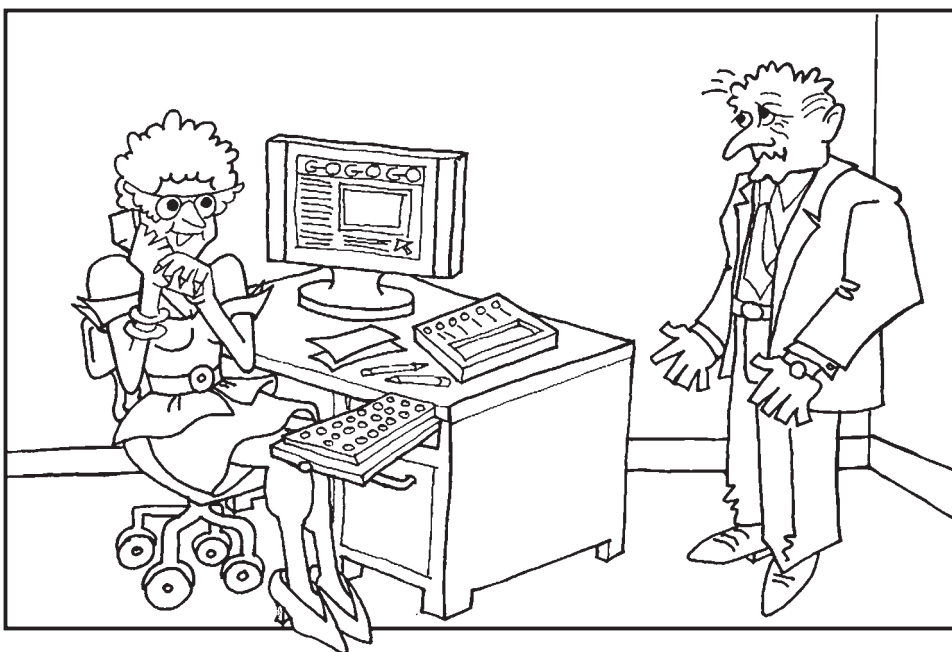
Accounts. By clicking on “Accounts,” you can access historical and current data on all your accounts, dating from 1979 to the present. The number of viewing options, listed in order of most clients’ preferences, accommodate analysis on many levels. The first option you have is to view “Active Accounts”; second is “Closed Accounts”; third is “All Accounts.” If you wish to limit your view to a specific time period, you may then choose a “Date Range,” in which you enter the starting and ending months, days, and years of the accounts you wish to view. Each view will list accounts alphabetically with the associated Szabo Claim Number, Client Account Number (optional, client-provided), Secondary

Client Name (client-provided for multiple properties), Debtor Name, Claim Received (date received by Szabo), Beginning Amount, Current Balance, and Status and Transactions.

“Status and Transactions” will indicate whether an “Active Account” is in “Active Collection” or “Active Litigation”; “Closed Accounts” will be listed as “Collected,” “Paid Litigation” (litigated and paid with balance of zero), “Delete Litigation” (litigation initiated, then dropped by the client), “Write Off Litigation” (litigation initiated, litigated amount written off because of uncollected judgment, etc.), or “Write Off” (written off with no litigation); and “All Accounts” will include all of these designations. By then clicking on either the “Debtor Name” or “Status and Transactions,” you will be able to view the date, description, and amount of every transaction that led to the current balance as well as notes regarding the status of the account. For example, the status of an account in active litigation may be, “In an effort to collect your judgment, the attorney has issued a garnishment on the debtor’s bank account. The bank is being served with this notice and on receipt of the bank’s response we will advise.”

Claim Filing. The Szabo website allows you to fill out a convenient form to securely file a claim online. The principle benefit of online filing is, of course, its immediacy. The online form is easy to navigate and complete, and Szabo submits timely confirmation and a copy of the claim to you by email.

General Information. Additional choices available through the client portal are “Szabo Newsletters,” archived back to our first publication date of “Collective Wisdom” in 1986 and available for viewing in their original format; “Sample



“It’s Mr. Whitacker, Boss. I think he’s been watching too much sci-fi. He wants to know, if he goes through our website’s ‘client portal,’ what if he can’t find his way back home?”

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Forms,” which include a sample credit application, terms and conditions of credit sales, affidavits, promissory notes, credit card authorization, claim insertion, limited power of attorney, guaranty, confidentiality agreement, general release forms, and guidelines for credit association meetings; “Change My Password,” which allows you to change your password for entering the client portal; and “Contact Szabo,” which allows you to contact any Szabo employee from our directory list or to request information about our services that would best fit your organization’s needs.

Looking Back and Looking Forward.

Even though the phrase “going green” may have become somewhat overused, we can’t overlook or dismiss the positive and practical aspects of doing all we

can to preserve and improve our environment. While some folks might find it appropriate to take dramatic measures (a major newspaper reported that a businessman installed two wind turbines on the roofs of his building at a cost of \$10,000 each, with no chance of ever seeing a return on the investment), most of us take the path of implementing measured but meaningful changes to conserve our valuable resources while adding value to our services.

We believe that the best approach to any trend is to analyze its pros and cons in light of your own values and needs, identifying opportunities to make a positive difference. Many of these opportunities, as we have found, require little more than a willingness to change old habits and become mindful of activities that may seem minor and inconsequential in the short term, but can be significant when considered over time. We have also found that unexpected ancillary results can occur, such as

the morale boost among employees who contribute and benefit from an improved working environment.

When we look back on this time, we will probably perceive it as a transition period in which individuals and businesses began to focus more on ways to use their resources productively rather than ways to deal with waste that was needlessly produced in the first place. Much of the advancing technology that aids in these efforts may also have the benefit of streamlining procedures and improving customer service. In that department, please take a look at our proudest “going green” achievement—our website’s new “Client Portal”—and let us know what you think about it. We always welcome your suggestions and will continue to make improvements as we recognize ways to provide better service to our valued clients! ♦



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