

THE CREDIT TIMES



June 2015

A Publication of The Commercial Collection Corp. of NY, Inc.

The Art and Science of Listening

Article by: John Chotkowski, VP / General Collections Manager

It seems that everywhere we look modern life is dominated by electronic gadgets and electronic communications. Cell phones, tablets, laptops, desktops, internet, e-mail, instant-messaging, texting, etc., etc., etc. I remember sitting down to dinner at a restaurant one evening, and watching a mother and daughter at another table go through their entire meal without saying a word to each other. They spent the dinner on their cell phones, and it became obvious that when they did wish to communicate, they were texting each other!

Collections has adapted to the realities of today's society. We spend more time using electronic forms of communication than ever before. Also, the more we use these means to communicate, the more it becomes apparent that nothing compares to human-to-human verbal communication when it comes to speaking with our clients and the entities from which we collect.

That which defines an effective collector is the ability to actively listen to what is being said, and subsequently process this information and construct an effective reply. Easier said than done! Much of the information which flows through our ears is hearing. We hear everything within range, conversations, the hum of an air conditioner, a siren outside... but we are not listening. Listening is an active process which requires serious effort and concentration. "Sure, I'm going to pay the bill," can have thousands of actual meanings depending on circumstance, voice inflection, tone, previous conversations and the like. A collector's ability to listen to what is being said, rather than hear what is being said can make all the difference in successfully resolving an account.

The Science of Listening is the ability to focus on the conversation at hand while running each conversation through 5 simple steps: Reflect on what is being said; Clarify statements or questions; Restate what was said; Encourage further information laden statements or questions; and summarize the conversation. The Art of Listening rests with the listener and how he or she individually handles the situation. Think of the Science of Listening as the package, and the Art of Listening as the wrapper. Proper method wrapped by individual touch.

Minimize distractions, focus on the conversation, follow the steps above – and you will find yourself resolving matters favorably, quicker and more effectively than ever before.



IPad Drawing

Utilize the Special Savings Placement form and for every claim placed you will be entered for a chance to win a new iPad.

In This Issue:

- * The Art and Science of Listening
- * Forum Selection Clauses
- * Believe It or Not
- * Birthday Club

Management Team

Robert Ingold
Chief Executive Officer

Joseph Grieco
President

Judith Mattioli
Sr. Vice President

Patricia Stelter
VP/Controller

John Chotkowski
VP - General Collections Mgr

Susan Landel
VP of Collections

Darlene Evans
VP of Operations

Bryan Rafferty
VP of Sales

Frank Vecchio
VP of Legal

Valerie Ingold
VP of Outsourcing



Forum Selection Clauses and Full Faith & Credit

Article by: *Frank Vecchio, VP of Legal*

Creditors often include forum selection clauses in credit applications for purposes of convenience and expediency.

Forum selection clauses allow the creditor to choose the court(s) that will have jurisdiction in the event that a dispute arises or the debtor fails to pay.

The parties to a contract can agree on the forum (court) where disputes will be heard. Every court, including the United States Supreme Court, has acknowledged the validity of a forum selection clause in a contract.

However, issues may arise when trying to domesticate the judgment in the debtor's locale.

An example here will prove helpful:

Let's assume a Pontiac, Michigan-based creditor designates in its credit application that any dispute that arises between the parties shall be heard in the Circuit Court in the State of Michigan, Oakland County. If a Buffalo, New York debtor seeking credit agrees to that provision by signing the credit application and thereafter receives goods on credit, the Oakland County Circuit Court will have jurisdiction over the Buffalo-based debtor even though the debtor is not located in (and may have never transacted business in) Michigan.

If the creditor sues in Michigan and reduces the case to judgment by default in Michigan, the creditor's judgment may not automatically be entered and enforceable in New York. This is simply because NY State does not recognize a default judgment from another state. A new action must be filed and judgment entered in the state of New York in order to finally have the opportunity to pursue execution measures upon the debtor's assets and money.

While forum selection clauses are designed for the creditor's convenience, the example above illustrates that it may be a longer and more expensive avenue to pursue. Restrictive venue clauses limit the avenues available to the creditor by predetermining the venue in which legal action must be pursued. Venue clauses that provide the creditor with the option to dictate venue for legal action is much more beneficial. The language utilized in any contract should be discussed with your credit professional and/or counsel to ensure you are maximizing the effect intended with your credit policies.



Believe It or Not
**The 2015 NACM Credit
Congress has come and gone!**

We had a great time and look forward to attending
next year's convention in Las Vegas.

We hope to see everyone again in 2016!



For more information on any of CCC's services...

3rd Party Collections
1st Party Collections
Mechanic's Liens
UCC Filings
Credit Reports

Please contact Valerie Ingold at 1-800-873-5212 or E-mail vingold@commercialcollection.com



The Commercial Collection Corp. of NY, Inc.
PH: 800-873-5212 / Fax: 800-873-5211
www.commercialcollection.com

