

Creditlines



A perfect 10

Celebrating a decade of success with Callcredit

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Callcredit
Information Group

Ten years of Callcredit

This month Callcredit has reached its tenth birthday and is celebrating a successful first decade of growth and innovation.



John McAndrew

Callcredit Information Group has grown massively since its inception in October 2000. Then part of Skipton Building Society, it subsequently joined with information businesses EuroDirect and GMAP Consulting in 2003, before acquiring Legatio and DecisionMetrics in 2007 and Broadsystem in 2008.

Thanks to the support of employees, clients and industry members, the business has continued to develop since it was established, with 2009 financial results alone showing a 54% jump in profits. Callcredit Information Group now has close to 700 employees spread across a number of UK locations and as far as Japan.

Being a young company Callcredit isn't tied to legacy systems and, as a result, innovation has been at the heart of the company's growth. The Over-Indebtedness Initiative, launched in 2004, was an important collaboration between financial services organisations and Callcredit, which led to the development of a unique product. This has led to further industry supported innovations such as CallValidate, the only verification tool that can tie verified customer details to a live payment card, and CallMonitor, a unique daily alerts service, that have supported the company's growth.

Last year Vitruvian Partners became the largest shareholder in Callcredit following a management buyout and have since shown a strong commitment to investing in the future of the company.

John McAndrew, Chief Executive at Callcredit Information Group said:

"I'm delighted to be celebrating what has been a very successful first ten years for Callcredit. Since 2000, the team here has helped to build up a really strong business that offers innovative and industry-leading solutions.

Whilst we are a company very much focused on the future, on this significant anniversary we can reflect with pride on what we have achieved in ten years. Its been a tough economic climate over the past few years but we have been able to show that we offer cost-efficient and valuable solutions that can help businesses compete in these difficult times.

Looking forward, we will continue to invest in our people and existing technologies, but we also have the resources available to develop the company further. We are an ambitious business and we're confident that we have found a recipe for success and will continue to grow and develop."

Key stats

2000	2010
1 site	6 sites
100 employees	700 employees
£15m revenue	Almost £60m revenue

“ Whilst we are a company very much focused on the future, on this significant anniversary we can reflect with pride on what we have achieved in ten years. ”

Callcredit Strengthens Leadership Team

We are proud to welcome Adrian, Tom, Paul and Eamonn to the Group.

Adrian Mitri

Adrian Mitri joined Callcredit as Chief Operating Officer. Prior to his previous role as Director of Retail Operations at Allianz Insurance, Adrian held positions at Lehman Brothers, Global Home Loans and Equifax amongst others.

Adrian Mitri said: "Callcredit is a thriving and ambitious company that has shown terrific growth in recent years. I believe the experience that I will bring to the company will only help to continue this success. My key objective is to ensure that while the Group continues to grow, the service that we supply to our customers remains the best in the market."

Tom Ilube

Tom Ilube joined Callcredit as Managing Director of Consumer Markets, to lead the development of the Business to Consumer propositions for the Group. Tom was founder and Chief Executive of Garlik, the VC-backed online identity protection company, before which he was Chief Information Officer at Egg plc, and had held positions at Goldman Sachs and PwC.

Tom Ilube said: "I am delighted to be leading what will be a major push by Callcredit into the consumer market. The company's innovative approach and commitment to investment means that it is the ideal platform to create great next generation services for consumers that will really help people through these challenging economic times."

Paul Denney

Paul Denney joined the Group on September 20th as Director of Mergers and Acquisitions and will be developing the company's growth strategy and proactively managing acquisitions. Recently Paul has been employed as a Consultant for companies in the publishing and retail industries, advising on merger and acquisition strategies. Prior to this he was responsible for the corporate development of the UK and International business at Experian.

Paul said: "Callcredit is clearly in a very strong position, having had consecutive years of excellent results and with the added support from new shareholders Vitruvian Partners. I am confident that I can help to build on this success by developing a proactive strategy for mergers and acquisitions that will help Callcredit with further growth.

Eamonn Tierney

Eamonn Tierney has joined Callcredit as Business Development Director and will ensure that Callcredit continues to develop as an innovative and efficient business across all vertical sectors. Eamonn was previously Head of Business Development at Bank of America, before which he held roles at HBOS, M&S Money and Barclays amongst others.

Eamonn said: "I'm delighted to join Callcredit at such an exciting time. Callcredit is still a young company compared to its competitors so isn't tied down by legacy systems. That means we can be really innovative with our product and business development to help cater to the needs of our clients."

John McAndrew, Chief Executive for Callcredit Information Group added:

"We're a growing company with ambitious expansion plans and the welcome arrival of Paul, Eamonn, Adrian and Tom will help us to ensure that we stick to those plans and maintain our established high standards. Paul has a wealth of experience of managing mergers and acquisitions and will look after this function across the Group. Eamonn's valuable experience in business development will help to steer the direction of Callcredit as it continues to grow through acquisitions and winning market share. Adrian will ensure that we continue to meet our customers' needs with fast, quality, cost-effective delivery. Tom will grow our business to consumer offering so that we can supply a wide range of services that enable customers to understand their credit position and keep safe from identity theft and other dangers."



Adrian Mitri - Chief Operating Officer



Tom Ilube - Managing Director of Consumer Markets



Paul Denney - Director of Mergers and Acquisitions



Eamonn Tierney - Business Development Director

CallMonitor 4.2

The UK's most intelligent daily alerts service is enhanced

If something changes to your customer's financial profile that is likely to affect their potential to pay, find out immediately with CallMonitor from Callcredit.

- Recent analysis shows that over a period of 3 months, over 50% of all customers experience some change in their credit file
- Our client usergroup work with us to create new alerts and enhance our product
- CallMonitor users report a 15% reduction in administration costs
- CallMonitor users average an additional £2.5 million collections per annum on a portfolio of 200,000

Wouldn't it be better to know immediately when a change has occurred to your debtor's financial situation? CallMonitor 4.2, the most intelligent daily alert service, provides you with real time information to keep you up-to-date and helps you target your collections strategies and reduce the cost of collections.

In a crowded collections market place, with your competitors queuing to collect from the same individual, it's important that you are fully up-to-date with any changes to their financial profile. With CallMonitor 4.2 you can take action as soon as a change occurs, allowing you to make quick decisions and stay one step ahead of the crowd. This can help you to limit losses and improve collection performance, as well as help to support customers with their debt management.

CallMonitor 4.2 has been developed with the input of the collections industry, through Callcredit's user forum, and contains almost 40 new triggers such as more detailed new credit accounts, early delinquency and improvement scores.

With CallMonitor 4.2, new account alerts can not only notify you that your customer has new credit available to them, but they can also inform you of the approximate

amount of credit your customer has received. The added granularity allows you to select only the new account alerts that will impact on your collections strategy and help you to prioritise your responses.

New cure and delinquency scores within Callcredit's enhanced daily alerts service, can provide an indication of whether an account might be in a better or worse position in the next three months. Using the delinquency score you can help to reduce the risk of individuals missing payments and proactively manage accounts, whilst the cure score identifies those debtors who are likely to see an improvement in financial circumstance.

Innovative Debt collection agencies are now moving away managing accounts set out by a service level agreements to pro actively managing collection portfolios by financial behaviour instead. Lenders and DCA's are working together to create new and radical service level agreements requiring action only when an alert has been generated thereby reducing cost and targeting resource.

Already a market-leading product, the recently enhanced CallMonitor 4.2 can compliment and supplement your existing processes and be tailored to meet your specific business needs by allowing you to select the most relevant triggers for your business.

For more information on CallMonitor 4.2 contact James Syron, Market Development Manager on **0113 244 1555** or email james.syron@callcreditgroup.com



Industry Minute

Looking back over the 10 years since Callcredit's establishment, there has been substantial change in the challenges faced by the industry, but some themes continue to resurface.

Many of us will recall the upheaval created by the 'Robertson' court case, not too long after Callcredit's inception. At the time this created great uncertainty for the use of electoral roll data for any commercial activity. After Wakefield City Council refused his request that his register details should not be sold, Brian Robertson took the matter to court in September 2001, seeking a declaration that sale was contrary to the Data Protection Directive and the Human Rights Act.

The eventual outcome was the creation of the edited electoral register to allow individuals to opt out from having their details sold for general commercial purposes. Specific exemptions were made for continued use of the full electoral register for the prevention of money laundering and assessment of applications for credit. However this has left many vital activities - such as account management, fraud checks and debt collection - dependent on the edited register.

Fast forward to 2010 and we have yet to see a response on the consultation regarding potential change to the edited register, which closed in February. Meanwhile, changes to the gathering of electoral registration data are most certainly in the pipeline.

An announcement was made by the Government on 15 September speeding up the proposed timetable for the move to individual voter registration. Under the current system, one person in a household submits details of all resident voters on a single form. From 2014 it is intended new registrations will be made on an individual basis, with voters asked to provide date of birth, signature and national insurance number for cross-checking. No one would actually be removed from the register for failing to register individually until after the next General Election.

The additional checks to be undertaken before registration will increase confidence in the Roll as a weapon against fraud, both electoral and financial, and so may change values in scoring. A research report published this summer by the Electoral Commission highlighted that linking reform of the register to the prevention of financial fraud would incentivise the public to accept change. If so, by extension there is a case for extending use of the full register to general financial fraud checks.

It also seems likely that changes will be made to allow some prisoners to vote, with a case currently being considered by the European Court of Human Rights. This could also have implications for credit referencing. If registration were maintained at the last known address outside prison, steps could be necessary to avoid creating an impression with potential to impact on effective credit risk assessment.

Louise Galloway
Head of Industry Relations
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Expected shortly

- Government's response to the consultation on statutory Debt Management Schemes (closed last December)
- The OFT's revised Debt Collection Guidance - anticipated to include requirements on the quality of information about debtors passed on when a debt is assigned

UK consumers keeping lenders in the dark about their financial woes

Independent research commissioned by Callcredit Information Group has found that nearly 70% of people who experience a sudden, significant impact on their finances never contact their bank or building society about their financial difficulties.

The results also showed that 42% of adults have not come completely clean about their financial situation when problems arise and 24% of people who said they had suffered an unexpected financial shock over the past two years had seen their income suffer – with 6% taking a pay cut, 9% seeing a cut in working hours and 9% losing their job.

This highlights the issues that lenders face in keeping up-to-date with their customers' financial situation and the problems posed by making decisions based on inaccurate information. It's therefore essential that lenders utilise alerts services such as Callcredit's newly upgraded CallMonitor 4.2, the first service in the UK to provide daily customer profile triggers, to identify those changes to customers' credit profiles.

By combining tools such as CallMonitor with Callcredit's Affordability products, lenders can not only be alerted to changes in customers' credit profile, but can accurately understand customers' income to debt ratios and form a holistic customer view.

Graham Lund, Managing Director of Callcredit said:

“ These figures are extremely worrying. What's particularly concerning is the number of people who fail to make their bank aware of sudden changes in their financial situation - and those that do get in touch aren't always completely honest. It's therefore extremely important that financial service providers use information and tools available to proactively monitor any changes in their consumers' financial situation and have sight of the bigger picture. ”

Key findings

- 69% of people suffering from financial pressures in the past two years have never spoken to their bank or building society about their difficulties
- 38% of adults do nothing to adjust to their changed circumstances when they first come under financial pressure
- The 31% that do eventually speak to their bank or building society take on average two months to do so
- 42% of British people who experienced unexpected financial problems did not come clean about their financial situation
- Nearly two thirds (65%) of British adults have experienced some form of sudden change in their finances during the past two years



Marketing with a digital heartbeat



Marketing has come a long way since the first ever web page about 20 years ago and Nicholas Negroponte's 1995 classic, 'Being digital'. However, we are still some way off reaching the Promised Land. Consumers have fundamentally altered the way they make purchasing decisions. Companies aiming for growth will need to work harder to address new customer values and changing behaviours. What issues and opportunities are facing marketers in 2010 and onwards as a result?

Economic and social changes over the last two years have resulted in changes to consumer behaviours – price rises, interest rates and job uncertainties have caused consumers across all affluence groups to moderate demand, exhibit socially conscious behaviour and reconsider traditional spending patterns. Mistrust of traditional sources of advice and opinion has prompted consumers to look to families, friends and peers for advice and recommendations. The evolution of the internet and continued growth in penetration of broadband access in the UK has opened up new routes to highly efficient

It is time to join the dots to create consistent brand experiences, best allocation of marketing budget and fully exploit digital opportunities, giving your brand a new digitally enabled heartbeat.

markets – aggregators, comparison sites, social networks and forums to name but a few. Indeed, the rapid growth in smart phone adoption has also fuelled access to the internet and a new generation of applications.

As the boundaries between digital and traditional channels become harder to draw, 'digital' may in time not be seen as a discrete marketing discipline. Organisations will seek strategies for a digital world rather than digital strategies. A critical success factor will be the ability to embed digital marketing principles at the heart of business strategy, rather than as an afterthought. Interactivity needs to be embedded into the heart of the organisation and business strategy.

It is about moving from a one-way company driven philosophy to a strategy which is alive and two-way. It is not enough to pursue channel-centric strategies as customers increasingly interact with brands across any touch point. Consistent propositions are required across all channels – web, social, mobile and in store.

So, what are the key considerations for success in this new world?

1. Develop a single view of customers' business and interactions including digital
2. Enhance and exploit online consumer data with offline sources and identify anonymous website visitors
3. Interact with customers in a way that they would expect and make it relevant, eg by using more personalisation
4. Create bridges between online and offline presences, for example by encouraging in store customers to visit the brand's social site
5. Utilise search and emerging forms of digital media to capture more online traffic
6. Build positive social engagement by encouraging participation and sharing
7. Utilise mobile applications to further customer engagement on the move



20% off CallValidate for IMRG members

IMRG members receive 20% off Callcredit's unique verification service CallValidate if you sign-up before 31st October 2010.

CallValidate is a single tool that allows you to capture and validate customers' names, addresses and date of birth details, whilst conducting a real-time check against bank and credit card providers' records. In just one search, CallValidate detects and prevents fraud, meets Anti-Money Laundering Regulations compliance, reduces operational costs and increases customer satisfaction.

CallValidate can be used for:

- Detecting and preventing fraud
- Compliance with Anti-Money Laundering Regulations
- Validating identity during customer applications
- Validating payment transactions
- Processing payments

Terms and Conditions

One offer per company only
Offer not open to current users of CallValidate or in conjunction with any other offer
The enquiry form must be completed for the discount to apply
IMRG suppliers are excluded from this offer
Callcredit reserve the right to retract this offer at any time.

To sign-up for this offer please log on to www.callcredit.co.uk/IMRGoffer and fill in the enquiry form online

Callcredit Prostate Cancer Cup 2010

Teams from Lloyds Banking Group, Santander, HSBC, GB, Wescot, CCCS and the CCTA went head to head against staff teams in Callcredit's annual charity football tournament, 'The Prostate Cancer Cup'.

The competition was won by Callcredit Marketing Solutions in a high tempo final against GB Group.

Marcus Hayes, Corporate Account Manager at GB commented: "A wonderful and well organised even for an excellent cause. We're gutted to have come runner-up. We'll be back next year for the trophy. Thanks guys!"

This was the 6th year of the event during which it has raised thousands of pounds for The Prostate Cancer Charity. Each year over 36,000 men in the UK are diagnosed with Prostate Cancer, making it the most common cancer in men.



“ The Charity, invests donations into research, as well as providing a UK-wide Helpline staffed by specialist nurses. We are always delighted to put on this tournament for our clients, staff and their friends and family. It's fantastic to see such good team spirit. ”

Chris Savage,
Marketing Solutions Managing Director

Supporting
THE
PROSTATE
CANCER CHARITY

To donate: www.justgiving.com/callcredit

Peddle-Power Raises £8,000 for NSPCC



In June, a team of 26 cyclists, assembled by Callcredit Information Group, completed the Coast-to-Coast cycle challenge in aid of the NSPCC's Child Voice Appeal. The fundraising total is now in and the team of cyclists, made up of six Callcredit staff and 20 clients, have raised over £8,000 the worthy cause.

The NSPCC's Child's Voice Appeal aims to sustain and grow the helpline services of ChildLine and the NSPCC, ensuring that they are easily accessible for all children.

Callcredit would like to thank all those who helped to make this event so successful, including the cyclists, those who helped out and the generous sponsors.

NSPCC 
Cruelty to children must stop. FULL STOP.

Multi-Bureau – fast becoming the norm

For many the prospect of using more than one credit reference agency for new business decisioning has been considered as one of the things that feels right to do but the benefits and steps required to implement have invariably not been fully understood.

So for many 'multi-bureau' has dropped down the priority list along with other so called 'complex' initiatives classed as "high benefit / high complexity".

Times are changing however. Callcredit have successfully deployed their credit and affordability solutions into a number of organisations in the last twelve months and a number of projects are underway throughout the remainder of 2010. Over 80% of these installations involve Callcredit data working in tandem with data from an incumbent bureau. Interestingly, the vast majority of clients implementing multi-bureau solutions in the industry are doing so with a legacy incumbent and Callcredit.

So why is multi-bureau now more popular? Three main reasons are driving this:-

1. It can be done quicker and in a more cost-efficient manner given the best practice in the industry and the rise of specialist software and consultancy providers such as Callcredit's own DecisionMetrics. Multi-bureau projects that used to take over a year are now being condensed to no more than four or six months as lenders build on the back of development carried out for other lenders.
2. The benefits are better understood. Callcredit have completed countless retro's over the last three to four years to not only show that their data is on a par with the legacy bureau's but how it delivers benefit in isolation through its unique offerings and how it works in combination with another bureau's data. Client 'thin' files with 40% of cases found with extensive data on the SHARE database, 28% more Insolvencies, bad debt improvements of 20-30% and attractive short term rises in acceptance levels of 20% are a few of the statistics worth considering.

3. Economic conditions have led to a suppressed lending environment when risk appetite and acceptance levels are low. Many lenders are taking stock of this period to review their credit risk capabilities and build for the future when the time is right to 'return to lending'. Investing now in multi-bureau technologies will give those lenders a significant competitive when lending levels return to somewhere near the previous levels.

So why choose Callcredit as a multi-bureau partner?

First of all, the empirical evidence conducted by a number of lenders shows that combining Callcredit with any one of the two other UK bureaux provides the optimal multi-bureau solution.

Another key reason is the flexibility and innovation shown by Callcredit since its inception with solutions such as The Affordability Check that accesses the unique Over-Indebtedness Initiative (OII).

It is therefore clear that "multi-bureau" has for many lenders evolved from being an aspiration to one of reality that not only is quicker to deploy than ever before but is now considered a necessity in the effective management of credit risk portfolios.

For more information about Multi-Bureau solutions call **01707 282 640**.

Reduce balance transfer fraud by validating the destination card



Recent trials have shown that online validation of card details can capture on average 95% of balance transfer frauds. Any individuals who are not verified online are simply referred for further investigation.

This has not only been proven to reduce fraudulent activity and save money from fraudulent transactions going through, it also reduces operational costs significantly.

CallValidate is a revolutionary verification solution which is unique to the marketplace. The tool enables you to validate credit and debit card details with confidence by linking them directly to an account name and number, as well as to an address. This ensures you can act quickly on those accounts which need manual intervention and make accurate decisions before your customer know their details are being used fraudulently increasing your customers satisfaction.

Balance transfer fraud occurs when a fraudster has completed a balance transfer on an account without your or

your customers' knowledge or consent. They do this by obtaining credit card details and finding out answer to simple security questions such as mother's maiden name and date of birth. This information is becoming increasingly easy to find fuelled by the growth of social media sites.

The cutting edge technology used by CallValidate is particularly flexible and enables customers to configure the solution to meet their needs. For example, fraud and deceased datasets are available through CallValidate. The information that drives CallValidate is updated continuously and is returned in real time.

For your free trial of CallValidate email callvalidate@callcreditgroup.com before 31st October quoting 'Creditlines'.

Customer experience

“ I was contacted by John Lewis today to ask if I had attempted to make a balance transfer to my John Lewis credit card.

I confirmed I had not, and was advised that someone had tried to dump their £4,900 balance onto my card!

Fortunately they had failed the telephone identity check and the transaction was refused.

My account was stopped and a new card will be issued. ”

Callcredit Launches New Website

We have recently launched our new corporate website.

The new site consolidates previous websites for Callcredit and its subsidiaries and provides a central hub of information for current and prospective clients. The site has a new look and feel, as well as having new easy-to-use navigation, the latest market and company news, client testimonials and job alerts.

There is also a new section explaining all products and solutions by market sector, so whether interested in retail, insurance or public sector solutions, the relevant services and benefits are easy to find.

David Swift, Group Marketing Director, Callcredit added:

“ The new website makes it easy for people to find information about our leading edge products and services and the company itself, as well as reflecting the vibrant and innovative approach of Callcredit. We hope that visitors will enjoy exploring the new site and learning about who we are and what we do. ”

www.callcredit.co.uk



Callcredit Financial Hardship Seminar

**28th October 2010.
2 Savoy Place, London WC2R 0BL.**

A recent YouGov survey (Feb 2010) conducted for Callcredit found that 26% of mortgage holders would be unable to pay their mortgage if repayments were to increase by £300.

What does this mean for industry?

This year's financial hardship seminar will see industry experts providing constructive advice and up-to-date knowledge on this and many more topics such as:

- Industry change – what the last 12 months means for the future
- Recognising and managing genuine hardship cases and over-indebtedness
- Impending legislation

We are pleased to announce details of our keynote speaker;

Mark Thundercliffe, Head of Retail and Credit Risk, HSBC.

Mark will be joining us on October 28th to provide a UK bank's perspective on debt management in the current market.

The seminar is free to attend and will take place on the afternoon of Thursday 28th October at the Institute of Electronics and Technology, London, followed by a drinks reception.

Reserve your place now by visiting the events section of our website

www.callcredit.co.uk/events

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