

news release

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PredictiveMetrics Launches CardRecovery Score™

A Predictive Decision Tool Designed for Recovering Consumer and Commercial Card Debt

TINTON FALLS, N.J. – July 2008 – PredictiveMetrics™ (PMI) a leading provider of statistical scoring solutions introduces CardRecovery Score™, statistical model for recovering all types of consumer and commercial card debt. CardRecovery Score™ provides collectors with the unique ability to predict two outcomes. The first is the traditional probability that a debt will be paid in a given amount of time, while the second is a prediction of the amount that will be paid. This combination of payer score and dollar score as well as the reporting PMI provides gives a collector a more complete means of developing prioritization strategies based on cost, effort, and liquidation, while expending collection resources and personnel most effectively.

For many collection agencies and debt buyers, card debt is a substantial portion of their business, which includes credit cards, bank cards, retail/private label cards, and gas cards. “In today’s slowing economy, there is more card debt to collect, fewer accounts paying per placement, and lower amounts being collected. With the higher debt per payment ratio, limited resources, rising collection costs, and tighter margins, PredictiveMetrics recognized the demand to have a decision tool specifically designed for recovering card debt,” stated Michael Banasiak, president and CEO of PredictiveMetrics, Inc.

CardRecovery Score™ is an empirically derived, multivariate statistical model that was developed by using payment behavior specific to charged-off card debt, which is a much more powerful predictor of card liquidation than a model that mixes various types of bad debt to determine the payment characteristics. PMI applied proprietary statistical techniques to a sample from more than 10 million observations and blended it with socio-economic and demographic data (i.e., income estimates, census data, labor statistics, etc.), supplied by PMI. The information is specific to card debt, age, and balance, as well as the performance of the creditor or prior agency involved. No bureau data is required to produce these accurate scores. The accuracy of the scores, as with all of PMI’s recovery scores, comes from utilizing the collector’s internal placement data and using socio-economic and demographic data, which takes into account today’s economic times.

In addition to providing clients with a payer score and dollar score, PMI provides advanced reporting including but not limited to age, balance, segmentation, profitability simulations, and return on investment allowing customers to base collection strategies on cost and impact. The model scores and reports are straightforward and easily accessible via secure FTP, minimizing IT resources. To ensure ongoing model predictiveness and profitable results, CardRecovery Score™ is continually validated and regularly maintained.

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To demonstrate CardRecovery Score's effectiveness, PMI offers a free retrospective analysis (back test) to prospective clients. This analysis takes historical placement data from the client's own portfolio to prove how well CardRecovery Score™ predicts payments and amounts. As a means of evaluating changes in scoring approaches, this analysis also allows the client to compare results with any other scoring method that it may currently have in place.

CardRecovery Score™ joins a suite of PredictiveMetrics' other collection scoring products including UltraRecovery Score™, MedicalRecovery Score™, UtilityScore™, and DebtBuyerScore™.

About PredictiveMetrics

For thirteen years PredictiveMetrics, Inc. (www.predictivemetrics.com) has been a leading provider of statistical-based predictive scoring solutions for recovery, debt buying, accounts receivable risk management, and underwriting. Working with customers in an array of industries, PredictiveMetrics' customer focus is to work with clients to create a strategic relationship ensuring their resources are optimally utilized to make automated, knowledge-based, profitable decisions that are proven accurate through statistical validation. PredictiveMetrics utilizes proprietary software and state-of-the-art hardware, designed specifically to conduct vigorous and sophisticated analytics coupled with innovative, advanced statistical techniques. Applying customers' business expertise together with PredictiveMetrics' data, modeling, and resource capabilities allows PredictiveMetrics to provide decision support systems to companies worldwide. PredictiveMetrics is headquartered in Tinton Falls, NJ. For more information, please visit www.predictivemetrics.com or call 732-530-9303.