

COLLECTION TECHNOLOGY NEWS

UNCOVERING THE OPPORTUNITIES IN COLLECTION IT

SELF-SETTLEMENT TOOLS LURE DEBTORS ONLINE

Apollo Enterprise Solutions LLC debuted a product this month that lets financial services firms offer borrowers online debt-settlement options that reflect their current credit status.

The Apollo IDS Self-Settlement System, as the product is called, produces settlement offers based on a debtor's account data and an up-to-the-minute credit report. When a debtor visits the creditor's or collection agency's web site, "the system decides the debtor in real-time based on a report pulled from a credit bureau," said **Christopher Imrey**, chief executive of Irvine, Calif.-based technology company Apollo. "The debtor is presented offers that realistically reflect their ability to pay the debt."

Using the system's Apollo Portfolio Manager, a collector sets rules for formulating settlement offers based on account status, accrued interest,

last payment, and other criteria. The system then parses the credit report into individual components, in compliance with the predetermined rules, Imrey said. This way, settlement offers reflect credit report data — such as amounts outstanding on existing credit card lines — instead of relying on a statement of financial status submitted by the debtor.

The Apollo IDS Self-Settlement System allows creditors to offer debtors an unlimited number of settlement options. Alternatively, debtors can use the tool to suggest payment plans, which may be compared with the creditors' automated ruleset or put into a queue for review by a collector, Imrey said.

Apollo charges creditors 10% of the settlement amount.