Lighthouse Consulting AND Asset Management Inc.

Oakley Duff GROUP INC.

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Lighthouse Beacon Alert

Debt for the Holidays

With a late '07 buying frenzy are you getting a portfolio for Christmas?

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Recent Purchase Activity

The last quarter of 2007 has shown a sharp increase in purchases. The market has been saturated with portfolios for sale for several months and suddenly they are moving of the shelves.

Well I am sure you are asking the same question why? It is due to several factors but the primary factor being pricing. Along with the recent increase in number of portfolios for sale has begun the reduction of pricing to match. This is similar to the current housing industry although not that well connected.

Also the recent conferences such as NARCA allow the buyers to talk to other buyers and they get excited about the business all over again. This leads to more sales and also brings new buyers to the industry.

Influx of New Buyers

There continues to be new interested people in this industry daily. Many are already in the contingency collection business either as an agency or law firm and many others are just entrepreneurs. I deal with new buyers daily and help many to become productive companies in our industry as well as help them understand the policies and etiquette. Most are good people and just need some basic coaching and consulting some are just looking for a new business. But this influx is keeping the business alive by providing the end user buyer.

We'll see you at Debt Buyers in Vegas in February!

Many of these buyers come from the litigation portion of the industry as they are often the end user of the portfolios. By buying the portfolios by State they are providing profits for the sellers upstream and they are also making money for themselves at the same time.

The litigation collections provided by the attorney buyers and other buyers buying to litigate we are allowing the buyers upstream to make money. These buyers would not be able to pay the recent pricing if they could not sell downstream at a profit to the litigation buyer.

Litigation Buyers

Without this portion of the industry we could not provide the long term returns needed to support fresh pricing above 10 cents. There are even two levels of litigation buyers the first is the buyer whose model is to get the easy money as fast as possible and then sell the remaining meat to a downstream buyer just before the statute period has expired. The second litigation buyer must sue every debtor that can be located and served where as the first litigation buyer just sued 10-15% of that States' portfolio.

The second litigation buyer got the benefit of low pricing often around 2 cents but did not get the benefit of the best accounts. I often wonder who gets the best deal in that scenario but it is generally profitable for both. I have clients who buy state specific, 2 cent portfolios and collect 25% off of them.

The litigation buyer is the newest addition in the marketplace but is a direct correlation to the pricing in the marketplace. Most of my new buyers are State specific buyers and they the ones driving the recent buying frenzy.

Are You Missing Out ?

If you are a buyer who is not currently purchasing, a new buyer or someone who is just thinking about buying Lighthouse Consulting can help you. We deal with new buyers daily and can help the new buyer to find not only portfolios but also things like software, letter vendors, collection agencies, law firms and financing to name a few services.

If you are an experienced buyer and need better paper, new ideas or just have questions we are also your resource. Lighthouse Consulting consults with many law firms yearly as well as creditors, and other buyers and sellers.

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We can help you increase your front end collections and show you best practices. Due to the nature of consulting we have seen many companies strategies to collect and we have identified the best practices and can share them with your company.

Remember we can help you find vendors, outsourcers, software, portfolios and happiness in the new year. Let us show you how to collect more money by just giving us a call and setting up a consulting visit. For as little as $3500 dollars (plus expenses) you can get a detailed analysis of your current strategy and suggestions for improvement.

For more info contact Phillip W. Duff at 904-687-1687 or at

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Lighthouse Consulting has a new employee Loren Hill has joined us as a National sales Rep and will be working to increase our database of new buyers and sellers. If you are a new buyer please call Loren at 404-358-1633 or email him at sales@LighthouseConsultingInc.com

Happy Holidays to all our clients

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Portfolio Spotlight

- B of A portfolio available by State and possible short term flows on some States are available. We have AL, AZ, FL, In, MD, MS, NV and UT left this month more states in a week this portfolio is 22 months from CO date for around 5-6%.
- Fresh GE Cap 7 months from the CO date and available by State or region. NY, Al, AZ, CA, KY, GA, KS, MN, OH, OK, OR, PA and VA to name a few of the States available.
- DDA or overdraft checking accounts available average balance is $600 and I have accounts from several banks and States.
- B of A accounts close to statutory limits but still available for a litigation buyer. This file will be sold by State for around 2 cents.
- If you are looking for a specific portfolio let us know and we will locate it for you.
- Beneficial accounts by State.
- We are looking for sellers who will allow us to sell portfolios by State. Please call Loren at 404-358-1633
- Coming the first of next year a Portfolio of Chrysler debt.

Lighthouse Consulting can help you sell your portfolio!