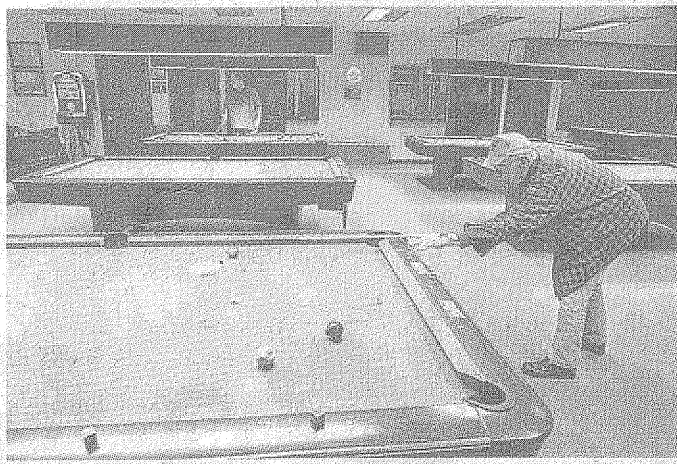


MIDSTATE MONEY

THE PATRIOT-NEWS • PENNLIVE.COM • MONDAY, NOVEMBER 23, 2009 • A9

BUSINESS SPOTLIGHT

Club Med Billiards



JOE HERMITT, The Patriot-News
Bob Deibert of Camp Hill fires off a shot at Club Med Billiards on 38th Street in Swatara Twp.

Pool hall owner takes another shot

The reopened Club Med in Swatara Twp. charges \$7.50 per hour per table, with afternoon discounts.

BY M. DIANE McCORMICK
For The Patriot-News

Ed Thomas showed off his pricey pool cue, with its 52 inlays of pre-ban ivory. He drives from Wrightsville, York County, to play pool at the reopened Club Med in Swatara Twp. "every chance I get," he said. "It's a very nice place," he said. "The equipment's beautiful. It's hard to find a place where you'd be able to shoot on tables this nice. The environment's good, too."

His playing partner, Andy Smith of Dallastown, York County, added, "No smoking, too."

"That's a bonus, Thomas agreed. "You don't come out smelling like a Marlboro," he said.

Joel Medvidovich opened his first pool hall, Snookers, in Steelton in 1989. Its successor, Club Med Billiards on Amity Drive, Swatara Twp., closed in June 2008 when its lease expired.

This month, Medvidovich and his wife, Jeanette, reopened Club Med Billiards in a 5,400-square-foot former Amp office in Swatara Twp.

Medvidovich said he has always strived for an upscale, family-friendly atmosphere. Tables and balls are cleaned regularly. No alcohol is served, so youths can come in to play. Troublemakers are not tolerated, he said.

"When we first opened our place, we tried to be everybody's friend, and we learned that didn't work," Medvidovich said.

The game of pool has had its ups and downs, including revivals fueled by the 1986 Tom Cruise movie, "The Color of Money," and today's televised tournaments.

Nationwide, business at pool and billiard halls slumped 4 percent from 2007 to 2008, but pool playing is

Club Med Billiards Inc.

- 102 S. 38th St., Swatara Twp.
- Features leagues and tournaments
- Hours are 1 p.m. to midnight every day.
- A grand opening will be held Nov. 28, including free food at 5 p.m.
- For more information, call Joel Medvidovich at 564-5730, or search Club Med Billiards on Facebook.

up almost six percent since 2000, the Sporting Goods Manufacturing Association reported this year.

Forty-nine million people — 17.5 percent of U.S. residents — played pool at least once a year, and more than 6 percent were "core participants," playing 13 times or more, the SGMA reported.

Most participants were ages 18 to 44, and two-thirds of players have household incomes over \$50,000.

Club Med does well with under-21 players as well as middle-aged, said Joel Medvidovich Jr., one of several family members in the business. Bars with pool tables are not Club Med's competition, he said.

"Our competition is movies and bowling alleys," he said. "We're entertainment."

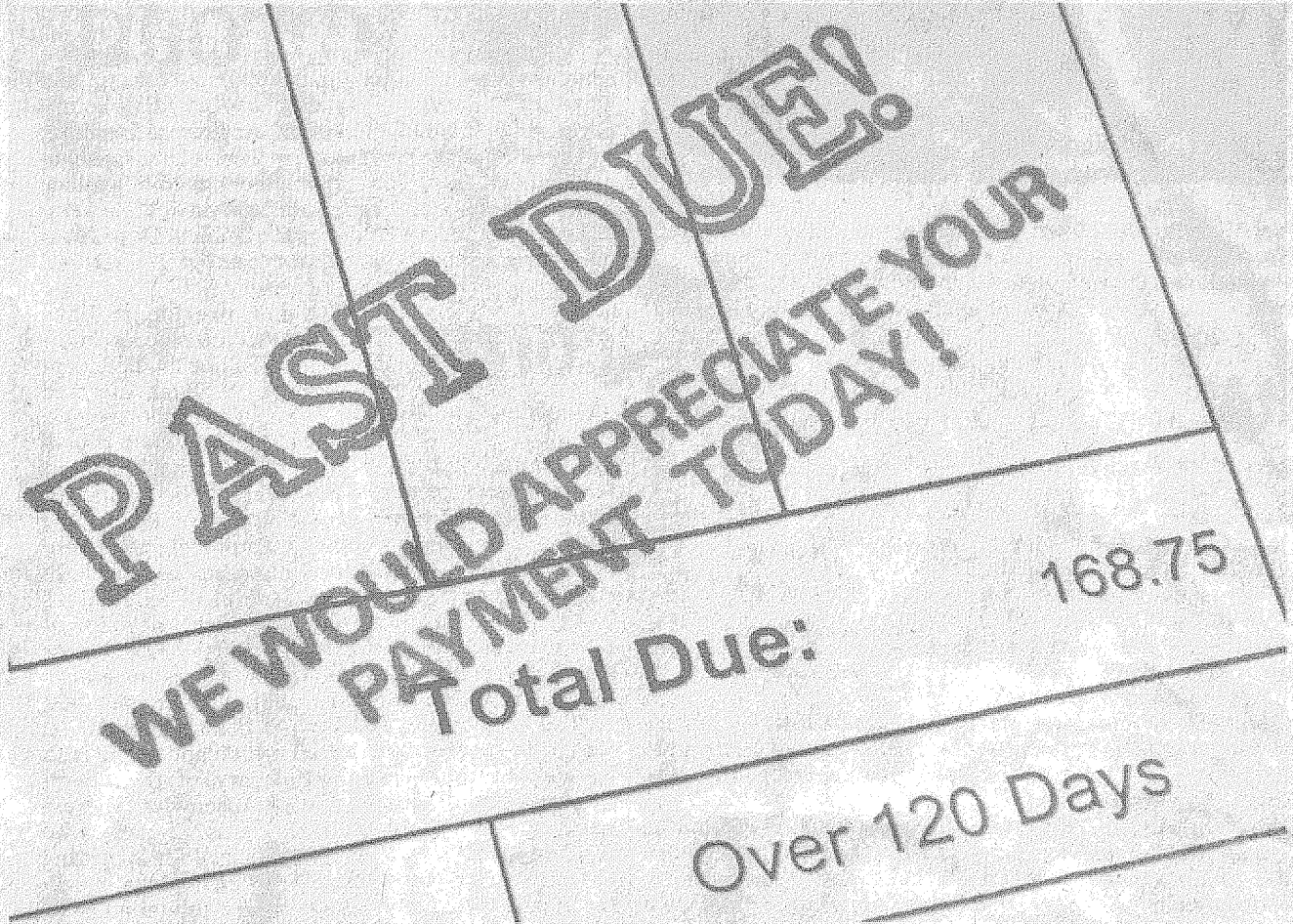
Playing fees are much cheaper than a night at the movies — \$7.50 per hour per table, with afternoon discounts.

"In New York City, you're paying \$12 an hour per person or more," said Bill McCoy, a Club Med regular and former owner of Casino Billiards, the downtown Harrisburg hall that closed in the 1980s. "What he's giving is really a great price for entertainment."

Club Med's family atmosphere and rows of tables help

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THE DEBT COLLECTION INDUSTRY



GROWTH GAINS

Two area debt collection firms' business is up partly because companies have become more aggressive in collecting.

BY DAN MILLER
danmiller@patriot-news.com

Looking for a growth industry in the midstate? Try debt collection.

Among two of the midstate's larger debt collection companies are NRA Group LLC, a national company based in Harrisburg; and Transworld Systems, a California-based company with a franchise on North Front Street.

NRA Group LLC, known as National Recovery Agen-

cy, will need to add at least another 100 jobs over the next 18 months, said CEO Steven Kusic. The company has just over 200 employees now.

NRA has its headquarters on Paxton Street but has expanded into a former bank operations center in Hampden Twp. NRA employees working the phones to collect money for clients all over the nation take up one wing on the second floor. Kusic has already had the wing on the other side gutted in anticipation of the employees he plans to hire.

Kusic said NRA's growth is up dramatically because more people are behind in their bills and companies, especially small businesses,

have become more aggressive in collecting because these businesses need the money.

"I have seen the amount of unpaid bills exploding," Kusic said. "This year we will have a 48 percent growth rate."

NRA was growing before the downturn. A year ago NRA was ranked the 109th largest private company in the region by the Central Penn Business Journal based on revenue of \$27 million. In the same ranking this year, NRA has moved up to 84th place after 2008 revenue climbed to nearly \$32 million.

Transworld Systems is also growing. The company's Harrisburg franchise in

each of the last two years has ranked third among 100 Transworld locations nationwide in contracted revenue, said Kenneth Middleton, district sales manager.

Transworld charges each client a flat fee, usually about \$12, for each account in which someone owes the client money, Middleton said.

Middleton said his office has recovered more than \$40 million for clients throughout central Pennsylvania from 2006 through October.

Transworld has 14 sales people working out of the Harrisburg office as independent contractors, selling

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DAN GLEITER, The Patriot-News

"Bigger companies have always had a liquidation strategy to take care of debt. It's now the smaller players being forced to."

STEPHEN KUSIC

CEO of NRA Group LLC, a national company based in Harrisburg



DAN MILLER, The Patriot-News

"I think most businesses are seeing more customers get behind on their bills so businesses that typically wouldn't have used us in the past are."

KENNETH MIDDLETON

District sales manager for Transworld Systems, Harrisburg franchise

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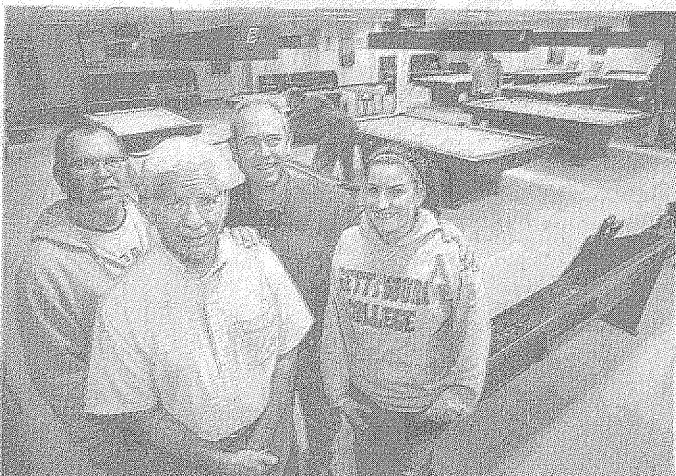
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JOEL HERMITT, The Patriot-News

Joel Medvidovich, front, and family members, from left, Roger Mease, Joel Medvidovich Jr. and Joanna Swartz have opened Club Med Billiards on 38th Street, Swatara Twp.

HALL

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players learn from each other, McCoy said.

"It takes a lot of skill and a lot of practice to do what you have to do," he said. "You need help. That's why old guys like me are around."

Medvidovich brought 13 regulation tables from the former establishment — 4.5-by-9-foot Brunswick Crown 3s with 860 Simonis cloth. The woven Irish linen creates a faster playing surface than feltlike combed wool, he said.

"It amplifies the game," he said. "The cloth is three times as fast."

Club Med also has a billiards table — no pockets — that's popular, and five smaller bar tables are coming

"When we first opened our place, we tried to be everybody's friend, and we learned that didn't work."

JOEL MEDVIDOVICH who opened his first pool hall, Snookers, in Steelton in 1989

soon, Medvidovich said. He also sells "anything related to pool" and refurbishes tables and cues.

Medvidovich is 73, and he and his wife eventually hope to hand down the business, including another Club Med on Carlisle Pike, Hampden Twp., to their children, Joel Jr., and Jerilyn Mease.

"Even when I retire, I'll still come in here, because I like it," Medvidovich said.

COLLECT

Continued from Page A9

Transworld's debt recovery services to businesses. The actual collecting, much of it by phone, is done by people who work for Transworld at other locations in the region.

Middleton couldn't say how many employees Transworld has in this region, but did say his office is hiring.

"The opportunity is large. About 95 percent of businesses out there need us. The amount of people we have, we can't cover the area," he said.

The Patriot-News asked Kusic and Middleton about trends they are seeing in their industry.

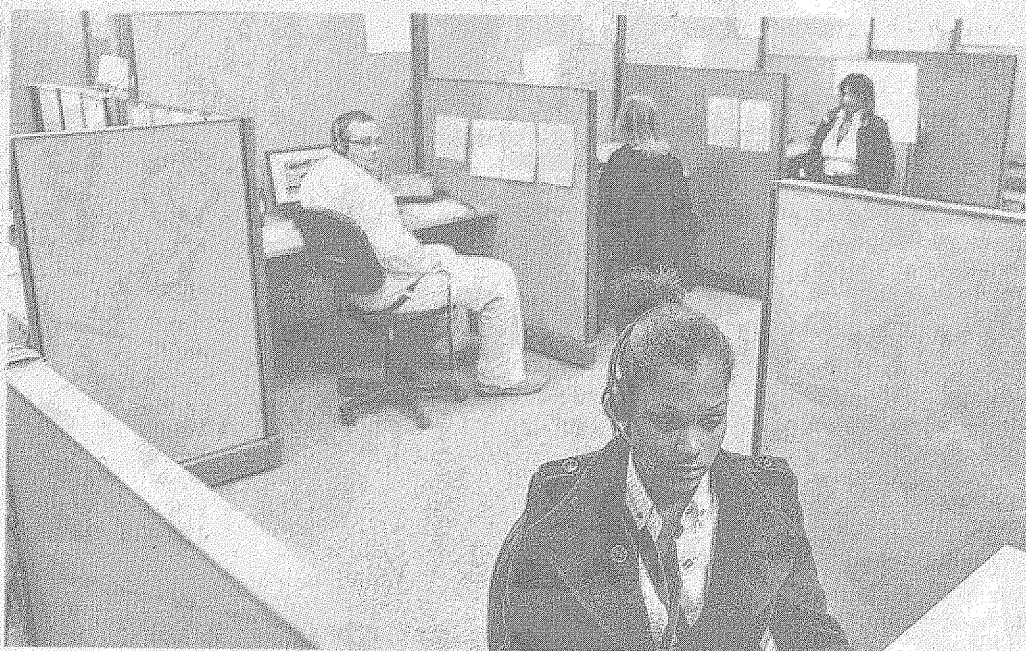
Q: How has your industry been impacted by the economic downturn?

Middleton: "I'm seeing more and more doctors interested in hiring" a company like Transworld to collect unpaid bills. Medical professionals are paying higher malpractice premiums and faced with more restrictions on what they can charge for services. Patients have higher medical bills and are falling behind due to rising co-pays and deductibles from employers looking to cut their health care costs.

Small businesses have also gotten more aggressive in collecting unpaid bills because these businesses are having a harder time staying afloat themselves.

Kusic: NRA has typically dealt mostly with large Fortune 500-type companies across the country, but he's also seeing more small businesses seek his services.

"Bigger companies have always had a liquidation strategy to take care of debt. It's now the smaller players being forced to. It's like, 'If I'm not getting paid how do I pay my employees and myself? We have landlords who come in who went to the district judge but they can't locate the person to collect on their judgment."



DAN GLEITER, The Patriot-News

National Recovery Agency is a debt collection business in Hampden Twp. Another branch of the company is in Swatara Twp. Laquacia Holmes of Harrisburg works in the Hampden Twp. call center.

This is how they need to pay the mortgage company to keep their property.

"When the economy is going good you don't see the effects of that because its offset by profits. But when things get tight, you see where debt losses are mounting."

Q: Would you say the economic downturn has been good for your business?

Middleton: "This business is recession-proof. Businesses will always extend [credit] terms regardless of the economy," he said. However "I think most businesses are seeing more customers get behind on their bills, so businesses that typically wouldn't have used us in the past are."

Middleton said while Transworld Systems has more clients, collecting debt has become more difficult. People with less income or who lose their job prioritize bills, first paying off the electric and then making sure the phone and cable keeps going. A debtor thinks he or she can set the medical bill aside because there's no direct consequence for not paying it.

Kusic: NRA in a typical

TRANSWORLD SYSTEMS OPENINGS

Transworld Systems, a California-based debt collection company with a Harrisburg franchise, plans to hire more sales people who work as independent consultants, said Kenneth Middleton, district sales manager.

Middleton declined to give a pay range but said salespeople work on commission and can make \$100,000 a year or more.

Transworld Systems also has an ongoing need for people who try to collect debt over the phone. Middleton said these people don't work out of the Harrisburg office but at other Transworld Systems locations in the region. He would not give a pay range but said pay is tied to meeting performance incentives and that some of these employees can also make \$100,000 a year or more.

To learn about positions offered by Transworld Systems call Middleton at 717-236-3759 or by e-mail at kenneth.middleton@transworldsystems.com.

REAL ESTATE TRANSACTIONS

• **Tope Industries** has leased office space at 3920 Market St., Camp Hill. Thomas T. Posavec and Roy H. Brenner of Landmark Commercial Realty Inc./ONCOR International negotiated the lease terms for the building owner, Catskill Properties.

• **Moneyline Lending LLC** has leased 2,300 square feet of office space at 2325 Paxton Church Road, Susquehanna Twp. Seymour Barget of Landmark Commercial Realty Inc./ONCOR International negotiated the lease on behalf of the tenant and Thomas T. Posavec and Roy H. Brenner, also of Landmark, represented the building owner, Williams Holding Group LLC.

• **La Porte Asset Management LLC** has leased 1,300 square feet of office space at 525 N. 12th St., Lemoyne from Quaker Realty. Art Campbell and Derek Bicksler of Campbell Commercial Real Estate Inc. acted as dual agents in the transaction.

• **Royer's Flowers & Gifts** has acquired Landisville Flower Shop at 903 Nissley Road, which will remain open and will continue to operate as Landisville Flower Shop.

• **Gary McGarvey** recently opened a new Aarco station at 401 East Cumberland St., Lebanon.

• **Hudson Co.** has purchased 13 acres in Cumberland Technology Park, Hampden Twp., for a 63,000-square-foot multistory office building for the state Department of Corrections. Representing the owner, Mount Zion Associates, was Dan Alderman of NAI/CIR. The buyer was represented by Gary J. Rosenstrauch of RSR Realtors.

• **Flattline Auto Sales & Service Center** has opened at 400 South Cameron St. in Allison Hill. It's owned and operated by Michael Mason and Sean Davis, who have a combined 20 years in the auto industry.

• **Northwest Savings Bank** has introduced Business Mobile Banking, a service that allows business customers to do their banking from any place that their cellphone or mobile communications device can operate. Customers can use SMS, Short Message System, or Web browser format to view recent transactions, check balances, transfer funds between accounts, pay bills, retrieve short statements, approve or reject transfers, stop payments, ACH transactions and wires, make positive pay decisions and contact customer service with no limits on the number of monthly transactions or added costs from the bank.

• **Grubic's Flooring American** has leased 2,500 square feet of retail space and will relocate its business to 3815 Paxton St., Swatara Twp.

Andy Kohr of Landmark Commercial Realty Inc./ONCOR International represented the tenant and Keith Sultzbaugh of Apex Realtors represented the landlord in the leasing transaction.

• **Paradise Plaza LLC** has purchased the 15,525-square-foot Penbrook Plaza at 2300-2314 Walnut St., Susquehanna Twp. The new management team plans to renovate the plaza in early 2010.

Chuck Heller and Drew Bobincheck of Landmark Commercial Realty Inc./ONCOR International negotiated the sale on behalf of the owner, W.S. Builders.

• **Linlo Properties LLC** has purchased a 14,052-square-foot building at 930 Century Drive, Lower Allen Twp., from a local investor. Thomas T. Posavec and Andrew Kohr of Landmark Commercial Realty Inc./ONCOR International handled the sales transaction.

• **Full Circle Copier Outlet**, which specializes in the sale and service of refurbished office equipment, has named Steve McNally its director. The business-to-business company has relocated to 800 Paxton St., Harrisburg, where its showroom is open by appointment.

• **Kathleen's Curiosities** has leased 1,750 square feet of retail space at 400 Bridge St., New Cumberland. Andrew Kohr of Landmark Commercial Realty Inc./ONCOR International handled the lease negotiations between the landlord and tenant.

• **Fisher Auto Parts Inc.** recently acquired a 132,548-square-foot warehouse in Silver Spring Twp. from Prologis. Jason Grace of Landmark Commercial Realty Inc./ONCOR International represented the buyer while Adam Campbell of Campbell Commercial Real Estate in cooperation with Meg Buffington of Prologis represented the seller.

• **The Pennsylvania Association of Convention and Visitors Bureaus** has leased 650 square feet of office space at 126-128 Walnut St. in Harrisburg. David Rudy of The Bill Gladstone Group of NAI/CIR handled the transaction.

BIZ CALENDAR

TUESDAY

• **The Highmark Direct health insurance retail store** will hold Medicare Solutions Informational Seminars at 2 p.m. at Highmark Direct, Silver Spring Square, 6416 Carlisle Pike, Suite 1500, Silver Spring Twp. To register, call 800-350-4135. For additional information, contact Highmark Direct at 302-7900.

Calendar items may be e-mailed to bizevents@patriot-news.com about three weeks before the event.

What rules guide collection agencies?

Federal law sets the rules for what debt collectors can and cannot do.

BY DAN MILLER
danmiller@patriot-news.com

If you are getting calls from a debt collection agency before 8 a.m. or after 9 p.m., that agency is breaking federal law.

The debt collection industry in the United States is regulated by the Fair Debt Collection Practices Act.

The act spells out what debt collectors cannot do. For example, a debt collector cannot call you at work if you have told the agency such calls are not permitted.

The Fair Debt Collection Practices Act dates back to 1977 and at least one federal lawmaker has said the law needs to be updated to reflect changes in technology such as e-mail, cell phones and even fax machines.

Sen. Carl Levin, D-Mich., who heads the Senate Permanent Subcommittee on Investigations, in October said the act is poorly enforced by the federal government.

"With the economy in crisis and many people struggling to pay their bills, debt collectors have responded by

More information

Information for consumers on what debt collectors can and cannot do under the Fair Debt Collection Practices Act can be found by going to the Web site of the Federal Trade Commission at www.ftc.gov. Click on the "debt collection" link under Quick Finder on the FTC home page.

becoming more aggressive," Levin said in a statement accompanying release of a U.S. Government Accountability Office report on credit card debt collection practices.

"The Federal Trade Commission receives more complaints about the debt collection industry than any other industry," Levin said. "Ongoing abusive practices include trying to collect debt that isn't owed or is beyond the statute of limitations, making harassing phone calls, threatening to make arrests that the debt collector has no authority to make, and collecting debt discharged in bankruptcy."

IF A COLLECTOR CALLS

What should you do if you start getting phone calls from debt collection agencies? Here are some tips offered by professionals in the debt collection industry in the midstate and by counselors who help people struggling with debt:

• Don't ignore calls and letters from a debt collection agency. Industry professionals say debt collectors in most cases are willing to work out an arrangement where you can pay down the debt over time.

Caryn Bilotta, manager of education services with Advantage Credit Counseling Service in Harrisburg, said ignoring debt collectors won't make them go away. Ignoring a debt collector may also make it less likely that the collector will work with you later on.

• Know your rights and don't just take the debt collector's word for it. People contacted by a debt collector can go to www.ftc.gov to find out what collectors can't and can't do under federal law.

Bilotta advises getting a credit report copy. Anyone contacted by a debt collector has 30 days to request the agency send a verification of how much is supposedly owed. Write a letter requesting the agency provide you this information in writing, Bilotta said.

• Don't say you'll send money unless you can do so. Bilotta also advises not to send debt collectors a post-dated check and if making a payment by phone, make sure you're only giving a one-time authorization.

Remember to ask if there are extra fees if you make a payment by phone.

— Dan Miller, danmiller@patriot-news.com



DAN GLEITER, The Patriot-News

National Recovery Agency in Hampden Twp.