

COMPANY SPOTLIGHT: NATIONAL RECOVERY AGENCY

Growing Through Bad Times And Good



Three years ago, Steve Kusic bought out his father from the debt collection agency he'd started in 1976. Keen to invest in the company and grow it, the younger Kusic had the company licensed in all 50 states so that it could represent national clients. He started having the company's financials audited, to assure potential clients that his

firm wouldn't spend any of the money it was collecting—an occasional problem in the industry. And he invested heavily in technology.

The result: National Recovery Agency made last year's Inc. 500|5000 at No. 2,353, having grown revenues from \$10.5 million in 2004 to \$27 million in 2007. NRA had 41 employees when Kusic bought out his father; today, headcount stands at 192.

Because debt collection is counter-cyclical, that kind of growth is likely to continue and maybe even accelerate. "When the country is doing well, we'll do well," says Kusic. "When the country is doing badly, we'll do great." He expects a flood of business in the coming months, for example, as utility companies, often prohibited from withholding service during the winter months, start to put more pressure on delinquent accounts.

Kusic does, in effect, benefit from others' financial troubles. But he makes the case that his company's services are a win-win for both his clients and the debtors who owe them money. His employees help the debtors stave off more draconian collection methods and avoid bankruptcy, often by "adjusting" the overall debt downward and developing a realistic payment plan. "The key," he says, "is listening to the debtors, and understanding their situations."

Kusic's growth-oriented investments continue. In March, he spent \$200,000 on technology that will increase his company's automated calls to his client's delinquent accounts from 239,000 a day to 500,000. Revenue could jump 50% in 2009 as a result. And that, he expects, will beget still more sales. "When clients give us business, they not only want us to collect successfully," Kusic says. "They want a successful company behind the collection as well."