

KEWANEE CREDIT BUREAU

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Effective April first, our Residential Mortgage Credit Reports (RMCR) will cost \$35.00 for a two bureau report and \$40.00 for a three bureau report. There WILL NOT be a charge for toll calls.

MEXICO

TRW INC, and a small group of private Mexican investors recently announced that they have established a joint venture to provide consumer credit reports, information products and services in Mexico. The company named COMCRED, was established in January and is TRW's second information consumer credit reporting venture. In March of last year, TRW announced it purchased a minority interest in Central Communications Bureau, Japan's fourth largest credit information firm. (from ACB, Communicator, Vol 10, issue 2)

INSTALLMENT CREDIT TREND SHIFTS AND REACHES FIVE YEAR HIGH

In September, the dollar amount of outstanding revolving credit exceeded the amount of automobile credit for the first time in the history of the Federal Reserve Board's consumer installment credit service.

As much as 35 to 40 percent of revolving credit, according to the Federal Reserve Board, is actually non-revolving convenience credit, increasing as consumers become more comfortable with using plastic instead of cash or checks at the point of sale.

OUTSTANDING INSTALLMENT CREDIT

Installment credit increased by \$6.7 billion in September, according to the Federal Reserve Board. The increase is the largest monthly advance in almost five years. All of the major credit categories used by the Federal

Reserve board posted large gains, including automobile credit, revolving credit, loans for education and R/Vs. And of all consumer credit lenders, Commercial banks held the largest share of the total consumer installment credit outstanding, followed by finance companies, Credit Unions, retailers, Saving institutions and gasoline companies.

The increase of 10.5% brings total consumer installment debt to \$769.2 billion.

DISCLOSING CONSUMER CREDIT REPORTS

Some of our members have been giving out free copies of credit reports to consumers. Our contracts don't prohibit this activity, but we highly discourage the practice.

It is often more detrimental to disclose the report to the consumer while not being able to explain various entries on the credit report. The consumer can, quite rightly, get frustrated by the fact that they do not seem to be getting an adequate explanation of what is contained in the report.

If the member wants to discuss information, it's important that your personnel be properly trained in interpreting consumer credit reports.

Also, when a loan is declined because of information on the Credit Report, be sure that the "Letter of Adverse Action" gives the name, address and phone number of the Credit Bureau.

For example, if the information used to decline a loan was from another Credit Bureau besides the Kewanee Credit Bureau or TRW, DON'T give your customer our name. We will be glad to work with consumers, but we can't help them if you didn't get the Credit Report from us or TRW.

Diane Ebens, Office Manager
Larry Nelson, Pres.