

Alexander Ullenberg's GETTING PAID BULLETIN

Your complete source for information on collecting more money owed to you and writing off fewer debts.

Provided as an education service (not legal advice) for friends and clients by Attorney Alexander Ullenberg, who welcomes your questions and comments at (920) 924-9878.[†]

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Timing. How long should I wait for payment before turning over an account to my attorney for collection? On what type of accounts should I file a lawsuit? My clients often ask me these questions – and unfortunately there is no magic answer – it depends upon the account and the industry you are in. For example, in the health care industry it usually takes 45 to 60 days to process insurance reimbursement claims – therefore it is customary not to consider these accounts overdue until 90 to 120 days out. But for a service company (like an accountant, printer, auto shop, etc.), if a bill is not paid in 30 days it may be appropriate to seek outside help at that point. Regardless of which industry you are in, timing is critical when collecting money owed to you. The longer the account is unpaid and the longer you delay in obtaining payment the less likely you will ever get paid. As time goes by, debtors move (without leaving forwarding addresses), phones are disconnected or changed, jobs are changed, and assets are further encumbered or in egregious cases concealed.

However, there is a cost to suing someone. The court fees for small claims actions (i.e. claims under \$5,000) are around \$75 (not including any attorney fees or extraordinary service of summons charges), and around \$200 for large claims. While these charges will be ultimately added to the judgment, a judgment is nothing more than a piece of paper until it is converted to cash (through a garnishment or asset seizure), which may take years. And if the debtor files bankruptcy, those costs may never be recovered. Immediate action is critically important at this stage. Obtaining an uncontested judgment takes about three (3) weeks for small claims and about two (2) months for large claims. A lot can happen to your debtor during that time. Therefore, it is terribly important not to delay the inevitable – once you realize your debtor is not going to pay, swift action must be taken immediately. That's the premise our 3-step collection system is built upon – and as you can see it works.

Statute of Limitations. As most of you are aware, there are time limits under which you must act to enforce your right to payment (legally “statutes of limitation”). For oral or written contracts, you generally have six years from the date of last payment or the date when the debtor

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MORE FREE COLLECTION INFORMATION. Find back issues, time-proven advice and tips, and collection services at the Collection Center at www.UllenbergLaw.com. Or request our free packet of debt-collection articles: 10 Easy Ways You Can Collect More Money and Write Off Fewer Debts, 12 Fatal Mistakes Businesses Make When Extending Credit, and more. Call us at (920) 924-9878 or send us your name and address / email / fax number to Ullenberg@hotmail.com or fax to (920) 924-9895.

SEMINAR NOTICE: More tele-seminars and other seminars coming soon. Send us your name and email / mailing address, and we'll add you to our mailing list and let you know when we announce new dates.

[†] Do not regard these articles as legal advice. The complexity of laws and people's problems make it difficult to give legal advice without knowing the facts of each case or situation. Call us for your legal needs or seek other professional advice before acting.

breaches their payment promises to commence a lawsuit. [§893.43]. As with any law, there are exceptions: (1) if it is a contract between “merchants” under the UCC the contract can reduce this timeframe to one year; and (2) claims for unpaid non-professional “personal” wages must be asserted within two years. However, once you obtain a judgment against your debtor, you generally have twenty (20) years to collect upon it. But be careful – you can’t just sit back and relax after you obtain a judgment – if you unreasonably delay your collection efforts the Court may impute an equitable “statute of limitation” called laches which would bar your claim earlier than this 20 year period. Aah... the technical rules...

Excuse of the Month: “My computer is down and I can’t print checks until I fix it.”

GOT A QUESTION / GOOD EXCUSE? Send it to Ullenberg@hotmail.com or fax it to (920) 924-9895. We’ll include your name and city with your question or excuse, unless you ask us not to. Thanks.

MAY WE ASK A FAVOR?

CAN WE EMAIL / FAX THIS TO YOU? Because successful collection depends on quick action and information, we’d like to get these bulletins to you as quickly as possible. We’d also like to keep our mailing costs low. Please send us your email address to Ullenberg@hotmail.com or your fax number to (920) 924-9895. While you’re at it, why not make sure we have your current address information.

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ALEXANDER L. ULLENBERG has filed hundreds of lawsuits for his clients in various collection matters across Wisconsin and represents clients in routine and complex collection matters from high-volume small claims collections to complex bankruptcy litigation due to debtor fraud and misconduct. He represents clients throughout the state of Wisconsin and occasionally, the United States, with persistent and professional legal collection services.

He is a former business law instructor for Marian College of Fond du Lac, a guest lecturer at the University of Wisconsin Law School, and the editor of the “Getting Paid Bulletin”.

Alex lives in Fond du Lac, Wisconsin where he is an active member in the Noon Rotary Club and a board member of Big-Brothers/Big-Sisters, Fond du Lac City Park Advisory Board and other organizations.

HOW CAN WE HELP YOU? In addition to providing general business support and litigation services and individual wealth preservation services to our clients, Ullenberg Law Offices provides extensive debt collection services. Dunning Letters. Small-claims and large-claims litigation. Garnishments. Repossession (ie. Replevin). Foreclosure. Construction Liens. Asset Searches and Supplemental Examinations. Bankruptcy Preferences. Objections to Debtor Bankruptcy Discharges. Contingency fees. Flat and hourly fees. Assistance to your existing collection agency. Consulting services. Troubleshooting. Collection systems reviews. Expert testimony. Confidential second opinions. And more – check out www.UllenbergLaw.com. Plus you’re welcome to e-mail or call me anytime (but please do not contact me with specific confidential information unless you are an existing client as I may not be able to keep it legally confidential if you are not a current client.)

Questions? Comments? Ideas? Opinions? I’m always happy to hear from you. You can reach me at:

Alexander L. Ullenberg, Esq.
The Fox Valley’s Business and Credit Collections Attorney.
Web: www.UllenbergLaw.com
Email: Ullenberg@hotmail.com
Telephone: (920) 924-9878
Facsimile: (920) 924-9895
Mail: 101 Camelot Dr., Ste. 2b, Fond du Lac, WI 54935

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