The U.S. Census provides data about 4190 collection agencies. Other sources estimate that there are as many as 8500 collection agencies. Collection agencies employ approximately 130,000 people. Approximately seventy-five percent of collection agencies have fewer than twenty employees. While small collection agencies are more numerous, firms with more than one hundred employees generate nearly two thirds of industry revenue. Smaller collection agencies are more likely to work with local or regional clients.

One source reports that the number of debt collection agencies declined by twenty-five percent from 2005 to 2013. Other research highlighted the remarkable stability in the number of collection agencies over a forty year period from 1987 to 2007.

Collection agencies are not evenly distributed between states in the United States. Of the 4190 collection agencies identified by 2015 U.S. Census Bureau data, New York had the most (483), followed by California (438) and Texas (308). Washington, D.C. had the fewest collection agencies (3), followed by Rhode Island (4), and Vermont (5).

The United States has a national average of approximately forty third-party debt collection employees per 100,000 people, with states ranging from more than one hundred forty-six collection employees per 100,000 residents in New Hampshire, to only seventeen collection employees per 100,000 residents in Washington, D.C.

Footnotes


197 Ernst & Young, The Impact of Third-Party Debt Collection on the US National and State Economies in 2016, Table A.1 (Nov. 2017) (report commissioned by ACA International), citing U.S. Census Bureau, County Business Patterns (2015) (there were 1697 agencies with 1–4 employees, 740 agencies with 5–9 employees, and 646 agencies with 10–19 employees; thus, (1697 + 740 + 646) / 4190 * 100 = 73.6%); Consumer Fin. Protection Bur., Study of third-party debt collection operations 7 (July 2016), citing U.S. Census Bureau (2012) (there were 2447 agencies with 0–9 employees, 588 agencies with 10–19 employees, and 3994 collection agencies in total; thus, (2447 + 588) / 3994 * 100 = 76%).

198 Consumer Fin. Protection Bur., Study of third-party debt collection operations 6–7 (July 2016), citing U.S. Census Bureau (2012) (181 firms with 100 to 499 employees generated $3,007,472,000, 102 firms with more than 500 employees generated $4,804,633,00; total amount of revenue for all 3994 firms was $12,175,975,000; thus, ($3,007,472,000 + $4,804,633,000) / $12,175,975,000 * 100 = 64.2%). See also Viktar Fedaseyeu and Robert Hunt, Working Paper No. 14-7, The Economics of Debt Collection: Enforcement of Consumer Credit Contracts 10 (Fed. Reserve Bank of Philadelphia, Mar. 2014) (in 2007, the eight largest collection agencies generated less than 23.1% of collection industry revenue).

199 Consumer Fin. Protection Bur., Study of third-party debt collection operations 16 (July 2016) ("The smallest
interviewee (excluding law firms) that reported working with national clients had 200 employees, and all but one of the respondents worked with at least some national clients.”).


201 Viktar Fedaseyeu and Robert Hunt, Working Paper No. 14-7, The Economics of Debt Collection: Enforcement of Consumer Credit Contracts 11 (Fed. Reserve Bank of Philadelphia, Nov. 2015) (“Between 1987 and 2007, the eight-firm concentration ratio in the debt collection industry increased from 17.2 percent to 23.1 percent. At the same time, the share of industry employment attributable to very small firms (fewer than nine employees) decreased from 20.2 percent in 1987 to 6.1 percent in 2007.”).


203 Id.

204 Calculations by the National Consumer Law Center using Ernst & Young, The Impact of Third-Party Debt Collection on the US National and State Economies in 2016, Table 9 (Nov. 2017) (report commissioned by ACA International) (state-by-state data about the number of people directly employed by the third-party debt collection industry) and U.S. Census Bureau, Population Division, Table 1: Annual Estimates for the Resident Population of the United States, Regions, States, and Puerto Rico; April 1, 2010, to July 1, 2017 (NST-EST 2017-01).

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