



# insideARM Executive Q&A - Regulation F and the Future of Collections

*insideARM hosts a Q&A series where their leaders talk with industry executives about their companies, how they got started, and how they view the future. In this episode<sup>1</sup>, Stephanie Eidelman, insideARM President & CEO, interviews Todd Meeks, Director of Product Management for Neustar.*

**Stephanie Eidelman:** I'm Stephanie Eidelman, CEO and president of The iA Institute and insideARM. And I'm here today talking with Todd Meeks, Director of Product Management at Neustar. For over 20 years the top 10 banks, top 10 credit card issuers, and hundreds of top brands have relied on Neustar to improve their bottom line by helping them connect with customers efficiently and effectively. So, Todd, thanks so much for being with me today for this executive interview. So, to start, can you tell me a little bit about yourself and your role at Neustar?

**Todd Meeks:** Hey Stephanie, and thanks for the opportunity to talk today. I'm the Director of Product

Management within our risk unit, where I lead a team that helps our customers optimize their outbound communication strategies. Prior to joining Neustar, I was at Citi Group for nine years where I led a team that supported their global digital channel strategy. Before Citi Group, I held leadership roles at Fifth Third Bank and Broadway Communications, and I started my career at Cincinnati Bell Telephone. So at Neustar, my customers are typically in the recovery space, where we help them to cleanse their CRM data, determine the best phone numbers to use for outbound contacts and identify the best time for them to make outbound contact attempts so that they improve right-party contact rates. It's very important that

we constantly evolve and improve our data products. And I'm also leading the internal effort to establish a platform that will utilize our data on behalf of our customers so that they can realize the benefits of our insights.

**Stephanie Eidelman:** So you've sat on both sides of the fence, which I'm sure really helps you in your role and helping your customers. You mentioned that you've spent quite a few years at a large bank and other organizations, how does that experience inform your current work?

**Todd Meeks:** Yeah, so again, before joining Neustar, I was at Citibank, and I was there at a time where there was an increased focus on complying with TCPA guidelines, especially with the release of the declaratory ruling in 2015. So I was responsible for bringing Citi's legacy infrastructure into compliance with all of these guidelines. I worked with the legal and risk teams to formulate their position and then align their systems and processes to that, which gave me a lot of experience in the regulatory compliance space. So much so that I became the primary witness for Citi concerning litigation specific to class action defense with TCPA. So combining this experience with the telecom positions that I held at the beginning of my career, the move to Neustar was kind of a logical evolution. Neustar has an extensive network of trusted sources. And that includes direct relationships with all of the major carriers which I've worked with in the past. At Citi, we integrated Neustar data for the TCPA infrastructure primarily, and then expanded it into our collection strategy to identify best numbers to

dial and also when to dial them. I think that coming to Neustar allows me to bring over that customer experience, like you said, and an internal voice of the customer, which only makes our product stronger.

**Stephanie Eidelman:** So all things really are coming full circle. You also mentioned that it was your responsibility to manage through transforming legacy technology to allow for new regulations. And that certainly is going to be facing a lot of companies moving forward. And of course that brings us to the, unless-you've-been-under-a-rock-topic, the CFPB has finally released Regulation F that we had been waiting for for seven years. It came out a few months ago and everyone is now working to get prepared for that when it will go into effect on November 30th. How is Neustar thinking about the new requirements and what are you working on?

**Todd Meeks:** So I guess first of all, I think everybody would probably like to crawl back underneath that rock and pretend that never happened.

**Stephanie Eidelman:** At least not to read the thousand pages of regulation that came out.

**Todd Meeks:** Right, or two or three times reading the thousand pages. But Neustar is looking at several aspects of Reg F to determine how we can help our customers minimize the impact on their operations. The majority of the feedback that we have received, or at least I have received, so far is focused on the so-called seven-in-seven rule, and the ability to expand the use of email for communication. So, just to level set,

the seven-in-seven rule concerns the limitation for collectors to only make seven outbound contact attempts in seven days. Now, one interesting component of this which occasionally is overlooked, is that it is a rolling seven days, not a calendar. So this makes it very difficult to schedule more than one attempt per day, since you need to track those days with increased intensity. So you can make sure that you have an attempt available every day that you want to make that next attempt.

Many companies are planning to align with this by only making one outbound attempt per day, which would ensure that you always have an attempt available each day, but to be honest, we feel that approach is kind of giving in. We all know that a single pass, single intensity each day is not going to deliver the same level of right-party contact that companies receive today. Especially if you consider that each of those accounts that you're collecting on will likely have more than one phone number associated with it. So the odds are very low for dialing the correct and best number on the right day at the right time, if you don't have accurate behavioral data for those phones. So Neustar is able to provide that data that satisfies that right day, right time need.

But again, going back to the platform, we're also developing this platform that utilizes our own data to create a monthly strategic map by account, which identifies the best days to make outbound attempts. The platform will allow for targeted increased intensity for phones on those best days, by dialing in and around that best hour to call, and then zero intensity on

days when there's less likelihood of a contact. So on those days where zero intensity is recommended for outbound voice, then we can recommend additional channels, say an email or an SMS. And this way you can maintain that continual contact stream of the customer and maintain more than single intensity for outbound voice on the days that you're making these attempts, while still being compliant with Regulation F. I think this type of approach offers the best chance for our customers to maintain or improve their RPC rates under the new rules. From an email perspective, we're expanding and improving our behavioral data. We have quite a bit already, but again, it's that constant improvement and expansion of it. And we're also offering the ability to determine whether that email address that our customer has is primarily business- or consumer-based, which then helps with the ability for collectors to expand the use of this channel for the communications that are pretty much opened up by the updated rules.

**Stephanie Eidelman:** Yeah. But still have to be tracked, right? Even though there aren't the limitations in theory on those other channels, you certainly don't want to end up being blamed for harassment.

**Todd Meeks:** Right. And especially since section 806 of the original law is noted, and that's actually specifically called out. So I think we always see that whenever any of these regulatory changes come through, there's kind of a cottage industry of lawyers that's created to go out and read through

that and identify it. I think that the original regulation was kind of silent on what is harassment. There wasn't a black-and-white definition of it. I would anticipate that Regulation F allows a precedent to be set. So, if seven calls in seven days doesn't count as harassment, will the digital channels inherit that standard by default? Or is it a combination of the two? I think we're going to see a lot of litigation coming through kind of challenging that, trying to define that. We're interested to see if one digital communication per "off day" is acceptable.

**Stephanie Eidelman:** Of course the other thing that everyone will end up keeping in mind is that the reality is you can't send 10 emails that remain unanswered a day because that channel will then be cut off to you. It will be deemed as spam by the email provider. And, the consumer probably won't ever receive them.

**Todd Meeks:** Right. Now, if I do skip tracing on phones, I may get 10 phones. Maybe only one or two of those actually belong to that person. But when I'm calling those, even if I'm dialing them manually, I'm still making 10 attempts. So I may have two or three email addresses for a customer, but if I send one email to each of those, it may not qualify as spam because it's going to different email addresses, but it's still being counted as going to that person. So, yeah, I completely agree. There's so much ambiguity in the updates that I just think that there's going to be a lot of challenge to it.

**Stephanie Eidelman:** There will be a lot of new gray areas to replace the gray areas that got clarified.

**Todd Meeks:** Right.

**Stephanie Eidelman:** Well, Todd, thanks so much. This has been great. I've enjoyed getting to know you and hearing about what Neustar is up to as it relates to the new rules. So thanks so much for joining me.

**Todd Meeks:** All right. Well, thank you Stephanie, for the opportunity to talk to you.

<sup>1</sup> Originally published on [insideARM.com](https://www.insidearm.com). Edited for clarity and brevity.