

## Firm in India buys Amherst call center

### Account Solutions to remain here

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News Business Reporter  
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Bill Wippert/Buffalo News Ayan Chatterjee, center, and Tony Friscaro, right, visit workers at the office of Account Solutions Group in Amherst.

Account Solutions Group LLC, a 500-job debt collector in Amherst, has been bought by an Indian call center company looking to enter the U.S. collection industry, the companies announced Thursday.

The buyer, ICICI OneSource Ltd. of Bombay, will keep Account Solutions Group in Amherst, with current managers and workers in place, the companies said.

"This is a people business, this is not about buying plant and equipment," said Ayan Chatterjee, OneSource president for North America.

The combined company expects to grow by offering a wider range of services to the financial industry and by winning a larger share of the \$16 billion U.S. collection business, officials said.

ASG plans to add 60 to 100 jobs this year at its two buildings on Bryant Woods in Amherst, off the Audubon Parkway, chief executive Anthony J. Friscaro said. The company expects to win new business by adding lower-profit tasks to its service offerings.

"There's some (collection) business that we just can't do in this country profitably," he said.

Friscaro, who founded ASG nine years ago with partner Dennis Cardarella, will head OneSource's collection business globally. The Amherst company will continue to be called Account Solutions Group.

Terms of the deal weren't disclosed. ASG said it had sales of \$25 million last year. OneSource, related to India's second-largest bank, has more than 4,000 workers in Bombay, Bangalore and Delhi performing customer service and other "back office" work for Fortune 500 companies.

Workers in India will handle early-stage calls on behalf of credit issuers, a relatively low-profit business.

"It's almost an extension of customer service," Chatterjee said. Call center tasks cost 30 percent to 60 percent less in India, he said.

ASG will continue to handle later-stage delinquencies - often charged off by the creditor - that often require debt work-out strategies.

Debt collection is increasingly being performed offshore, following the trend of other call center tasks like customer service. NCO Group, a Pennsylvania collector with an office in Amherst, has nearly 500 collection jobs in India that handle U.S. accounts, the company said during a quarterly financial announcement in August.

The sale of ASG marks the first time an Indian company has bought a U.S. collection operation, said Michael Ginsberg of Kaulkin Ginsberg, a Maryland-based industry adviser. The firm was an adviser to ASG in the deal.

Call centers in India and the Philippines, as well as "near-shore" sites in the Caribbean, Canada and South

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America, are increasingly collecting debts on behalf of U.S. creditors.

However, state licensing requirements for "third-party" collectors act as a hurdle to performing that kind of work by offshore companies, he said. Third-party collectors usually work on accounts that have been charged off by the creditor, earning greater returns than early-stage collectors.

In addition, it takes a track record of industry experience and technological ability to get business from major credit card issuers, Ginsberg said.

ASG and OneSource have been working toward a deal since early this year, Frisicaro said. Both companies are certified under a standard for call center operations called COPC-2000.

The Indian company's financial strength will help ASG expand in Western New York and perhaps other areas, Frisicaro said.

OneSource has about 20 employees in the U.S., other than at ASG, including sales workers and a business research group, Chatterjee said. Last month it announced the acquisition of a majority stake in Pipal Research in Chicago.

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