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**Creditwatch Services, Ltd. Acquires Collectrite, Inc.**

Adler & Co. brokers deal creating consumer division for national company

BOULDER, Colo. – (June 9, 2008) – New Mexico-based Creditwatch Services, Ltd., a nationally licensed collections and accounts receivable company, has acquired the assets of Collectrite, Inc., a specialty medical collection agency based in Texas and serving hospitals and other medical customers in the southwest United States.

The acquisition allows Creditwatch to establish a national consumer division, which will be headed by current Collectrite president Paul Thomason.

“We are excited about the sale,” said Thomason. “This will allow us to offer our unique customer service approach to hospitals and other health care providers nationally, and will make Collectrite a much more valuable franchise.”

By acquiring Collectrite, Creditwatch has an easier entry to the fast-growing medical collections business and an immediate national presence in the industry.

“With over 30 years in the business, Collectrite has established itself as a respected provider of medical collections in the southwest,” said Joseph Tempesta, president of Creditwatch. “Large blocks of business are being auctioned off in the medical industry now, and there are increasing opportunities to acquire medical debt. Collectrite’s reputation, familiarity with the market and outstanding customer service approach will allow us to quickly integrate them into our existing operation, and will establish our company as a national leader.”

Jay Adler of investment banking firm Adler & Co., Inc. who brokered the transaction, saw the immediate and lasting benefits of the acquisition. “The collections industry is very fragmented, with 50 of the largest companies holding less than 50 percent of the market,” said Adler. “Of the 6,500 collections agencies in the U.S, only 300 of them have sales over \$5 million. There are many exciting opportunities for participants in this industry to create value by taking advantage of the relative strengths in each others’ companies.”

“It was a pleasure for me to be involved in a transaction that made so much sense strategically,” Adler said. “This was an example of how a merger really can create value for the buyer and the seller.”