



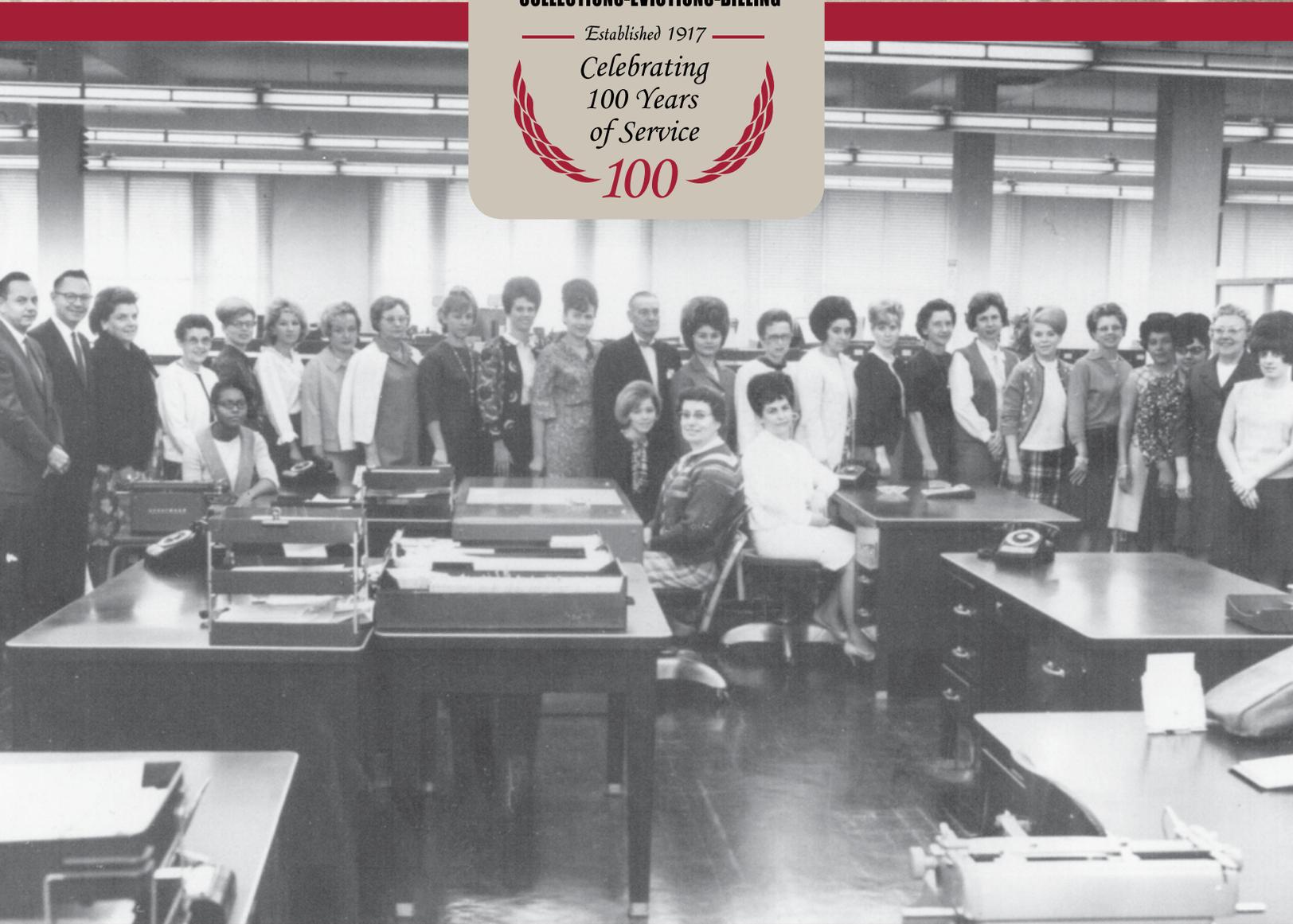
MERCHANT SERVICES

LOCAL • NATIONAL • INTERNATIONAL
COLLECTIONS-EVICTIONS-BILLING

Established 1917

Celebrating
100 Years
of Service

100



CELEBRATING

100
YEARS

OF SERVICE



Timeline of Significant Events

February 14, 1917

A group of business owners, the Stockton Merchants Association purchased Major E. V. Burke's one-man Credit Bureau for \$3,000.

June 15, 1917

Sixty-two new membership applications were accepted by the Merchants Association as they were eager to increase memberships.

June 14, 1932

The Bureau entered six years of private ownership under Albert Posner.

August, 1935

The Stockton Merchants Association installed a complete new telephone system that handled 400-500 calls a day. 150,000 credit reference cards were on file.

1956

CBMS installed switchboards and provided headsets. This made the Bureau one of the most efficient and well equipped of its kind on the West Coast.

1980

CBMS doubled the size of its headquarters by purchasing it's current home for \$240,000.

1928

The Stockton Merchants Association Adjustment Bureau "a collection agency" came into being. It operated under James J. Power for four years as part of the Merchants Association.

January, 1942

The Credit Bureau grew to 12 full-time employees, had 250,000 active file cards and the local bureau was affiliated with more than 1,300 Credit Bureaus in the U.S. and Canada.

1946

A streamlined Credit Bureau Reporting System was developed to warn merchants to not extend credit to certain people. It was called the "Merchant Plan" and was mailed out monthly to merchants.

January 1975:

CBMS affiliated with Equifax, which enabled computerized reporting services. The automated technology provided a more efficient and convenient work environment.

February 1932

The Merchants Association installed an electric teletype to communicate with credit bureaus, banks and businesses all over the United States. This made it possible to learn the credit standing of people moving from city to city.

CB Merchant Services (CBMS) was founded in 1917

by the Stockton Merchants Association as a mutual benefit, not-for-profit Corporation. For 100 years, CB Merchant Services has contributed to the financial health of communities and businesses throughout California by helping clients identify and resolve delinquent accounts.

1981

CBMS purchased the collection arm of the San Joaquin Medical Society, Bureau of Medical Economics greatly expanding the medical collections division.

June 25, 1984

CBMS reached its goal of a \$1,000,000 year in gross collections.

1985

CBMS' collection department re-engineered the collection process by automating the accounts assigned for collection. Previously typed correspondence was now generated at the touch of a button, on line calendar systems kept record of payment promises and predictive dialing computers increased the amount of calls per collector.

1990

CBMS acquires Credit Bureau of Amador & Calaveras County.

1992

CBMS reached its goal of \$2,500,000 year in gross collections.

1996

CBMS reached its goal of \$4,000,000 year in gross collections.

2000

CBMS turns all consumer credit reporting activity, now available via the world wide web, over to Equifax.

2001

CBMS acquires Credit Bureau of Stanislaus County

2005

CBMS reached its goal of \$5,800,000 year in gross collections.

2007

In recognition of it's 90th Anniversary CBMS provides a gift to the community. CBMS provides the funding and incubation to create a Community Foundation for San Joaquin County, a philanthropic organization.

2012

CBMS continues to embrace the most current technology, with an attention to data security, by upgrading data storage to SSAE 16, Soc 2 Data Center.

2014

CBMS receives Community Partner Award. The Community Foundation of San Joaquin Community Partner Award was created to highlight and celebrate the contributions of businesses that make an impact on the California Nonprofit community.



CB MERCHANT SERVICES

100 YEAR HISTORY

The idea to provide the San Joaquin community with a better way to share credit payment experiences began on Valentine's Day 1917, when a group of innovative Stockton merchants purchased Mayor E.V. Burke's credit bureau for \$3,000. Over the years, CB Merchant Services (CBMS), formerly known as the Credit Bureau of Stockton, has evolved to include collection, eviction and billing services, and is proud to continue operations as a merchant owned, mutual benefit, not for profit organization.



The Bureau, as it was originally called, was initially located in Downtown Stockton's Smith and Lang Building, when member dues were \$10.00 per month and credit reports



were \$.25! After 10 years of building clientele and a presence in the community, the Bureau later expanded to include adjustment services (which was a fancy name for collection services) in 1928.

Throughout the 1930's and 40's, under the leadership of Bert Lewis, aka "Mr. Credit", the Bureau grew to 12 full time employees, 250,000 active file cards, and was affiliated with more than 1,300 credit bureaus in the United States and Canada. By the late 1950's, the Bureau had installed switchboards and provided headsets to staff making it one of the most well equipped credit bureaus of its kind on the West Coast.

In the late 1960's, Guido A. Marengo Jr. assumed leadership and by 1975, the Bureau made public its intent to computerize the credit files through an affiliation with CBI/Equifax, the nation's largest credit reporting agency. This decision greatly contributed to the Bureau's success as a leading provider of credit information and reinforced the decision to purchase a permanent home on San Joaquin St. in downtown Stockton, where the corporate office is still located today.



Throughout the late 1980's and early 90's, under the leadership of J. L. Schroeder, CBMS continued to be a vital force throughout California. As consumer credit use expanded so did C B Merchant Services.

Over the years, the bureau further expanded its footprint by acquiring four established agencies and assimilating their key employees into the business.

- 1981 San Joaquin Medical Society, Bureau of Medical Economic Collection Division
- 1990 Credit Bureau of Manteca/Tracy
- 1998 Credit Bureau of Amador & Calaveras County (CBAC)
- 2001 Credit Bureau of Stanislaus County, RCA Collections

In 1997, Paul A. Perkins assumed leadership after serving on the board of directors for over 17 years. Under Perkins' leadership the bureau continued to embrace automation in order to expand client services and to improve the consumer's experience as well. During this time period, efficiency dramatically increased due to enhanced technology and use of the internet. A credit report became available via the internet which virtually eliminated the

need for local credit bureaus. As a result, in the year 2000, the credit reporting operations were consolidated to Equifax in Atlanta, GA, and the proceeds were dedicated for charitable purposes. This led to the creation of the CB Merchant Services Charitable Fund, which has donated over \$2.4 million over the years to non-profit organizations throughout Central California.

In 2002, Linda A. Guinn assumed leadership of the Bureau with over 25 years experience in the industry. While continuing to build on her predecessor's vision, Guinn and her management team transitioned the Bureau into market leaders in the Accounts Receivable Debt Collection, Billing, and Eviction Service industries. This led to a corporate name change to what is now known as CB Merchant Services (CBMS).

In 2007, in recognition of its 90th anniversary, CBMS wanted to give something back to the community in a unique way that would impact the area for generations to come. CBMS announced its intent to donate funds to create and incubate a Community Foundation for San Joaquin County. The central purpose of a community foundation is to serve the needs and philanthropic aims of donors who wish to better their community, both now and in the future.

For over 100 years, CBMS has provided services that ultimately benefit both the consumers and creditors in the marketplace. By treating customers with dignity and respect they help consumers find ways to resolve past due accounts that were otherwise classified as uncollectable. Effective collection services prevent, or at the least minimize, these losses

from being passed on to others in the form of price/rate increases on the cost of goods and services. CBMS is the oldest and largest not for profit collection agency in California, and possibly the United States.

CEO/President Linda Guinn commented "CB Merchant Services is truly honored to serve our clients and the community for over 10 decades." Guinn credits current and former employees and members of the board of directors for achieving this success. "It is because of their commitment and dedication that we celebrate this achievement and we look forward to serving our clients in the next century. While the business has evolved and changed over the years our guiding principle remains the same; to deliver ethical, effective services to our clients. We continue to hold ourselves to the highest standards when handling our clients' accounts and never take for granted the confidence our clients place in us when selecting a business partner." As they look to the future, Guinn feels Winston Churchill said it best "The farther back you can look, the farther forward you are likely to see." CBMS is poised to achieve growth and prosperity for all clients into the next century.

As one long time board member says, "The wonderful thing about CB Merchant Services is 1) that it's still independent; 2) that it is still owned by the members themselves; and 3) that good financial management makes it possible to provide the highest caliber of services for one of the lowest fee schedules in the country."

Who would have thought such an achievement was possible 100 years ago when the entire Credit Bureau pricetag was just \$3,000?

CB Merchant Services Collects More than the National Average

Our recovery rate consistently exceeds the national average (16.7% as of ACA's 2014 survey) dollars assigned versus dollars collected.

1917 YOUR YEAR IN REVIEW

1917 PRICES

AVERAGE INCOME	\$1477.00
NEW CAR	\$400.00
NEW HOUSE	\$3395.00
LOAF OF BREAD	\$.09
GALLON OF GAS	\$.14
GALLON OF MILK	\$.44
GOLD PER OUNCE	\$20.67
SILVER PER OUNCE	\$.54

DOW JONES AVERAGE 74

PRESIDENT WOODROW WILSON
VICE PRESIDENT THOMAS MARSHALL

INVENTIONS ELECTRIC HAND DRILL
HYBRID CORN

LIFE EXPECTANCY 54.4 YEARS



BOARD OF DIRECTORS

DAVID VACCAREZZA, *Chairman*

KAREN MUNRO, *Vice Chairman*

S. ROBERT ZAMORA, *Secretary*

CHARLES WAGNER, *Chief Financial Officer*

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NORA STROH

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MAHALA BURNS

LINDA GUINN, *Chief Executive Officer*

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