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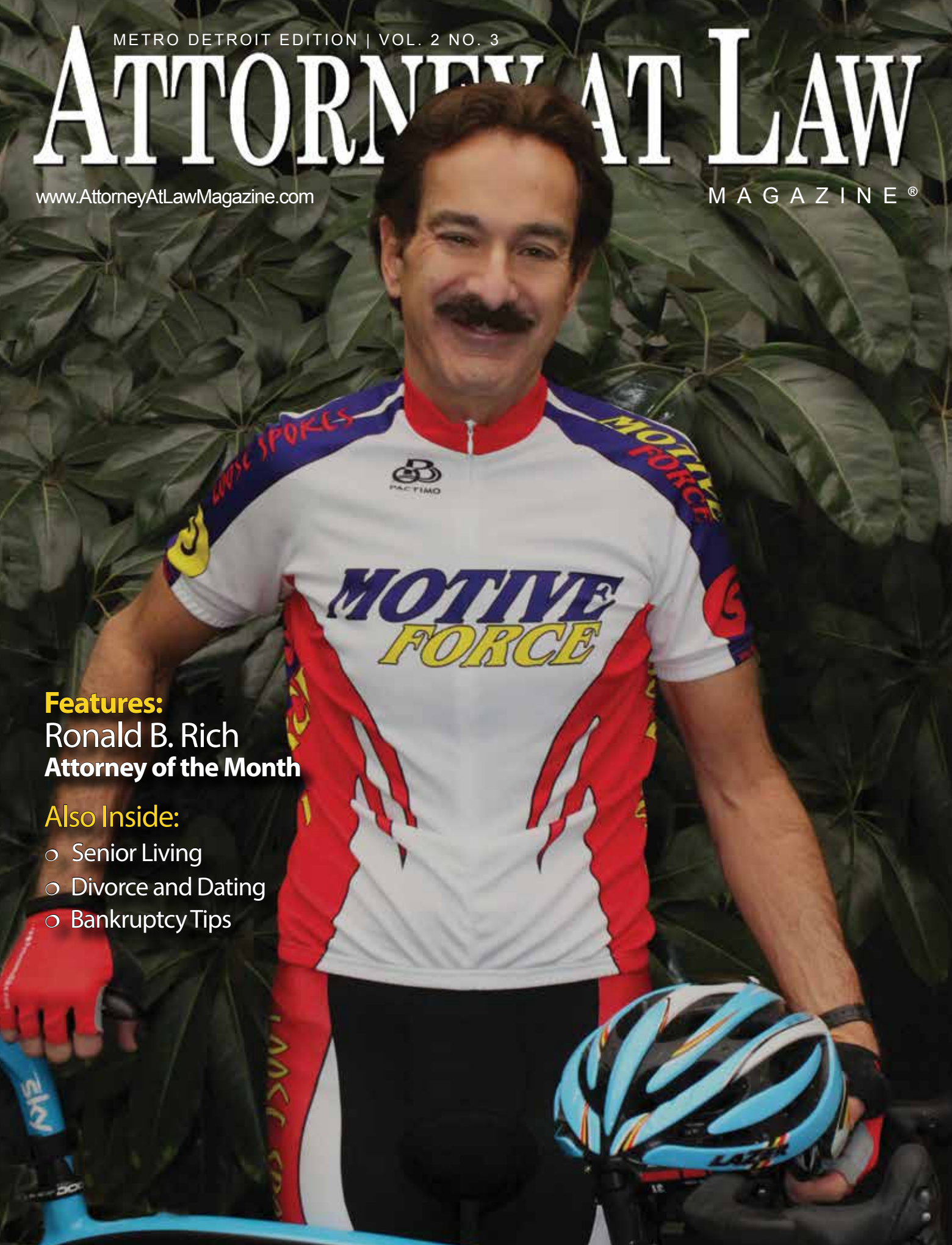
MAGAZINE®

Features:

Ronald B. Rich
Attorney of the Month

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A lover of unique, and often humorous art, Rich especially treasures this soft sculpture of a lawyer at his desk.

Ronald B. Rich

The Go-To-Guy for Collections & Construction Law

By Al Abrams

Remember that line in Ray Parker Jr.'s hit title song from the iconic movie "Ghostbusters": "Who Ya Gonna Call?" When businesses and professional service firms need help collecting their debts, the first person they call is Ronald B. Rich.

Why is he at the top of their Rolodex? Because he gets results. The firm's motto is simple and straightforward: "We Do Whatever It Takes," a sentiment further reflected in its Web site domain: "letuscollect.com."

"We are a small boutique firm that specializes in collections of accounts receivable for both commercial and retail clients," explains Rich, a partner in the Farmington Hills-based Ronald B. Rich & Associates, PLC.

"We are not a collection agency. We are a law firm that collects money," Rich stresses. The firm uses state-of-the-art collection technology and its expert staff of attorneys, paralegals, and support personnel employ a team approach to collecting debt. The firm processes all claims within twenty-four (24) hours, calls debtors at the start of an engagement and should results not be readily forthcoming, files suit.

Thanks to a national network of attorneys, Rich can collect money for clients nationwide. All work referred is to certified and bonded collection specialists.

Representing clients for more than thirty (30) years, Rich's firm represents a broad spectrum of clients – locally and nationwide – including such firms as Otis & Schindler Elevator, steel companies and manufacturers of products in the generator, electrical and plumbing industries. Says Rich, "Essentially, we can represent

any company that manufactures and sells products, or provides a service or labor and has outstanding receivables.”

The firm also collects retail student loans, credit card debt and other retail claims. Other law firms also retain Rich’s firm to collect debt for their clients and for themselves. The firm represents such blue-chip law firms as Clark Hill PLC; Howard & Howard; Goldstein Bershad and Fried; John F. Schaefer, PLC; and Galloway & Collins, PLLC, to name a few. Additionally, Rich collects debts for local and national accounting firms and consulting firms including Stout Risius & Ross and Lawrence Gardner & Associates.

Rich’s firm’s comprehensive construction lien and bond claim services practice protects local and national clients throughout the state of Michigan. Clients simply complete a claim form online through the firm’s website (www.letuscollect.com) or fax their completed forms and it is immediately filed with every county throughout the state. Should claims remain unpaid, Ronald B. Rich & Associates PLC litigates, and the firm has a long history of working in the construction industry and with contractors to resolve claims using both arbitration and/or the civil court process.

Rich credits his family for inspiring him to study the law. “My father, Sam Rich, was the founder and principal of Acorn Building Components. It was a family business that became one of the largest window manufacturers in the country. As a result, I’ve always been involved in the construction industry, even through high school and college. When I graduated from law school, I started my own practice and was retained by Acorn to manage all its legal matters. This included the company’s credit and collections work, as well as negotiating contracts nationwide between Acorn and the Trump Organization, HRH, and other developers,” he recalls.

A year after Rich began practicing, his father became ill. He died shortly thereafter and Acorn Building Components was sold. “At that time,” recalls Rich, “I had to relaunch my practice from scratch and without Acorn. I was very fortunate. In a very short time I’d developed significant industry experience, expertise, and confidence to grow a practice by working long, hard days and weekends, as well as networking extensively through various associations, contacts, and hitting the pavement.”

From his beginnings as a solo practitioner, Rich grew the practice to what it is today. The firm has three attorneys, a paralegal, and five support staff, all professionals with significant experience in the collection industry.

At any time, the firm manages approximately 3,000 cases, including construction liens and notices. According to Rich, “The firm’s practice is approximately 60% collections, 35% construction-related, and the rest corporate law. We handle a full range of business-to-business debt and supplier-based collection on commercial debt.”

How does the firm’s collection process work?

“The first thing we do is to write a demand letter,” explains Rich. “This puts debtors on notice that they owe the debt and that they should contact our office. If the matter cannot be resolved via negotiations and settlement, then we immediately, at the client’s request, file suit. Demand letters go out within 24 hours.”

Rich’s firm uses Commercial Legal Software to process all claims. Moreover, the firm has spent hundreds of hours developing proprietary forms, tracking, and software applications to move



Since he is so heavily involved with the building trades, this model of construction workers at a new construction site was a natural for Rich.

the process forward expeditiously. “We also,” Rich adds, “are very careful to follow all the laws and regulations of the FDCPA and the Michigan Collection Practices Act.”

A highly regarded practitioner by his peers, Rich helps other attorneys by sharing what he knows. He also has been published in *Crain’s Small Business* where he was a feature writer covering such issues as the collection of commercial debt and such construction-related issues as lien and bond claim law. Rich attributes a great deal of the firms’ growth to the referrals generated as a result of the information shared in these articles.

For example, in an article he recently wrote advising contractors to Get it in Writing or Get Stiffed, Rich opined on several of the biggest problems subcontractors face stemming from changed conditions on a job. Too often, he says, subcontractors do not have an established policy of handling these unforeseen changes.

“Too many subcontractors are forced to perform additional work on a job only to be held to the strict terms imposed by their original agreement with the general contractor,” Rich says. “And too many have suffered severe financial difficulties when they are not paid for the extras they must perform.

“If subcontractors we represent call us when they have not been paid to complain that ‘I was told to proceed and that I would be paid’ — then they have called too late,” he warns.

“We strongly recommend that one individual on every job be given the responsibility for dealing with the general contractor. Every subcontractor should have a ‘change order’ form that the job superintendent keeps on a clipboard.

“When asked to perform work not specified earlier, the subcontractor should immediately request that the general contractor sign a change order that details the work to be performed and estimates the number of hours the work will require. In most instances, the general contractor’s authorized

representative will sign the change order,” Rich affirms.

“Problems develop when the general contractor won’t sign a change order or there is no one with authority on the job to approve the work. In such a case, we suggest that the subcontractor contact the general contractor both orally and by fax to confirm the change of conditions. Always document in writing all extra work that must be performed.

“There may still be a fight over payment, but the general contractor will find it difficult to win in court or in arbitration when a change order has been signed. The burden of proof rests on the plaintiff, but the proper documentation will aid in proving that the work should be compensated,” Rich explains.

“In a recent circuit court construction foreclosure action, we were chosen to represent a number of subcontractors. Each was due substantial money for changes performed on the job. The subcontractor who received payments for all extras had change orders that had been signed by the general contractor’s superintendent, while other subcontractors recovered only small portions of their extra expenses because they did not follow a proper procedure.

“Get it in writing! If instructed to proceed with no guarantee of payment, contact counsel and decide if you have the financial ability to continue on the job or if you should stop all work. Determine if you can absorb the loss by paying for materials and labor while negotiating with the general contractor to be paid,” advises Rich.

You also can find Rich sharing his expertise on the lecture circuit. He is one of a select group of retained lecturers for the Construction Associates of Michigan (CAM), where he lectures on the A to Z of collections which includes everything small suppliers and sub-contractors need to know about collecting their debts. In addition, he gives lectures to various clients and lien law seminars including those sponsored by K/E Electric Supply, one of his longstanding clients.

But there is much more to Rich than work. His community involvement includes 23 years of service as a board member of the Jewish Community Center and he currently works with the Jewish Federation of Metropolitan Detroit. He received the Federation’s Young Leadership Award in 1993. In addition, Rich works closely with various other charitable funding agencies.

Rich’s sporting side is well known to many. Self-described as “an athletic freak,” he has exercised daily for the past 30 years. A participant in more than 100 triathlons, locally and nationally, Rich even swam from Alcatraz to San Francisco in the famous “Escape from Alcatraz” triathlon. His athletic exploits have been chronicled in magazines and Rich is a three-time winner of Crain’s Detroit Business “Most Fit Executive” competition. In his spare time, he can be seen riding his racing bicycle from West Bloomfield to Belle Isle to Brighton and beyond. He is a member of Team O2/Cadieux Bicycle Club, is active in other bike organizations, and an avid participant in many charity rides, including the annual Multiple Sclerosis ride.

“I have been engaged in athletics since I was in high school at Birmingham Groves,” says Rich. “I was a top high school tennis player and when I went to law school, I became an avid runner. I participated in hundreds of races including the New York City Marathon prior to participating in triathlons.”

Even though you will find Rich working at his office evenings



At A Glance

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House Specialty:
Debt Collection and Construction Lien Services

- Born in Detroit, MI 1955
- Graduated from Birmingham Groves High School 1973
- B.G.S. University of Michigan, Ann Arbor, MI 1977
- J.D. Thomas M. Cooley Law School, Lansing, MI 1980 with Honors
- Former 23 year Board Member of Jewish Community Center of Metropolitan Detroit, Jewish Ensemble Theatre, Jewish Federation, ARC
- Voted Top Lawyer in Metro Detroit DB Business in 2012 and 2013
- Avid Triathlete and bicyclist and member of TeamO2/Cadieux Bicycle Club, participating in MS Rides, Exhale Ride and many charity events

and weekends, he manages to fit time in for long bike rides, runs, swims, and races.

“Because I love what I do, I have to juggle my business, my community involvement, my personal life and, of course, exercise to fit it all into my everyday schedule,” Rich explains.

Rich believes that the secret of his success is that he is always busy and puts his mind 100% to the task at hand. His clients always maintain they have no idea how he collects their money but are grateful he does it with expertise and grace.

As Rich states when he lectures, “You must love what you do or you should look for another profession. I am one person who takes this business seriously. I love my clients, and I am personally gratified when I collect for a client and make them happy.”

Rich is married to Joyce Golden, and is the father of two daughters, Sara, a teacher, and Lauren, an advertising professional.