

Testimonials

"FIS Global is partnering with PERC on the development of a cutting-edge credit risk decisioning solution. PERC staff have provided invaluable validation for the concept, and have conducted research on the economic impacts from implementing our solution that we use with policymakers and regulators. They are a great strategic partner."

Lyndi Mulder
Vice President of R&D
Certegey- An FIS Company

"Dr. Michael Turner is an articulate expert who possesses a global vision in the field of information policy, and we highly value our collaborations relative to our ongoing research in credit access and credit risk modeling. He and his staff are very thorough and methodical in conducting research and forming conclusions. Their work is theoretically sound and the results of their studies are of practical benefit to stakeholders."

Clark R. Abrahams
Chief Financial Architect,
Financial Services Business
SAS Institute

To learn more about ADI, visit
<http://www.perc.net/content/projects-adi>

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Alternative
Data Initiative
(ADI)

Information solutions for development challenges.

The Problem

- Approximately **70 million Americans**, or more if immigrants are included, have insufficient credit information to qualify for affordable mainstream credit. (Source: NCRA)
- Billions of people worldwide are **denied access to affordable mainstream credit**, leaving them financially vulnerable to high cost credit providers and other high-risk credit sources.
- Under the current system, most energy utility and telecoms firms that report to credit bureaus, report only negative customer payment data. As a result, customers **are penalized for late payments, but are not rewarded for timely payments.**



PERC's Solution

Two-track approach:

- **Exhort** energy utility and telecom companies to fully report to CRAs
- **Make the market** by encouraging demand (use by lenders in underwriting) and supply (collection of data by CRAs)

Global Initiatives:

- **Pursuing** the idea of alternative data in the developing world to provide financial inclusion to the unbanked billions around the world
- **Advised** governments, banks, and credit bureaus in developing countries to facilitate credit information sharing infrastructures



The Roadmap

Phase 1: Framing the Issue

- **Testified** before House Financial Services Committee
- **Released** "Giving Underserved Consumers Better Access to the Credit System"



Phase 2: Making the Market

- **Released** "Give Credit Where Credit is Due," with Brookings UMI, measuring economic and social impacts of full payment reporting to credit bureaus
- **Built broad coalition** of supporters including lenders, credit bureaus, CRAs, and Consumer Advocates



Phase 3: Building a Policy Consensus

- **Released** "You Score, You Win," measuring the long-term impacts of data reporting
- **Conducted survey** of consumers, energy utilities, and telecoms firms, culminating in publication of "Credit Reporting Customer Payment Data"



Phase 4: Ongoing

- **Exhort** energy utility and telecoms executives to fully credit report payment data
- **Extensive outreach** with lawmakers and regulators to remove statutory and regulatory barriers
- **Carry out** updated analysis of the economic and social impacts of full payment reporting CRAs

For a more detailed roadmap, visit <http://www.perc.net/projects-adi>