



# Case Study

Industry: Transportation  
 Solution: Collections and Runner Services  
 Results: 62% Reduction in delinquency, 49% improvement in delivering invoices

## Summary

RMS Mexico's unique approach to invoice delivery and document control helped improve this company's cash flow and reduce its over 60 day delinquent accounts by applying customized solutions to their invoice delivery problems. Since the project's inception, this customer has experienced a 49% improvement in on-time delivery of customer statements and invoices, and a \$2.3 million (U.S. dollar) reduction in past due balances over 60 days.



## Customer Profile

This multi-billion dollar international packagedelivery company approached RMS for assistance in reducing its over 60 delinquency rate. In Mexico, a key aspect of achieving these improvements

is reducing the time to deliver invoices. The company was having difficulties controlling and tracking their high volume of invoices due to their manual inventory controls and claims updating process. Invoice delivery issues were negatively impacting financial results.

## RMS Solution

With over 100 years of experience, RMS Mexico was uniquely positioned to address this customer's needs quickly and with the customization the client required. RMS quickly assumed responsibility for invoice delivery and smoothly managed the high volumes. The RMS solution included:

- A dedicated relationship manager and collection team, coordinated runners activities and follow-up on delinquent payments
- Customized, internet database tracking, monitoring and reporting on account and delivery status
- Scanning processes implemented to better control and monitor account statement deliveries
- Customization of RMS' proprietary Evidence Control Database™ to ensure invoices are delivered when and how required

## Runner Services

In Mexico, the most effective way to get paid is to have invoices delivered and checks picked up – *in person*. The RMS associates who perform this role are referred to as “runners”. RMS Runners develop a rapport with their delivery contacts and understand any special requirements they may have. Prior to delivery, they review the invoices of their accounts for accuracy and completeness.



Importantly, while net 30 payment is standard, the clock starts when the invoice is delivered. Runners not only expedite the delivery, but with RMS' technology they scan the invoice upon delivery and note who received it. This data, available on-line, removes any stalling tactics and accelerates payments.

The RMS solution generated the following results:

- \$2.3M decrease in over 60 day delinquency
- Increased receivables under 60 days by 18%
- Reduced by over a week the time required to deliver invoices and account statements
- Provided on-line tracking, delivery and payment data allowing the customer to respond quickly and effectively to inquiries made by debtors

## Implementation Delinquency Analysis After 6 Months (in U.S. Dollars)

DSO - Days Sales Outstanding	Before Using RMS	After 6 Months Using RMS
% Over 60 Days	37%	19%
\$'s Over 60 Days	\$3.7 mil	\$1.4 mil
% Under 60 Days	63%	81%

**62% Improvement in the over 60 days delinquencies in just 6 months!**

## For more information, please contact:

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