

RMS Recovery Services

Case Study



Industry: Wholesale, Electrical Equipment
Solution: Outsourcing of Accounts Receivable
Results: Reduce delinquencies and improved cash flow

Summary

This growing multi-million dollar wholesaler approached RMS Mexico for assistance in reducing its delinquent account base and improving its cash flow and DSO. A reliance on manual processes, combined with limited controls and a lack of reporting, made managing this company's portfolio with their existing internal resources and systems both challenging and inefficient.

Customer Profile



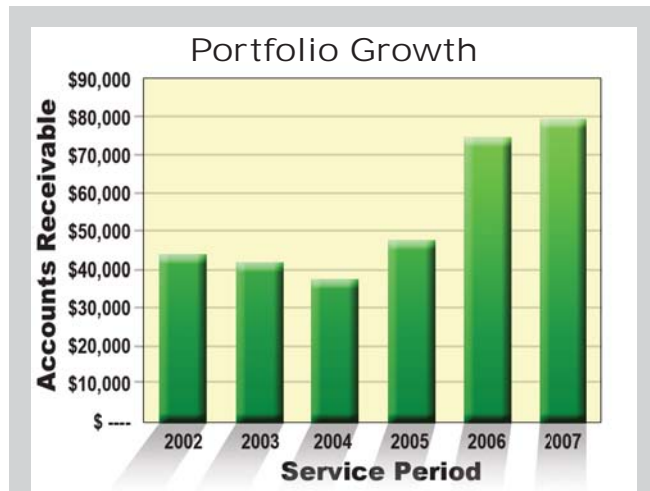
As a privately owned, international distributor of electrical equipment, this company continually faced difficult competition in their marketplace with price and service being critical differentiators. To maintain and grow their customer

base, they knew they needed to improve their internal processing and procedures, reduce their DSO, and improve cash flows.

RMS Solution

After a detailed analysis, the RMS Mexico team developed and applied solutions designed to improve internal controls and drive collector productivity with:

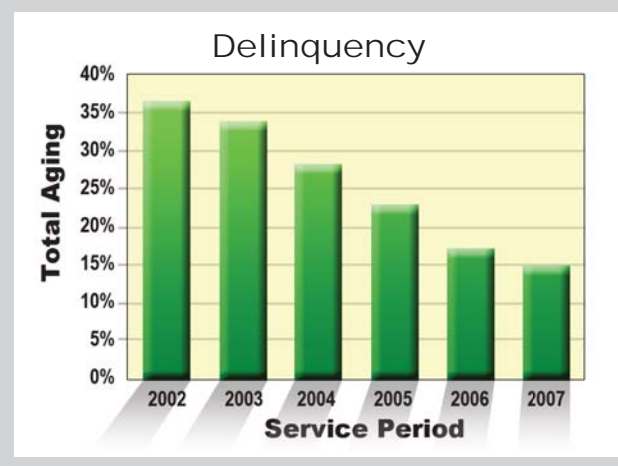
- Customizing RMS' proprietary Evidence Control Database to ensure invoices are delivered at the appropriate time and with all the documentation required for acceptance
- Implementing Control Tables to improve tracking and distribution of invoices and supporting documentation
- Developing a customized database to track performance and output, and to improve reporting
- Establishing internal procedures to improve document control
- A dedicated relationship manager responsible for all aspects of the RMS/customer relationship



Results

The RMS team has successfully supported this customer's Accounts Receivable for over 10 years. Over the course of this relationship the customer's revenue has increased by over 300%, while the percentage of past due balances has been cut by nearly half. Among the key results:

- The portfolio dollars handled by the RMS team has tripled since the start of the relationship
- Delinquency has been reduced from 26% of the portfolio at the start, to 15% of the portfolio today
- Monthly cash flow has nearly doubled over the past five years



For more information, visit our web site at www.rmsna.com or call us at 866-205-9947.