

**Industry:** Transportation  
**Solution:** Third Party Collections from RMS Transportation Services  
**Results:** Maximized recoveries and reduced delinquency while preserving good customer relationships

## Summary

With the volatile nature of expenses in the transportation industry, including fuel surcharges, this leading transportation company needed to improve collection efforts. Over the past ten years, RMS has provided collections services on freight receivables ranging from small accessorial and balance dues to large-balance and national accounts, maximizing cash recoveries while minimizing the impact on customer relationships.

## Customer Profile



This RMS customer is a multi-billion dollar transportation service company with operations in LTL, logistics and international freight servicing, with significant revenues from Canada and Mexico. This firm's continued

growth, acquisitions and changes to their business strategies necessitated finding a business partner that would not only be effective, but also could willingly and capably adapt to ever-changing requirements.

## RMS Solution

With over 250 associates with extensive industry knowledge and dedication to the transportation industry, RMS developed effective solutions and processes that not only responded to the customer's immediate needs; but were adaptable to their ongoing changes. RMS was asked to manage the low- to mid-level delinquent accounts to maximize recoveries, reduce delinquency, and do it while preserving relationships with the shippers. The RMS solution included:

- Validation of secondary liability is taken against shippers and consignees to maximize recoveries.
- Dialer campaigns are utilized to enhance recoveries by pursuing low-dollar accessorial charges and balance dues.
- NMFC codes access and knowledge allow RMS to validate or disqualify class and rate issues, thus supporting dispute resolution and generating payments.
- Research – Through interfaces with the customer's systems, RMS reviews the outstanding freight bills to identify valid ratings and billing issues for processing.
- Root Cause Analysis – RMS tracks and reports on disputes including pricing and billing, rating and classification, W&R, cash application, and L&D issues.

*"For more than 10 years, RMS has produced outstanding collection performance for the customer on a wide range of freight receivable portfolios, for many diverse operating units. The industry expertise of RMS associates is a key factor driving collection results, and our attorney collections program is a cost-effective alternative to second placements."*

**Timothy J. O'Donovan, Esq.**  
**AVP Transportation Services**

## Results

In a decade of partnership, this customer's relationship with RMS has evolved to include a wide variety of our services, including first-party collections, third-party collections, attorney collections, and bankruptcy recovery services throughout the United States as well as in Canada and Mexico. RMS performance results included:

- **A 45-75% collections success rate** in their various operating units within the first 90 days of assignment while maintaining customer relationships.
- **Use of attorney collections**, providing a highly effective alternative to second placements with small, core customers without having to litigate.
- **RMS offices in Mexico and Canada** allow for in-country servicing and collections as NAFTA trade expands.
- **Knowledge and experience** – RMS knowledge of industry practices, regulations and terms has facilitated an immediate ramp-up of services as companies were acquired and business strategies changed.

