

**Industry:** China Manufacturer of Electronics Products

**Solution:** RMS Third Party Collection

**Results:** Resolved Within 2 Months of Placement with Over 80% Debt Collected

### Summary

The demand for collection efforts in China is a by-product of frequent business cooperation between companies in Hong Kong and China. A Hong Kong-based electronics products manufacturer spent heaps effort and cost in collecting a large unpaid debt of HKD\$1.3 million from a company located in China for over 3 years with no response or success. The customer approached RMS Hong Kong in 2007 for assistance and over 80% of bad debt was collected within 2 months.

### Customer Profile

This Hong Kong-based electronics product manufacturer provides innovative and high quality electronics products to customers in the globe, successfully generates revenue around HKD\$20 million annually. They had extensive and concrete export networks; however which created serious collection problem especially from developing countries.



### RMS Solution

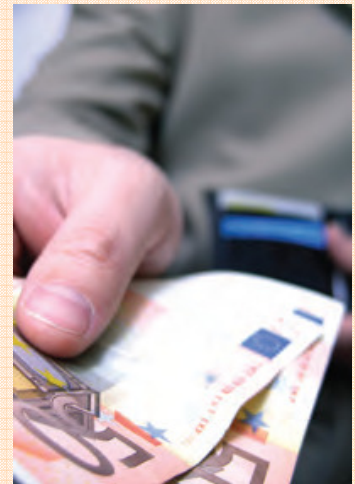
RMS Hong Kong took immediate action by organized all the appropriate documents from customer and contact with our collection team in China. After several rounds of negotiations, collectors revealed there was claim for defective products from the debtor and finally the debt was settled in a 2 month time period.

- **Debt Alert Collection Letters** - A series of letters was issued to arouse the debtor that the urgency for payment
- **Third Party Collection Services** - Our professional collectors (native Putonghua speaker) negotiated with the debtor and came up with a plan to settle the debt.

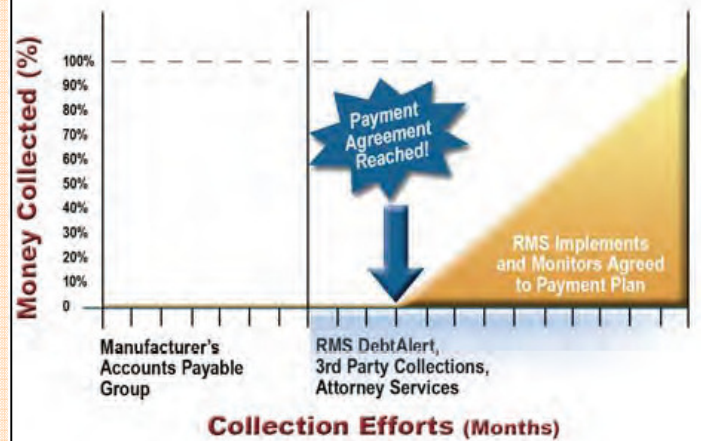
### Results

RMS Hong Kong used of escalating and carefully orchestrated collections plan successfully resulted in the debtor agreement to repay over 80% of the debt!

- Overcome geographical barriers, debtor responded within 2 months
- RMS successfully negotiated a mutually agreeable payment plan
- Debt was settled within 2 months with the entire process to be overseen and monitored by RMS



### Debt Payment Analysis



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