

Industry: Asian Textile Manufacturer

Solution: Dispute Resolution, Collection Letters, and 3rd Party Collections Calls

Results: An over \$1M (HK) settlement was agreeable reached and all payments were concluded within 6 months

Summary

Despite having a long-standing business relationship and extended credit program with this client, this manufacturer suddenly realized they had not received a payment for over a year. Despite repeated attempts to contact the debtor, no response was received. Due to the important nature of the business relationship with the debtor, the manufacturer was concerned to push too hard for payment and asked RMS to delicately determine the nature of the situation and negotiate a settlement.

Customer Profile

This manufacturer specializes in the production of a wide variety of knitted and woven textiles for use in fashions being produced around the globe. As the oldest business group of a large



multi-national corporation, their innovative materials and ability to shift production in line with the current fashion trends, have placed them in a strong industry position. They have operations in China and Southeast Asia with over 16,000 employees.

RMS Solution

RMS' Hong Kong office would take the lead in this effort utilizing their multi-lingual staff of collection experts. They would start by reviewing the orders received, shipments made and invoices sent to ensure proper documentation and create a summary of the debt value.

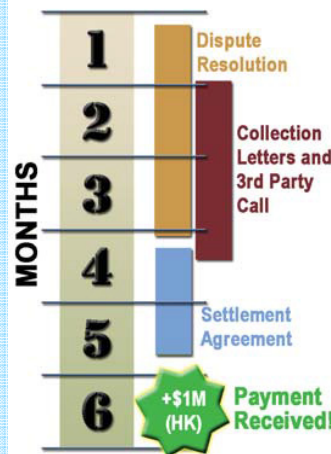
- With respect to the delicate business relationship, senior RMS Hong Kong personnel would communicate with the debtor to determine any dispute issues and begin negotiations towards a settlement
- DebtAlert Collection Letters would be sent to the debtor in such a way as to escalate the seriousness of the debt with the urgency to make payment
- RMS professional and highly trained collectors would begin telephone calls to the debtor, identifying themselves as a collection agency employed to resolve this situation

Results

RMS was able to contact the debtor and determine that there was indeed a dispute issue that had not been communicated clearly between the debtor and creditor. Supplied with the documentation on the orders and shipments by the creditor, RMS negotiated a solution agreeable to both parties that did not negatively impact their future working relationship.

- RMS' Dispute Resolution Team worked with the debtor's senior personnel to detail and clarify their dispute issues

Resolution Timeline



- RMS Collections Team began sending letters and making calls to the debtor's finance group to escalate the urgency for payment

- The Dispute Team presented the debtor's issues to the creditor who then proposed a reduction to the debt

- RMS created a formal settlement agreement:

- Clarified the reduced payments
- Specified a timeline for payments
- Was signed by both parties
- Situation was resolved to the satisfaction of both the creditor and debtor in just 6 months
- Debtor and creditor continue to do business

For Inquiries on RMS

Asia Pacific Services, Please Contact:

Rebecca Yu

Receivable Management Services (HK), Ltd
Suites 2701-3, 27/F, AXA Tower, Landmark
East, 100 How Ming Street, Kwun Tong, HK

Tel: (852) 2201-8888 Fax: (852) 2201-8288

Email: info@rmshk.com