

Industry: Premier Product Safety Certification Organization

Solution: RMS Third Party Collection

Results: Saved legal fee and reduced bad debt ratio by 38%

Summary

A trustworthy provider of technical expertise to manufacturers around the world approached RMS Hong Kong for assistance in reducing its delinquent account base and improving its cash flow. After a detailed analysis, RMS Hong Kong contributed proven results by achieving remarkable improvement in recoveries and customer service.

Customer Profile

With more than a century experience in testing product and writing Standards for Safety, our customer has been established worldwide family of companies and network of service providers includes 62 laboratories, testing and certification facilities serving customers in 99 countries. Their predominant position is firmly built on the expertise in global markets and deep industry knowledge helps bring safer products to markets.



RMS Solution

After careful review of existing practices, the RMS Hong Kong team initiated a series of actions to develop and implement standardized policies and procedures to monitor collection activities in several Asian countries. Among the actions were taken:

- **Letters** - Used local language (Chinese) to send demand letter since 2003
- **Phone Calls** - Used local language (Mandarin) to make third party demand call since 2003
- **Plan** - Established strict internal procedures to ensure invoices are delivered at the appropriate time and with all the documentation required for acceptance

Results

RMS Hong Kong has successfully supported this customer's Account Receivable for over 10 years with companies' coverage in China, Hong Kong, Taiwan, Korea Thailand, Singapore, Japan and India. Among the key achievements:

- Managed a portfolio of USD \$5 million per annum in China
- Saved heavy legal fee and lower local collection cost significantly in China
- Improved recovery rate by 10%



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