

know more / grow more

Not a penny lost to bad debt since Elefant Gratings switched to Coface

Elefant Gratings is a specialist manufacturer of made-to-measure metal gratings, used for walkways, stairs, fences and other applications on large construction projects. Recent landmark buildings featuring their products include Arsenal FC's Emirates Stadium, Gatwick Airport and the iconic Arcelor Mittal Orbit at London's Olympic Park.

The problem

They work closely with architects, designers and structural engineers, delivering bespoke products to their project specifications. But the usual cycle from initial specification to delivery payment can last a year or more. Credit is extended to customers for orders worth £1500 upwards (i.e. in most cases), with payment terms 60 days from the invoice date. The construction industry is one in which major contractors such as Carillion have been known to suddenly collapse.

All along the supply chain

"We obtained cover after experiencing a few cases of non-payment" says Zoe Webster, accounts administrator at Elefant. Most of our customers adhere to our payment terms but if that doesn't happen, credit insurance helps to alleviate the stress. It means we can still meet our obligations to pay factories, suppliers and distributors on time."



Company profile

Manufacturer of made-to-measure metal gratings for major construction projects.

Challenge

12 months or more between product specification and payment, plus risk of default.

Solution

Switched to Coface with CofaNet, with more comprehensive risk management resources.

Result

No losses experienced since moving to Coface, with greater credit control

The solution

Elefant Gratings first took out credit insurance with another insurer in 2006. They had experienced a few cases of non-payment, and wished to ensure that they could continue to pay their suppliers and distributors promptly.

Simple to switch

“We had been put off switching because we thought the process would be difficult, but we were persuaded by the cost and the Coface representative who ensured the transition was straightforward for us” says Zoe.

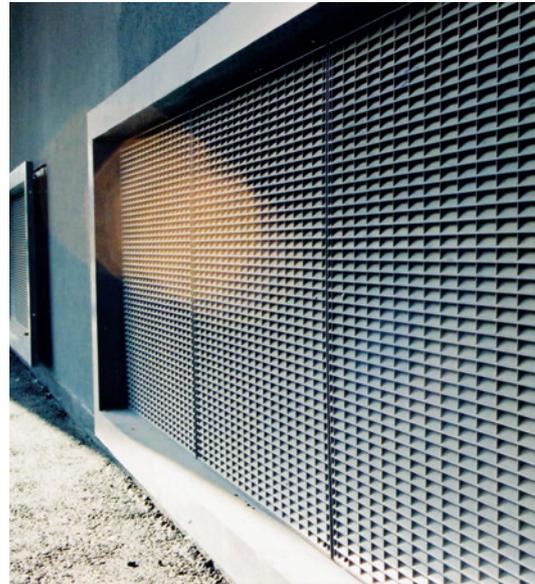
“When on the phone to a new customer we can quickly find out whether they are an acceptable risk.”

A finger on every customer’s financial pulse

Zoe reports that Coface provides more comprehensive protection against the risks of trading and offering credit. This includes “@ratings”, precise credit limits and risk assessments for companies based upon the most current possible financial data. With access to constantly updated information on 80 million companies worldwide, this is a service Coface is uniquely equipped to deliver.

Protect and collect

Elefant’s Coface policy provides expert collection of overdue payments as well as the ability to claim back the money lost in the event of a customer defaulting. Access to CofaNet Essentials is integral to the cover, with access to Coface’s secure online policy management tool. That’s where they can request credit limits and submit overdue notifications for bills as soon as the 90 day period elapses.



“The online @rating gives a great indication of company risk and the system also enables us to view progress on the overdue invoices that Coface is chasing on our behalf.” says Zoe.

Staying in control

Since switching to Coface, Elefant Gratings feel fully in control of the credit they extend to customers, and protected from the threat of bad debt. The fact that they have not experienced a single loss since switching to Coface surely speaks for itself. “Our Coface account manager is really helpful” says Zoe, adding that they have already recommended Coface to their parent company, PF Group.

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If you want to know more about the “know more, grow more” effect a credit insurance policy can bring to your business, talk to the experts at Coface on **0800 0856 848**.
