

CASE STUDY CLIENT #00115 - CONSTRUCTION SUPPLIER



68% OF ACCOUNTS PAID \$525,830.00 RETURNED TO CONSTRUCTION SUPPLIER



CONSTRUCTION SUPPLY COLLECTIONS

PAIDPO began working with Client #00115 in 2007. Before using PAIDPO they performed collections in-house. We offered to setup a pilot program to establish if PAIDPO is a more cost effective approach to collections. Our testing phase went very well. 18 accounts were sent in the test and PAIDPO resolved 13. The five remaining accounts were either bankrupt or out of business.

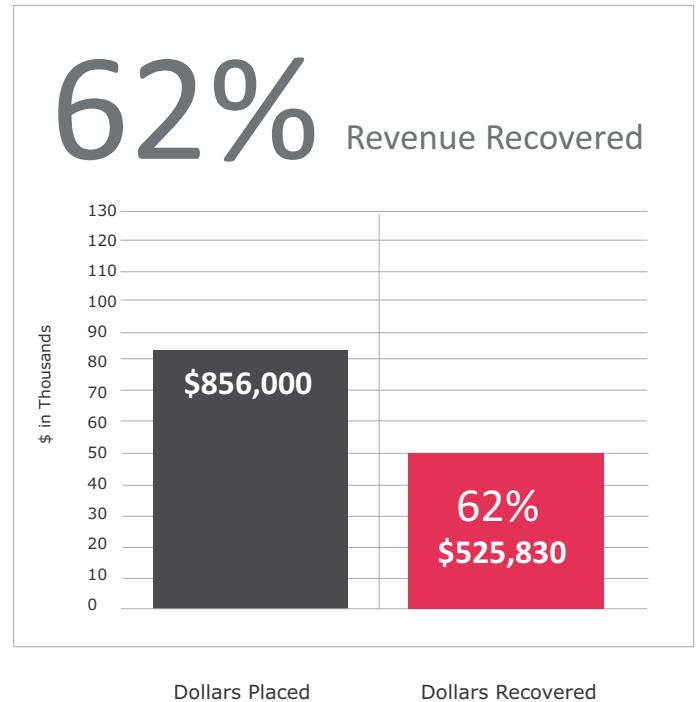
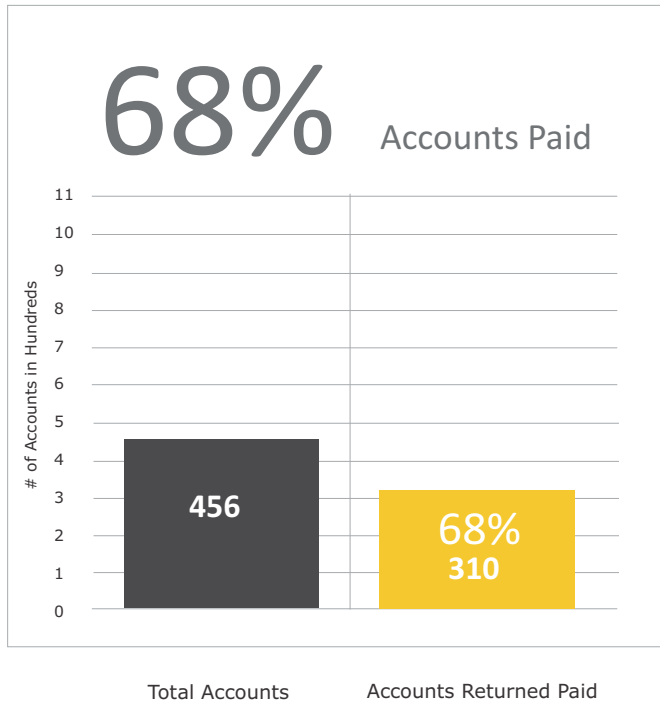
Since our partnership 00115 has sent 456 customers with an average outstanding balance of \$1,877.00 and 120 days past due. PAIDPO has located missing customers, sent legal notices, provided collection calls, submitted complaints to the registrar of contractors, filed bond claims, and performed legal action. The results of our efforts has help our client retain 68% of their customers and recovered over \$525,830 in charged-off debt.

#00115 CONSTRUCTION SUPPLY COMPANY

Founded in 1955, 00115 sells and distributes construction supplies and equipment. 00115 maintains branch operations in 12 locations across the Western United States with revenues that exceed \$50 million annually.

62% REVENUE RECOVERED

68% ACCOUNTS PAID



Accounts Paid

PAIDPO collected revenue on 68% of customer invoices and PO's within 60 days of accounts placed with our agency. A total of 456 accounts were sent since June 2007 with an average balance of \$1,877.00. 310 customers resolved their account by agreeing to payment-in-full within the first 30 days of collection activity. Remaining accounts were investigated and sent for legal activity when we verified the customer had the ability to pay and was operational. 8% of customers had legitimate complaints that PAIDPO addressed.

*Data based on PAIDPO client #00115 Internal Recovery Reports.

Revenue Recovered

00115 has placed \$856,000 in charged-off debt since 2007. PAIDPO has recovered \$525,830 or 62% of lost revenue. Our recoveries influenced 00115's overall profit by 1.5%. PAIDPO reduced the cost of internal operations by \$120,000 and allowed 00115 accounts receivable department to focus on more effective operations. Less than 10% of PAIDPO revenue was generated from Legal activity. \$330,170 in revenue was categorized as uncollectible because the customer was out of business or bankrupt.