

# Improving Cash Collection Worldwide



## Specialists in Commercial Health Care Cash Collection Services

Tailored cash collection based **service** within any country

Health care specialized focus and customer safe **results**

Best process, policy, procedure, practice based **solution**



We understand your world

## **Delivering solid cash collection improvement for health care companies both large and small - worldwide**

ABNA provides commercial cash collection based services to companies of all sizes. Everywhere from up-start localized businesses to massive Global 100 companies trust in our tailored services. No matter how great or small the collection need anywhere in the world, ABNA is there to deliver better results at less cost.

We understand how to best deal with such things as delicate customer collections, regional collection issues, or sensitive sales related collection issues, which affect your collection results. Plus we know how to effectively work in tandem with your in-house collection team in order to add the right resources for maximum result.

### **ABNA has you covered**

Our service and pricing is tailored around your needs – and cost benefit focused.  
We are flexible and small enough to care – while focusing upon your needs.  
Our services are 100% customer friendly – so there is zero risk to your sales.  
We have collectors around the world – who have been with us since day one.  
Our collectors are industry specialized – so they truly understand health care.  
We collect within all major languages – as we have your local needs covered.

## The ABNA Network



<b>Collection Locations</b>	Denmark France Germany Greece India	Italy Mexico Netherlands Poland	Slovakia Spain United Kingdom United States
<b>Associates</b>	Brazil Canada Cyprus Ghana Guatemala	Hong Kong Korea Kuwait Malaysia Norway	Pakistan Romania Switzerland Taiwan Trinidad

## Local cash collection resources – Where you need them

ABNA International is headquartered in the U.S.. We currently have 13 Collection Locations throughout the world that service regional countries within their native language. We also have 24 additional Collection Associates that service additional regions worldwide. Plus we have relationships with regional attorneys, accountants, government organizations, trade groups, strategic partners, etc...

### A worldwide process

Whether your company is within the Americas, Europe, Asia, Africa, or the Middle East, we will have either local or regional ABNA staff work with you relative to your exact needs. ABNA management will work closely with you to define such needs, identify a potential solution, and then roll out the best possible approach. All the while making sure that a solid line of communication and expectation exists at every level to ensure success.



# ABNA

## Big enough to do the job, yet small enough to care

Within today's difficult world economy a 'one size fits all' cash collection solution isn't necessarily the best approach. In fact, choosing a company that's either too small, or too large can sometimes do more harm than good. A small, localized partner might not offer the best possible resources to get the job done. And a major all-inclusive company just might not be able to provide a personal touch.

### So what's really best for you?

We've chosen to build a flexible service that's 100% focused upon cash collection improvement. After all, cash collection is what we do best. For 25 plus years, our full-time collectors and customer service staff have focused solely upon perfecting cash collection methods and techniques worldwide. Their year's of experience within numerous countries and industries is invaluable. Especially when it comes to clients that need both a stable and reliable extension of their own credit and collections department, beyond what they are able to achieve in-house.

Our customer service focused collectors maintain very small inventories of accounts, allowing them to focus more time and attention upon your files. This allows both a deeper file penetration, and thus more attention given toward working with your customer to rehabilitate their bad payment habits, while getting the job done. We fix the problem while allowing you the opportunity to build a more positive relationship with your customers. Thus helping you to achieve a more positive working capital position.

### Does a customer service approach make a difference?

Absolutely. Most agencies, factors, and other collection related entities simply try to collect by any means necessary. We've found that it's far more effective to focus upon a customer service approach, while having a collector on the job that understands both the client's product and customer's situation. By taking a more progressive and interactive approach toward working with the customer, we're usually able to collect more money faster.

This is the reason why major health care companies gravitate toward ABNA, versus remaining with their existing cash collection partners. Our personal, flexible, and seasoned service goes along way toward achieving greater results.

# Being in-tune with exact health care client needs matters

## Small/Large client needs

Whether a client has one single placement within the U.S., an extensive Iberian public hospital portfolio, a handful of Middle Eastern Distributors, or perhaps a worldwide collection project, we understand how to best service such needs. Both when it comes to managing the process with our client and their team, to handling collections via their public or private customers.

## Country/Economic trends

When handling groups of specific customers within certain regions of the world, it's most important to understand the nature of the customers, the local payment chain, and regional factors which directly effect such payments. We understand how to manage the best possible local payments.

## Your Business/Health Care

One of the key ingredients in our success is that we're health care specialists. We have the unique ability to deliver a precise solution. For example, if an orthopaedic company comes on-board, their accounts will be managed by a localized team, which understands both their products and customers. This is most important. Such industry experience gives us a serious advantage.

## Your Customers/Top Priority

Whether your customers are private, public, export related, distributors, etc... we know how to best achieve maximum payment results, despite the perceived issues keeping you from getting paid. And do so while handling matters with the utmost sensitivity and care – yet getting the job done.



## Being in-tune with a positive working capital position

Working capital is key. Especially when it comes to increased revenue via optimal debtor management and operational efficiency. Increased profitability can be achieved within the short-term if approached strategically through an improved cash collection process. Plus sustainable results can be achieved via a more progressive focus upon the management of working capital as it relates to A/R. Keeping in mind that the best possible approach to such an objective might not exist in-house.



## The Cost of Capital: What options should you consider for improvement?

There exist many options both great and small when considering how to improve working capital via cash collection. Hiring more collectors, increasing in-house structure, debt finance, factoring, debt collection agencies, attorneys, etc... At the end of the day, all that really matters is 'cash'...and more of it.

It's most important to evaluate the cost element, process cost, and cost of capital when considering such options. Not to mention what's really best for your sales relationships and bottom line. Achieving the right balance is key. With that in mind, what are your best options for cash improvement? To answer that question, here are a few questions you should ask yourself relative to such options:

### **In-House Resources:**

Do you have enough of the right kind of staff and resources to realistically achieve further improvement? And does it make sense to dedicate even more cash to the same resources? Or would it make more sense to invest in additional external resources and tools for your in-house team?

### **Factoring/Debt Finance:**

Is such a 'quick fix' really the best option for improvement? Is this option really going to fix the problem and rehabilitate your customer's payment habits, or simply place a temporary bandage on the problem? Are you sure this option is both customer safe and the most affordable option?

### **Litigation:**

Are you sure that all hope is lost with the customers you send to litigation? Do you really think litigation is necessary at this stage of the collection process? Are you sure the high cost is worth it? Are you OK with the amount of time the litigation process will take?

### **Collection Agency:**

Are you sure that you're working with the most qualified and affordable agency? Is your agency both flexible and industry experienced within your country of focus? Do they know how to work with your type of customer? Are you perhaps working with too many agencies? And are you receiving the best possible rate of recovery?

# The Cost of Capital: How to best maximize your options, while achieving sustainable short to long- term improvement

Obviously there exist numerous ways in which to approach improvement. Over the years we've observed first hand what has worked for clients, and what has not. We've seen clients try just about everything, while witnessing their successes and failures – time and time again. Most importantly, we've seen direct trends in what has worked across the board for most all of them. And there are indeed common trends. Here's what we've found:

## **In-House Resources:**

Adding more of the same resources doesn't always fix the problem. Sometimes your in-house team is truly doing all that they are able to do under the circumstances. Such teams simply need more tools, tools which cannot be found in-house. And such teams need the added knowledge, abilities, ideas, and resources, which an effective health care specialized third party partner can provide. Keep in mind that it might prove more inexpensive to work with a third party than hire more FTEs, especially if the partner already works with your customers.

## **Factoring/Debt Finance:**

This option is indeed a great short-term fix for immediate cash, if the 'right' program can be obtained. However, it will never fix the problem. Plus it usually costs far more than other options in the long run – both in regards to price and customer relationships. It's typically best to combine such an option (when needed) with another approach, for example pre/post collection via a reliable collection agency. One should always focus first upon the most customer safe, affordable, effective, and 'improvement focused' option.

## **Litigation:**

In most cases, litigation relative to past due debt collection is unnecessary. Lots of time and money are spent (and lost) on a case that could have been handled otherwise. Companies are quickly learning that pre-litigation collections are of greatest cost benefit. Most claims can be taken care of and customer relationships improved pre-litigation. However, in many cases litigation is indeed necessary.

## **Collection Agency:**

Most companies tend to choose a small local agency, numerous agencies, a very large agency with many services, or simply remain with an 'old friend' agency. Versus making sure that they have the best possible cost benefit focused partner on-board. What matters most is having one agency with the highest rate of recovery, flexibility, best possible price, proven success within health care, and the ability to help improve your collections across the board – versus simply collect past due accounts.



# ABNA

## Designing a special service around the job

A 'one size fits all' approach rarely delivers maximum success. No matter what the size of the cash collection need, it's important to design a solution around the problem - a solution that will both fix the problem and set the pace for further improvement. It doesn't matter if your company has five collection placements per year, or tens of thousands. What matters most is that you effectively cover both short and long-term cash collection needs. Plus have a reliable system in place that will ensure success every step along the way for years to come.



### **ECS - Effective Collection System**

In order to achieve an optimum ECS, one should focus upon the best possible workflow management tool or approach. One based upon the improvement of process, policy, procedure, and best practice when it comes to cash collection management. Eliminating waste from your current approach, while streamlining the harmony of process will help improve results while minimizing write-downs and unnecessary loss. Plus help to more effectively clear bad debts and reduce the number of open invoices. Thus achieving cost reduction and greater profitability.

**“We work with our clients to tailor a service which benefits every level of their finance organization, from local offices to HQ. Or as we like to say, from the roots to the branches.”**

### **ABNA = Service + Results + Solution**

Unlike typical collection agencies, we're committed to your short to long-term cash collection improvement – full stop. We work closely with our clients, from their HQ to local operations to design the best possible ECS. Our managers, collectors, and customer support staff are dedicated to making sure that our clients are on the right path per achieving cash objectives and goals. Keep in mind, we've pretty much seen it all relative to what works and what does not.

So we've worked hard over the years to take such info, and use it to our client's advantage when delivering the right service, the best possible results, and the most effective solution. When we start work with a new client, we make sure and understand their exact needs. Plus we offer feedback and ideas when necessary in order to help our clients get closer to their mark...and then some.



# Small to Medium Companies Set the pace for positive growth

When trying to grow a business, the focus should be upon sales development and the pursuit of new customers. Sometimes growth happens fast as your invoices begin to pile up. All too often, owners, top management, and sales staff start to spend far too much time chasing down the payment of invoices, instead of focusing upon sales growth. At the same time, invoices become discounted, settlements accepted, invoices written off, and interest waived.

Margins can be extremely tight within new companies. Therefore in many cases outsourcing is avoided. Plus owners and managers feel as though it's far too risky to have a third party handle their customers. After all, such customers are crucial per their company's growth. Why risk bringing a collection agency on board? Plus if a company is really starting to grow and expand into new markets, why start using an agency now?

## The best way forward:

Focusing upon past due collections will keep you from growing your company. Once an invoice's reaches a certain date of delinquency, pass it along to a professional like ABNA who can then take the time needed to get your invoices paid in full. Your time is far too valuable to spend on collections.

Keep in mind that our collectors never harm customer relationships, only make them better by rehabilitating their payment habits. Thus allowing you to develop risk free relationships with such public or private customers. Continue to have your staff manage the growth of your company as ABNA covers all back end cash collection issues at a minimal 'no cure no pay' fee. This will allow you to safely expand into new markets – without having to worry about cash collection issues in the future.



# Large Companies Optimize best practice for maximum growth

**FACT:** There is always room for significant cash collection improvement within large companies. It makes no difference if the company's cash collection management function is centralized, decentralized, managed locally /regionally, or handled via a shared service department. It is always possible to collect more, despite what you might think about your current in-house results. What matters most is an open mind relative to potential improvement, and perhaps a willingness to consider the ideas and experience of a seasoned third party.

## **Ask yourself: Are you sure that you have the absolute best process, policy, procedure, and practice in place relative to your current cash collection structure?**

If not, where would you like to see improvement? And do you have short to long-term cash objectives, which can be achieved with better performance within certain areas of your cash collection management process?

**FOR EXAMPLE:** If your company's oldest and largest delinquency exists within (for example) Italy and Spain via public hospitals within historically problematic regions, one must wonder if the actual problem exists with the regional government, the local payment culture, the hospital, your own local collection team, your local outsource partner, or perhaps a combination of all of the above. There must be something slowing down the process, because despite the nature of public debt within difficult regions, there is usually ample money available for larger payments.

## **The best way forward:**

The fact of the matter is many things can contribute to cash blockage, and we've experienced them all. And we understand how to work with you at every level of your organization to evaluate your current process, and prescribe a solution to achieve best possible procedure and practice. We can do so in tandem with both local and top management. For we consider our relationship a partnership and commitment between all parties. A partnership committed to positive change.

The only way to achieve maximum potential via improved cash collection is to place all possible tools, resources, and ideas on the table, and have our combined team focus together on short, mid, and long-term goals. And define exactly what can be done to achieve such goals - one step at a time.



# Large Companies

## What ABNA can do for your organization

Once all such goals have been defined, and your current process evaluated, it's time to get to work. No matter how your company is structured, we can work with you to strengthen, improve, or fix any issues within your cash collection process. The job can involve something as simple as improving the payment performance of certain distributors within your export market, to improving the collection performance of your Latin Europe market, to perhaps helping you to centralize your worldwide cash collection function. Again, no job is too small or too large.

FOR EXAMPLE: If you're a U.S. based health care manufacturer with an EMEA HQ in Europe, and you're experiencing major delinquency within Italy via a large amount of public debt, ABNA can help. We can work with your local team to figure out (1) what resources and tools we can offer them to help improve their results, and (2) act as an effective extension of their local collection team, immediately boosting their collector head count by supporting their efforts.

Local Italian ABNA collectors can focus upon the largest and most delinquent

past dues, while your local team focuses upon younger invoices. Local sales and collection staff will no longer have to spend time on the most problematic invoices. ABNA can work to identify possible disputes and reasons for non-payment as quickly as possible, without harming sales. We could focus upon highest delinquency first, reduce over dues and open invoices, clear bad debts, drive down DSO, and motivate customers to both improve upon and rehabilitate slow payment habits. By doing so, we will help to increase the performance of your local team.

### Improvement: From The Inside Out

All the while, we can work together with your central function to improve regional results, increase both reporting and transparency, initiate steps toward best practice, and boost confidence in the fact that verifiable improvement is being achieved. As we work on your behalf within each local region, country, market, business group, etc... we will be able to report both observations and details pertaining to what is (and what is not) happening on your front lines.

Our feedback always proves both enlightening and invaluable to top management. Especially as we have direct interaction with your local management, local collection teams, customers, and related parties. Due to such intimate interaction, we're able to help you to manage your business more effectively. And we understand that if you look good – we look good. So we'll always do our best to earn your support and endorsement, and the trust of your team.



# The ABNA A/R Management Option

Effective account receivable management begins with the true clean up of problematic delinquency – from the top down. And then evolves into the further improved management of receivables for sustainable results.



## The next step toward further improvement...

Once our collective team has effectively reduced delinquency, cleaned up our client's ledger, and achieved the maximum improvement over past-dues, it is time for our client to decide how to best move forward. Clients tend to either: (1) return the process to in-house resources and thus use ABNA 'when needed' for certain problematic customer's, or (2) allow ABNA to manage all A/R over a certain age, thus handling invoices once they reach a certain level of delinquency.

Most clients prefer to have ABNA continue to handle their problematic customers and invoices within certain stages of their ledger. For example, 120+, 90+, 60+, etc... At this stage, ABNA can exist as a solid and reliable extension of our client's in-house credit and collection department, thus making sure that results remain both constant and secure.

Either way, ABNA can work with you to tailor the best possible step forward in designing the best possible 'cost benefit' focused A/R management solution.

## Our price is always right – ABNA's price commitment:

Whether clients choose ABNA to service their cash collection needs for occasional placements, small to large portfolios, A/R management, or other collection related services, we'll always work with our clients to tailor a 'no cure no pay' based contingent fee. Thus, we only get paid on our success. Our intent is to offer the most competitive price, while delivering the absolute best rate of recovery. Plus we'll always try to make sure that we have the best price/service on the table.

Such pricing is usually based upon the size of the job. This means the greater the placement, the lower the fee. For example, an A/R management program typically involves a small fee which is a fraction of what would be charged for a single placement or two. Plus as we expand the partnership between ABNA and our clients, we like to reward such loyalty with further improved fees as the years go by. After all, a good partnership always has its shared benefits.

"The sky is the limit relative to what extent ABNA helps to further improve a client's A/R position. Either way, we'll always make sure that our cost benefit services suits our clients needs."



## You have to start somewhere, so why not start here?

There are many perceived reasons as to why a company should not outsource cash collection. Reasons such as: this will harm customer relations, we can simply hire more collectors and increase our in-house efforts, we'll stick with factoring, we prefer our 'local' agency, our salesmen have things under control, an agency cannot do a better job than what we do, or it's just too expensive.

The most important question that you should ask yourself is: Are you absolutely sure that your assumptions are correct??

It's simply human nature to assume such things, especially as our collective experience tends to sway our actions. However, in today's rapidly changing business world, it's most important to keep an open mind to advancements, new resources, and alternative concepts which just might re-shape the way you approach traditional problems. What has worked in the past might not be the best option today.

### A progressive approach

The only way to really know if a partnership with ABNA is a viable option is to give us a try. Whether you allow us to handle a few of your most difficult files in the U.S., a small portfolio of your oldest invoices in Spain, or a handful of various accounts from different countries, we'll show you within a very short amount of time what kind of potential exists between us. Considering that our service is always 100% customer friendly, and we only get paid for success, there is zero risk. So why not put us to the test against your current approach?

Believe it or not: ABNA has never failed a pilot or test. Our process, new relationship roll-out, and work flow is quite mechanical. Plus our collectors are true health care industry vets. Thus, our approach cannot fail. The only time that we'll ever be unsuccessful is when we are not provided with adequate documentation to support collection claims, proper local client support is not given, or the file involves legitimate collection issues. As long as we have what we need to do the job, we'll be successful.



### Actions speak louder than words

"The integration of an ABNA test pilot into our Latin Europe markets was both seamless and easy. Certain local credit managers did not embrace the pilot at first, but once ABNA was on the job their opinions quickly changed. ABNA showed fast results without harming local sales, and delivered better results at minimal cost. I'm glad that we finally gave you a chance!"

**EMEA Finance Director (Global 500 Company), Belgium**

# Moving forward with ABNA

Once you've at least committed to giving ABNA a shot, we promise to make sure that our partnership is both easy to roll-out and simple to manage. The hardest part is simply taking the first step forward. Our worldwide staff has been trained to help you achieve maximum results, while requiring minimal efforts from your side. After all, it is our responsibility to make your job a little easier on many levels.

For us, no matter how small or great your need, we're here to support your objectives – full stop. We have a very long list of satisfied clients around the world that see the true value and cost benefit in working with a smaller niche player like ABNA. A player that's able to craft a specific solution and conform to finite needs, while remaining flexible in helping clients adapt to their changing market and health care industry.

After all these years of handling and managing countless cash collection scenarios worldwide, we can say with complete confidence that we understand your local cash collection difficulties. We can indeed sympathize with your on-going struggle to both clean up A/R and improve working capital. So just let us know what you're trying to achieve, and ABNA will help you to get there.

"ABNA is a unique cash collection resource that truly understands our business, our customers, and our needs within local markets. Your company has helped us to safely reduce DSO within a short period beyond what we could achieve in-house, while helping to further strengthen our own in-house A/R structure. Thank you. I will definitely send friends in the industry your direction."

EMEA Treasurer (Health Care Industry), Switzerland



**ABNA**

MANAGING CASH FLOW WORLDWIDE

**Local Cash Collection Resources  
Where You Need Them**

## We're available to service your needs around the clock

For general questions or inquires involving ABNA, please feel free to make contact with our worldwide headquarters:

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