

December 2008

## Recession

The economy continues to worsen and we are in the midst of a recession which some commentators predict will take NZ years to come out of. Spending figures were considerably lower in the month of November and retailers are contemplating a lean Christmas.

What can you do to ensure your business survives during these times? Here are some tips in the area of debtor management:

1. Revise your Terms of Trade to make sure they contain the terms by which you want your customers to pay you. If you haven't got terms of trade it is important that you implement some now!

When Terms of Trade are in place stick to them. You will soon develop a reputation amongst your customers that you run an efficient business.

When you subscribe to [www.collectIT.co.nz](http://www.collectIT.co.nz) you can download terms of trade. CollectIT has 3 different sets of terms of trade so that there is a set which is applicable to every business whether you are supplying goods, a service or exporting goods.

2. If you extend credit for any length of time get your customers to complete a credit application and check out what they have written. If they refuse to complete one consider not working for them. Why should you work for free? That is essentially what you have done if you don't get paid.

Subscribers to [collectIT](http://collectIT) receive credit applications for use in their business.

3. Render your invoices as soon as the work is completed or goods supplied. Your customers expect your services in a timely manner, you invoices should be sent out in the same way. If the invoice is not paid by the due date employ debtor management techniques and chase payment immediately. It is no good hoping for payment to arrive - you need to actively seek payment. CollectITs debtor management process is simple and it works. Take a look at the [success stories](#) of some of our clients and see what they say. They are reaping the benefits of the collectIT system with improved cash flow - Why shouldn't you?

## Sunday Star Times Article

CollectIT was treated favourably in November with the Sunday Star Times writing a half page profile focusing on collectITs point of difference from other debt collection agencies.

Judging from the sales and interest we have received this article was widely read.

To view the article [click here](#).

## Case Study

Thomas Construction Ltd (a company) has an outstanding debt of \$25,000 for some bathroom alterations. They have written to the client on several occasions, to no avail.

Seemingly there is no dispute about the debt so Thomas Construction files proceedings in the District Court and arranges for the proceedings to be served on the debtor.

The debtor takes no steps and Bob obtains an order (or judgment) after an elapsed period of time.

Bob can use the collectIT system to lodge his proceedings in the District Court as well as then using collectIT to ensure he can enforce the judgment and collect his money.

## Success Story

### Main Construction NZ Ltd

The collectIT system is brilliant!! It has saved us enormous amounts of time and money. Being in the building industry we have been searching for a low cost way to recover bad debts and slow payers. Debt collectors have cost us the earth, but with collectIT we are able to use their easy, no fuss, online system to recover our own debts following the

# Christmas

CollectIT will be managed over the Christmas period as normal so keep those enquiries coming in. For our subscribers remember your \$30 per month entitles you to full support. We are always happy to hear from you and assist you.

There will be no newsletter in January.

Thank you to everyone who supports collectIT in so many ways. CollectIT is proud of its product and services and looks forward to being of assistance next year.

Have an enjoyable and safe Christmas.

Until next time



Melanie O'Neill & Catherine Clark

Directors



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simple step by step system. CollectIT also has brilliant customer service and phone numbers you can ring at any time you may get stuck, or just need to ask a question. We have recently just served our first court order using the construction contracts part of the website - it was easy and with the back up of calling the collectIT team, we couldn't go wrong. Thanks collectIT for making debt collection easy!  
Lisa Gyde