



The LPL Newsletter



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Service with Integrity - Results that Matter

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Credit Services Association survey reveals debt instruction now exceeding £5 Billion. Although 30% more commercial companies are now using the services of Debt Collection Agencies, average outstanding debt continues to rise. It is under control but pressure on cash flow is still acute, particularly with the threat of higher interest rates.

Copies of the 2003 CSA Survey available on 020 8597 2229 Published Price £300.00 LPL Client price £250.00.

Coping with increased interest rates and pressure on Cash Flow

Customers respect suppliers with strict credit control procedures. LPL has proved time and again that customer confidence in both your service and product is reinforced if you are strict but fair when it comes to enforcing credit limits and payment days. It is also important to ensure that you have adequate Front End procedures in place when opening New Accounts.

Do you have New Account Opening Forms? Do you seek private name and address information on non-limited entities? Do you set pre-determined credit limits? Do you have adequate and regular invoice and statement procedures?

If you require further information on Front End procedures and Status report information call our CRS Dept. 020 8597 2229.

Your Credit Control Department deserves the best people. This guide will help you employ the right person to help you control your most important asset - your CASH.

Key characteristics required:

- *Desire and Ability to learn
- *Confident, assertive (but not pushy).
- *Interest in Credit management.
- *Target-orientated.
- *Tactful, firm, friendly.
- *Self-starter.
- *Alert, a thinker and a strategist.
- *Good communicator (including listening).
- *Not easy to upset.

Late Payment of Commercial Debts (Interest) Act and Compensation.

ARE YOU GETTING THE INTEREST YOU DESERVE

If your Terms and Conditions have interest clauses, do not forget to add those charges when instructing LPL. If you do not have this type of clause you can add interest and compensation charges as per the **Late Payment of Commercial Debts (Interest) Act 1998 and supplemented by 2002 Regulations** as follows:

On all commercial contracts from 7th August 2002 on overdue accounts (in excess of 30 days) you can add:

Fixed Reference Rate (Bank of England Base Rate at 31st December or 30th June) : i.e. Base rate at 31st Dec 2003 3.75% + 8%

Total interest per annum of 11.75% can be added to the debt.

You can also add compensation as follows:

Size of unpaid debt

Up to £999.99	£40.00
£1000 to £9,999.99	£70.00
£10,000.00 or more	£100.00

Are you instructing LPL to apply interest and compensation , either in line with the above legislation or as part of your own Terms and Conditions. LPL can send a useful booklet on the legislation - please contact our information department on 020 8597 2229.

LPL's friendly team are ready to help you with any Credit related query. Call: 020 8597 2229 for information on any of the services listed below:

- LPL Service Guide
- Flat Fee Collection
- Percentage Collection
- Overseas Collection
- Litigation
- Tracing
- Consultancy
- Training
- Status Reports
- Terms and Conditions
- Late Payment Interest

Invoice gone astray? Keep up-to-date...

The Royal mail says that 69% of all business letters have one or more errors. Perhaps the letter is incorrectly addressed or the company has changed offices. As a result the Royal Mail is advising companies in the UK to ensure that their customer records are correct and up-to-date. The

errors, says Royal Mail, contribute to 172 million items of mail that were sent to businesses that had moved or ceased to trade. Costing UK businesses in excess of £163m in 2002.

A recent Better Payment Practice Group Poll of more than 400 businesses of all sizes shows that most firms are expecting customers to continue their bad payment habits through 2004.

A sound Credit Policy will include LPL Commercial Investigations as part of your collection team.

For Flat Fee service re-orders or one-off percentage collection call Gavin on 020 8597 2229 ext 209

LPL are pleased to introduce Gary Campini and Graham Carpenter as our consultants covering the West Midlands Area.

LPL Flat Fee Charges from £6.00 to £16.00 per account handled.

In-depth (2nd Stage) collection services

No Collection - No Fee collection within the UK @ 10%.

All other countries from 16% All costs plus VAT