



Euler Hermes UK

PVC Building Supplies

Client case study

Southampton-based PVC Building Supplies recently avoided taking a significant loss when one of its customers went into administration - thanks to a credit insurance policy which helps protect cash flow by insuring against potential bad debts.

The family-owned firm was founded 30 years ago, and provides heating, plumbing and building products to businesses across the South of England, including London. It has grown substantially over the years, increasing its turnover to over £10 million.

In order to protect itself from commercial risks the company took out a credit insurance policy with Euler Hermes, the world's largest provider of credit insurance.

Jenny Fisher, Finance Director at PVC Building Supplies says: "When you are a small firm protecting cash flow while growing the business and minimising potential financial losses is vital. "We have been with Euler Hermes for five years, and initially took out the policy due to the expert credit rating options, which allow us to take an informed view on whether we should offer credit to, or even trade with, a business.



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“We have previously had credit insurance policies with other companies, but it’s the attentiveness of our underwriter and the quick access to risk assessments which makes Euler Hermes stand out.”

Prior to 2014 PVC Building Supplies had only made minor claims, however when a large customer had to enter into debt repayment measures, the company was left with an unpaid bill of £20,000.

Jenny added: “When the customer went into administration leaving us with such a large bill we were concerned about the effect it could have on the company.

“Although we are financially secure, if we didn’t have credit insurance a claim of that size has the potential to severely impact the business. Instead, due to the quick actions of our underwriter and with the help of the credit collections service, we have been able to reclaim over half the debt in the past six months, and received the initial payment only three weeks after making the claim.”

Darren Newman, account manager at Euler Hermes, said: “For most companies looking to grow new business and contracts are key to making their expansion plans a reality.

“With more than 80 per cent of day-to-day business transactions enabled on credit terms, it is essential that firms have the tools to protect their business interests.

“In the case of PVC Building Supplies the quick response of their underwriter was key to securing the claim. At Euler Hermes we understand that speed of payment is essential to our clients, as any delay could result in significant cash-flow problems.”

For more information you can:

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