

“Not a single reminder has been sent on paper since Onguard”

Martijn Ouwerling, BG Freight Line

The core activity of BG Freight Line B.V. is short sea shipping and feedering, or regional transport and transit of containers for deep sea transport. BG Freight Line transports an average of around 900 TEU* per ship. ULCS's (Ultra Large Container Ships) sometimes even transport 13,500 / 14,500 TEU. The head offices of BG Freight Line are located in Rotterdam, one of the few ports in Europe that are able to deal with such capacities. This is one of the reasons behind our success.

RESULTS

- DSO has fallen considerably
- Overdue balance from 40% to 20%
- Employee numbers fallen from 3 to 1 FTE
- Minimum amount of debts written off for problematic debtors
- Reminders possible in various languages and currencies
- Specific and customer-oriented contact

MARTIJN OUWERLING, FINANCE MANAGER BG FREIGHT LINE

- “Onguard answered our vision and objectives to pursue customer-oriented management and a structured professional image.”
- “The Onguard profiles make it possible to automatically address debtors in a structured and appropriate manner.”
- “The time we are able to save on a variety of fronts, provides ‘quality time’ that we can invest in (long-term) relationships with customers.”
- “The main result that BG Freight Line has been able to realise with Onguard, is time-saving.”

CUSTOMER-ORIENTED

The ambition of BG Freight Line was to optimise the collection process and to work in a more structured and proactive manner, with the aim of reducing the outstanding balance and the DSO. One of the requirements was that credit management had to be compatible with a couple of the company's visions and objectives: “Customer oriented management and a structured professional image”. Martijn Ouwerling: “Since BG Freight Line started working with Onguard in 2004, the established targets have been comfortably realised. In my capacity as Finance Manager, I have primarily built up experience in the functional management of software and the supervision of credit controllers. Ever since we introduced Onguard, not a single reminder has been sent in paper format.” The number of employees in the Credit Control department fell quickly from 3 to 1 FTE after the implementation of Onguard.



ONGUARD

REDEFINING ORDER TO CASH

COST MANAGEMENT

BG Freight Line generally has 6000 to 6500 outstanding invoices from an average of 500 debtors. Margins are minimal, which is why there is intensive focus on cost management and cash flow. Our financial management pays specific attention to realising the best possible timing between outstanding and received payments. We use professional and structured credit management to keep the procedure up until payment of invoice as short as possible.

CUSTOMER INTIMACY

BG Freight Line generally serves two types of customers: Feeder customers with whom strict payment arrangements have been agreed, and Domestic customers for whom a wide range of payment arrangements have been established. Ouwerling: "We use circa 15 profiles to deal with different clients in an effective manner. The profiles make it possible to automatically address debtors in a structured and appropriate manner. Customers are familiar with the regularity of our reminders and we notice that this adds structure to the payments. Thanks to OnGuard, corresponding in different languages and currencies does not demand extra time. The time we are able to save on a variety of fronts, provides 'quality time' that we can invest in (long-term) relationships with customers."

RESULTS

The main result that BG Freight Line has been able to realise with OnGuard is time-saving. Ouwerling: "Previously we used to work with a whole pile of lists. The highest amounts would be telephoned first, whereby one never got round to dealing with the smaller amounts. In the meantime, we telephone people a lot less, with reminders often being sent by e-mail, and we no longer use letters whatsoever. Thanks to the strict follow-up, we have only had to refer one case to a collection agency in the past 5 years, which is definitely something exceptional in the shipping sector."



"In 5 years' time, we have only had to outsource the collection of one case."

Martijn Ouwerling

DIGITAL REMINDERS

Another factor that demonstrates the success of OnGuard is that BG Freight Line has not sent a single reminder in paper format since OnGuard was introduced. "Via meetings with the OnGuard User Group I became aware that digital reminders are a long way from being standard practice everywhere else", states Ouwerling. "This surprises me because reminders via e-mail help to cut costs, are more direct and a lot faster."

REPORTS AND DISPUTES

Ouwerling: "We check DSO and the outstanding balance on a daily basis and compile a comprehensive report every month. Our parent company has established very strict requirements for these reports. Therefore, a major part of our time is dedicated to this undertaking. That is what we appreciate most."

