Factiva Dow Jones

Enterprise
Blitz on debt won't stop failures
Mark Fenton-Jones
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Businesses have improved their debt collection and payment terms fell by 2.6 days to an average of 54.8 days in the June quarter, according to credit trackers Dun & Bradstreet. D&B Chief Executive Christine Christian credited the drop to more companies realising the importance of customers paying on time and resolving outstanding payments earlier on. Whilst the latest quarterly trade payment analysis found payment terms had improved, some sectors are still trailing behind particularly big business, public companies and New South Wales businesses operating in the electric, gas and sanitary services sectors. Some small- to medium-sized business continue to receive a dynamic delinquency score' in the following categories: court actions, collections, financial data and ratios, trade payment information, director court actions and registered charges. Ms Christian estimates that payment terms and **cash flow** pressures will continue until the end of the year.

On the flip side, Bendigo and Adelaide banks debtor finance subsidiary, Oxford Funding, has received healthy interest in its full-service debtor finance product, the partnership facility. Such products have grown by 20 percent each year, and Oxford Funding CEO Rob Lamers says his business topped that with 30 percent. Figures from National Credit Insurance (Brokers) show that claims against bad debts increased by 105 percent in June when compared to the same period last year. The most affected sector was building and hardware.

Dun & Bradstreet, , Oxford Funding, Bendigo Bank, Adelaide Bank, National Credit Insurance

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