

know more / grow more

# A meaty £70,000 per year saving for Vestey Foods UK

Vestey is a famous name in food, especially meat. Founded in 1890 and still part of a privately run international business group, Vestey Foods UK has grown into a major importer and distributor of a wide spectrum of food products, serving retailers, foodservice businesses, public institutions such as the armed forces, wholesalers and manufacturers. Annual turnover has reached £170 million.

## The problem

A spread of customer types means a variety of different levels of risk. Vestey deals with companies ranging from those who spend around £30,000 per year to others closer to £6 million. The businesses they deal with vary from supermarket chains to wholesalers, caterers, health food and oriental food stores. As a privately-owned company, Vestey has a safety-first approach to financial risk, requiring the best available protection from customer insolvency.

“Credit terms are three to six months, rather than the conventional 30 days.”



### Company summary

£170 million turnover food import and distribution company. Customers include Lidl and Morrison's.

### Challenges

Minimise the risk of dealing with a diverse range of customers, from small traders to retail giants.

### Solution

The full range of Coface services, including recouping bad debts, fast credit decisions and collection.

### Result

Preventing an average of £70,000 a year from being written off.

## The solution

Coface is a world leader in credit insurance, highly regarded throughout the industry, so it is no surprise that they were originally recommended by Vestey's broker Aon in 2007. As well as the ability to claim in the event of a customer defaulting, they were attracted by the fact that Coface is an authoritative source of constantly updated credit information about 80 million companies throughout the world.

“We encourage our customers to share their data with Coface, so we know they are a good risk.”



All this knowledge is available on demand, at no extra cost to policy holders.

#### **Proving its worth year after year**

Vestey found themselves having to make a very large claim during the policy's first year, when a major distributor became insolvent. Since then they report that a series of successful claims have enabled them to recover around £70,000 each year on average. This is money they would otherwise have had to write off.

#### **Payment collection too**

Even though the Vestey group has its own credit control team, they also value the fact that Coface offers a collection service. An invaluable resource, ready to spring into action if needed.

#### **Speedy credit decisions mean speedy business decisions**

Vestey needs agility to maximise the potential of its diverse customer base, and the partnership with Coface makes this possible. As finance director Neil Wakeham points out, they are able to accept new orders on the spot using Coface's online credit rating service CofaNet.

#### **A long-term relationship that helps to build others**

Coface also enables Vestey to build long-term relationships with its customers. “We are very customer focused and part of our approach is to encourage those companies to share their data with Coface so we know they are a good risk” says Neil Wakeham. “The better they know our customers, the better they know our business.”

“Coface enables us to make fast decisions.”

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If you want to know more about the “know more, grow more” effect a credit insurance policy can bring to your business, talk to the experts at Coface on **0800 0856 848**.

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