

FACT FILE

COMPANY: WORLD DIRECT TRAVEL LTD

ESTABLISHED: 1995

SECTOR: Corporate Travel

MARKET: UK and Overseas

“After a tender process, we went for Coface because of the online credit checking, the competitive price and because Coface answered all my questions which gave me confidence in them.”

George Glen, Director.

In brief:

As an entirely self-funded business, working to tight margins, World Direct Travel decided Coface’s credit insurance was the most cost-effective way to limit its exposure to client insolvency.

Business challenge:

Based in Scotland, World Direct Travel (WDT) manages corporate travel arrangements for companies in the UK and overseas, including Europe, Asia, the United States, the Middle East and Africa. Over 20 years, WDT’s location has allowed it to build strong relationships within the oil and gas industry in Aberdeen, although its corporate clients come from a range of other sectors, including mining and aerospace. Around 45 clients have credit accounts.

In its 20 years of trading, WDT had no experience of client insolvency, thanks to its rigorous credit checking and monitoring procedures. However, it was first prompted to obtain credit insurance because of concerns about the increasing length of time it was obliged to extend credit and the substantial sums involved.



Owner and director, George Glen, explains: “The travel industry works to very tight margins so if we lost £100,000 because of a client’s insolvency we would need to turnover well in excess of another £1million to make it up! We are entirely self-financed and extending that amount of credit each month felt like too much of a risk. Credit insurance allowed us to minimise that risk but when we received the renewal premium from our provider after the first year, we thought we’d see what else was on the market.”

Coface solution

WDT selected Coface's solution for SMEs following a tender process involving their existing insurer, Coface and another company. The service caters for businesses with insurable turnover of up to £10m which includes the use of CofaNet, Coface's online policy management tool, insurance cover for all risks (insolvency, protracted default and political risk), debt collection and litigation support on request.

For George Glen, price was a major factor in this decision as he understandably wanted to keep WDT's expenses to a minimum. In addition, he was attracted by Coface's online credit ratings service which he uses in conjunction with his existing credit investigations. And last but not least, Coface's straightforward responses to his questions during the tender process helped inspire his confidence in the business relationship.

"The transition to Coface was straightforward: we are now able to obtain most credit limits online and where we have to submit requests, these have usually been answered within 24 hours. Everything has been very good so far and I would happily recommend Coface."

George Glen, Director.

Contact us

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