



## Pieter Dörssers, Smeets Autogroep 'OnGuard provides effective credit management'

From cars and people carriers to delivery vans and trucks... Smeets Autogroep from Heerlen, Limburg, is at the top of its game, selling well-known brands such as Mercedes Benz, Smart, KIA, Jeep, Dodge, Chrysler and Opel (Vauxhall). This family-run business has five branches throughout the south-east of the Netherlands and dominates the maintenance and repair, operational leasing, car hire and car sales markets. "We offer a complete package for auto-mobility", comments Pieter Dörssers, financial director of the Smeets Autogroep.

### Results

- More time for the 'real' credit management
- Reduced DSO to 34 days
- Profiles corresponding to payment habits
- Up-to-date payment details
- Reports on payment behavior
- A user-friendly system

### Pieter Dörssers, Financial director Smeets Autogroep

- 'Our credit management is more effective than ever.'
- 'Smeets Autogroep has reduced its days sales outstanding down from 73 to 34 days.'
- 'The system is extremely user friendly.'
- 'We can use OnGuard to achieve what we have always wanted to achieve: effective credit management.'
- 'We now spend 80% of our time on 'real' credit management and 20% on collecting debtor details and reporting to management.'

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#### Saving valuable time

Before the introduction of OnGuard, the company's central finance department used numerous spreadsheets for distilling information and making reports. This was even the case for the five million euros of outstanding debts from the Daimler-Chrysler companies. Dörssers: "Eighty per cent of our credit manager's time was spent tracking the debtor's details and reporting to me, which only left twenty per cent of his time for true credit management: calling clients, supervising the collections agency's activities and also writing and sending reminders. A waste of valuable time." Dörssers was introduced to the OnGuard system by an ex-colleague. The financial director was able to see the credit management system in action at the enterprise his ex-colleague worked for. "I was sold almost straight away. This system would save us a considerable amount of time. It scheduled all of the credit manager's tasks in one complete system." OnGuard looked to meet all of Smeets Autogroep's expectations, making the Dutch car dealership even more enthusiastic. Dörssers: 'We were looking at a system that could turn things around: 80% of our time could be spent on 'real' credit management and 20 % on collecting debtor's details.'

#### Paper mountains

Smeets Autogroep implemented OnGuard Enterprise in 2003, which brought an end to the mountains of spreadsheets. Dörssers: "It used to be almost impossible to find the reports you were looking for." The company created profiles in correlation to their clients' payment habits: standard, intermediate and strict dunning. Moreover, since its implementation, the credit managers can now use the database of debtor's details to make a cross section of client's payment behaviour and reports for the financial director. The Limburg-based company also uses OnGuard to generate ageing analyses. These analyses contain not only the largest outstanding payments but also the longest outstanding

payments. This means the credit manager can work with the invoices, hands on, and schedule corresponding actions. With the help of OnGuard, Smeets Autogroep has reduced its days sales outstanding down from 73 to 34 days. Their ultimate goal is to bring it down to 30 days.

In 2006, Smeets Autogroep switched from OnGuard Enterprise version 4 to OnGuard Enterprise version 5: the same software with more functionalities. Version 5 automatically extracts the necessary information from Autoline on a daily basis.

This synchronisation gives the credit manager immediate access to the most up-to-date payment information, informing him straight away whether or not a debt has been paid.

"The system is extremely user friendly", adds Dörssers.

In addition, Smeets Autogroep can also closely follow up on complaints that may be received in response to invoices.

The system generates an email for the person responsible for following up a complaint and saves the complaint in OnGuard.

#### Future

In the future, the company's head office hopes to be able to bring its branch offices up to speed on its clients' payment habits. Dörssers: "By doing this, each branch will be able to decide which customers it should or should not do business with as well as have access to particular clients' payment histories." Smeets Autogroep's OnGuard system contains some 13,000 debtors of which 8700 have been active in the past two and a half years. It is the company's intention to extend the reach of Enterprise version 5 to include all of its branches in order to give the finance department a full overview of the company's files using OnGuard. "This will enable us to draw comparisons between the branches and analyse a client's outstanding payments across multiple branches. In short, there is plenty of scope for growth in this new system. We can use OnGuard to achieve what we have always wanted to achieve: effective credit management."