



## Successful together

*'With head and heart' – this is the principle that EOS experts follow, working in partnership with companies of all sizes in all industries to ensure their survival – and not just in economically difficult times.*

Anyone coming out of the lift on the twelfth floor of EOS headquarters will catch their breath at the fabulous view of Hamburg – the port city and Germany's gateway to the world. Of course the EOS employees are only peripherally aware of this, as their attention is focused on the concerns of their clients.

No matter whether they want to gain new customers, enter into a contract with partners they have not worked with before, market their products securely over the Internet or deal with defaulting payers, EOS takes care of liquidity and financial security throughout the entire customer relationship in more than 40 companies in over 20 countries. Our 4000 employees help companies throughout the world to set up profitable, long-term business relationships by providing professional receivables management, turning revenue into payments. They also offer risk information and marketing information as well as electronic payment system solutions.

### Remaining solvent

The roots of the international group go back to Deutscher Inkasso-Dienst (DID) founded in 1974 by OTTO, the German multi-channel retailer. Already at that time, the company handled the collection of overdue debts for its clients as part of the financial services it provided, and has been safeguarding them from cash flow problems ever since. Hans-Werner Scherer, Chairman of the EOS Group's Board of Directors, explains: "From the very beginning we have been collecting outstanding sums good understanding between our clients and defaulting payers." As a finance professional he knows what he is talking about, as he managed DID for many years before initiating the new strategic orientation of the EOS Group of today.

By now the wholly owned subsidiary of the Otto Group is doing much more than just collecting unpaid debts on behalf of its clients. Since 2000 this task has been carried out by the specialized individual companies operating together under the EOS brand. This is a big bonus, as they combine regional expertise with international know-how and provide all their products from a single point of contact through the EOS network. "Of course we like it best when our clients take advantage of our complete range of services," Mr Scherer admits. "But we are just as happy if we can support them effectively with one of our solutions."

While EOS provides risk and marketing information as well as payment system solutions mainly in Germany and western Europe, throughout the world clients can benefit from the largest business unit at EOS – professional receivables management. Alongside its debt collecting programme, the sale

of receivables portfolios to EOS helps companies to improve their own balance sheet structure and achieve a better rating.

### **Preventing money shortages**

Mr Scherer advises all companies to put their receivables management programmes onto a sound professional basis. He says: "Many companies worry about alienating their customers or they lack internal capacities, which is why they do not follow up outstanding amounts consistently enough or send any reminders." Yet, he knows that this is just as important as issuing prompt invoices with clearly stated payment dates. After all, every overdue payment costs money that is then not available for covering investments or current expenses. And: The Five Nations Survey conducted by EOS in 2009 revealed that most of the 1200 companies who were interviewed believed that payment behaviour would deteriorate over the next two years. The Austrian Kreditschutzverband (association for the protection of creditors) is currently expecting international insolvency figures to increase further. According to the German Federal Statistical Office at the beginning of 2010, eleven per cent more companies filed for insolvency between January and October 2009 in Germany than in the same period in the previous year.

With EOS, companies can make provisions competently, in good time, and on a partnership basis. "We train our employees professionally and psychologically so that they can deal with defaulting payers," Mr Scherer points out. They regularly check the deadlines, draft individual reminders and talk to people over the phone and in person. "If a debtor is willing to pay, but is in a state of financial distress, we develop realistic plans for paying off the debt," Mr Scherer explains. "We are satisfied once we've found a solution that is just as accommodating for our clients as for their customers."

### **Think global, act local.**

This credo applies just as much to receivables management as it does for the rest of our services. The strategic experts at EOS carefully consider which services to market in each country. "We cannot transfer our services from one market to another on a like-for-like basis," Mr Scherer explains. On the 'think global, act local' principle, the companies outside Germany and the Group partnerships with local firms ensure that our services are tailored to the respective requirements. "We are just as familiar with the local laws as we are with the requirements of the different sectors – and we speak our clients' languages. That is our key to success in other countries," says Mr Scherer.

This holistic business model is paying off. Nowadays, over 20,000 clients are taking advantage of tailor-made financial solutions. These include major corporations, medium-sized and small companies from the banking and insurance sectors, manufacturing industries, mail-order companies, energy providers, telecommunication companies and the IT industry.

A code of conduct, along with memberships to various associations, underpins the quality and reputation of the services the company provides. The German debt collection companies within the EOS Group are members of the Federal Association of German Debt Collectors (Bundesverband Deutscher Inkasso-Unternehmen e. V. – BDIU), the Bankenfachverband e. V.

or the Verein für Credit Management e. V. European subsidiaries are organized in local collection associations that are internationally networked into the Federation of European National Collection Associations (FENCA).

### **Growing with vision**

EOS never rests on its laurels. "With the constant extension of our range of products we frequently find ourselves in new territory. Our passion for innovation distinguishes us just as much as our parent company," is how Mr Scherer describes the secret of EOS's success when he thinks back to the targeted expansion into Russia in 2007, into Belgium or to the business expansion in Switzerland in 2008. In the same year EOS buys additional shares in a payment system solutions provider. EOS Payment Solutions makes it possible for clients in Germany, Austria, the Netherlands or Spain to pay securely by credit card, direct debiting schemes, online or through terminals in shops. Additionally since 2008, Bulgarian companies have been able to check the creditworthiness of their customers through their local EOS company. By recently acquiring the majority stake in Finetrading, EOS is now able to offer medium-sized German companies the option of pre-financing commodities as a flexible means of securing their cash flows.

EOS plans to push ahead with this growth this year – with prospects as broad as the panoramic view from the twelfth floor of the company's headquarters in Hamburg.

#### **More information is just a click away at:**

Payment practices: [www.eos-solutions.com/surveys](http://www.eos-solutions.com/surveys)

About the EOS Group: [www.eos-solutions.com](http://www.eos-solutions.com)

Contact: [info@eos-solutions.com](mailto:info@eos-solutions.com)

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