

Watching your cash flow

The third largest security corporation in the Nordic region, NOKAS AS, doesn't just guard other people's money and manage the circulation of cash in Norway. Their own accounts receivable and cash flow are monitored vigilantly to keep collection times as low as possible. For 15 years, Intrum Justitia has been a collaborative partner for monitoring requirements.

WORDS: KJETIL AAMBØ PHOTO: KJETIL AAMBØ

"NOKAS has a high turnover, but is in an industry with low margins. Therefore, every day that the collection period can be reduced is important. Every day that the collection time is reduced has large consequences in terms of our net financial results," says Niels Erik Feilberg, Finance Director at NOKAS AS. The corporation has approximately 90,000 customers and issues more than 154,000 invoices a year.

The focus on credit management has, for example, meant that while the financial crisis has raged for the past two years, NOKAS has been able to reduce collection times. At the same time, the group has very few defaults that can be written off as losses.

"This is due not least to the close cooperation with Intrum Justitia and the focus on improving systems and procedures. Intrum Justitia does a good and efficient job for us and delivers the best service in relation to price and service," Feilberg says.

For approximately 15 years, NOKAS, previously known as Vakt Service, has worked

with Intrum Justitia in connection with payment reminders, collections and claims connected with bankruptcies. NOKAS also uses Intrum Justitia for their own companies in Sweden and Denmark.

"We are very satisfied with the job that Intrum Justitia does for us. This cooperation plays a central role in our effort to collect on outstanding claims as quickly as possible," says Feilberg.

He views Intrum Justitia as NOKAS' collections department and points out that Intrum Justitia has a large organization, good competence and established systems, which are not possible for NOKAS. Intrum Justitia also has a strong and respected name in the market.

Eli Marte Glovigen, who is responsible at NOKAS for daily contact with Intrum Justitia, describes the credit management partner as follows:

"Intrum offers a high degree of resolution, good support tools and user-friendly web solutions, good overview and good service."

Recently, NOKAS extended its contract with Intrum Justitia.

"However this did not happen automatically," emphasises Feilberg.

NOKAS regularly benchmarks their subcontractors in different areas. This also applies to Intrum Justitia.

"However, we haven't seen any reason to change partners, as long as we feel that the partnership is working well under competitive conditions. In other words, Intrum Justitia has been generating and will continue to generate results for us."

He is also very satisfied that they can use Intrum Justitia for information about legislation and regulations overseas as well as debt collection overseas.

"This is a great help to us. Intrum Justitia



has valuable knowledge about local conditions. We know that we can get advice, tips and support when we need it.”

NOKAS is growing and expanding quickly. The unlisted corporation started in 1987 with three men, a dog and a contract. Last year, they achieved sales of NOK 1.3 billion, approximately EUR 163 million. NOKAS’ goal is to exceed NOK 3 billion, or roughly EUR 375 million, by 2013. Over the past 23 years since its modest beginning, the corporation has not just had strong, organic growth but also taken part in just under 50 acquisitions.

The head office is in Tønsberg on the west side of the Oslo fjord, about 100 kilo-

metres south of Oslo. In addition to local offices across Norway, the corporation also has offices in Stockholm, Gothenburg and Copenhagen.

Besides security and guard services, NOKAS also has contracts for counting systems and cash handling for banks in Norway and Sweden and handles over NOK 110 billion each year.

“Our sales goals make it clear that we will be expanding in Norway, Sweden and Denmark in the future – and even in other countries. However, during that time we will continue to keep the focus on collecting outstanding claims as quickly as possible,” says Feilberg. ▀

“The partnership with Intrum Justitia is important for us to collect outstanding claims as quickly as possible,” says Finance Director Niels Erik Feilberg at NOKAS.

NOKAS facts

NOKAS AS has 48 offices in Norway, Sweden and Denmark. The company has approximately 2,500 employees with sales in 2009 of NOK 1.3 billion.

The company is organized into two divisions – Security and Money. The security division provides integrated guard and security solutions. The money division offers services for transporting money, cash handling as well as cash machine services for banks and financial customers.