

CASE STUDY  
MAY 2022

# Leading Distributor Uses Moody's Analytics Pulse to Gain Credit Insights and Reduce Costs

ABOUT

Flocor is a leading North American distributor of top-quality name-brand pipe, valve and fitting products and services to mechanical, fire protection, waterworks, water, and wastewater treatment, commercial, mining, institutional and industrial markets. It uses Moody's Analytics Pulse to:

- » Monitor its AR portfolio daily and notify of any changes in account risk
- » Protect its receivables from unpredictable businesses
- » Increase its payment speed from existing customers through industry specific payment insights
- » Increase its revenue through key business news insights
- » Reduce its operational costs with cost effective and impactful credit reports

Background

Flocor's credit team was looking for an efficient way to monitor their immense AR portfolio for credit risk. They tried credit monitoring services at numerous providers and found that the services were not only extremely expensive but the alerts they received on their customers were not relevant or actionable. These services were not impactful in empowering Flocor to manage their receivables.

Flocor decided to try Moody Analytics Pulse free AR monitoring service to bring more data and transparency to their credit team, and this platform would soon become essential to managing their receivables.

Moody's Analytics Solution

Flocor began monitoring their receivables using Moody's Analytics Pulse, receiving one daily email alert of changes in risk and critical insights on their accounts in time to act. Their credit team immediately saw the value of the platform as they began receiving crucial notifications of customer risk, that other providers were not notifying them of.

"Moody's Analytics Pulse portfolio monitoring and daily email alerts are fantastic. It gives me a poke to investigate when accounts could be at risk, without adding to my daily workload." Amanda Slusarczyk, National Credit Manager at Flocor

Moody's Analytics Pulse monitors Flocor's portfolio for thousands of risk factors and notifies Flocor across 7 different alert types. Flocor found the alerts are notifying them in time to reduce credit limits or close out accounts before it's too late.

**"Moody's Analytics Pulse alerted us to a drop in credit score on an account with an outstanding balance and a custom large order that was about to be shipped out. I was able to hold the shipment back and work a deal, saving us thirty thousand dollars."** Amanda Slusarczyk, National Credit Manager at Flocor

Alerts are not just useful for risk management, but also provide revenue opportunities. For example, peer payment alerts notify Flocor about which accounts are paying others in their industry faster than they are paying Flocor. Flocor finds these alerts essential for managing legacy or grandfathered accounts, who have fallen into a pattern of paying later over the years. They know which accounts have the ability pay faster and have been able to increase their payment speed by applying pressure to these accounts.

Also, positive news alerts inform Flocor about opportunities such as customer revenue growth, acquisitions, or the development of an industry-leading technology. In certain cases, Flocor has been able to use this positive information to raise credit limits, increasing revenue.

Flocor pulls Moody's Analytics Pulse credit reports when setting up new accounts or when looking for more detailed information on existing accounts. In the reports, they like the ability to pinpoint exactly when scores were dropping or increasing over time in the score history graphs, a level of detail they haven't found in any other credit report. Flocor has found the credit reports from Moody's Analytics Pulse provide greater value for a lower cost.

**"9 out of 10 times Moody's Analytics Pulse has the information I am looking for on my customers and it saves us lots of money from pulling costly reports with other agencies."** Amanda Slusarczyk, National Credit Manager at Flocor

## Results

The Moody's Analytics Pulse platform has empowered Flocor to prevent charge-offs, increase customer payment speed, grow revenue, and reduce costs. The daily alerts notify Flocor of risk in time to prevent charge-offs, with one credit score decline alert alone protecting their receivables from significant loss.

According to Amanda Slusarczyk, "Over the past two years Moody's Analytics Pulse has saved us quite a bit of money, by notifying us of risk ahead of time so we can take action to protect our business."

Peer payment alerts have also enabled Flocor to effortlessly lower their days-beyond-term with legacy accounts while the positive news alerts have empowered them to increase credit limits, helping grow Flocor's revenue. Since pulling credit reports from Moody's Analytics Pulse, Flocor has been able to cut a significant amount of costs by reducing report subscriptions with other providers.

"I would recommend Moody's Analytics Pulse to any credit department looking for timely risk updates on their customers delivered in an efficient and consumable way." Amanda Slusarczyk, National Credit Manager at Flocor

## Moody's Analytics Pulse

*Interested in protecting your receivables, increasing payment speed, or reducing costs like Flocor? Visit our website to learn more or schedule a demo: [pulse.moodyanalytics.com](https://pulse.moodyanalytics.com)*