

# Perspective by CRF

2<sup>nd</sup> Quarter, 2021

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## These are the Most Popular KPIs in A/R Today . . . Are You Using Them?

*Written by: Mitchell Rose, Billtrust*

We live in a world of KPIs and benchmarks. Which ones do you depend on the most? In a 2021 study commissioned by Billtrust, over 350 accounting/finance senior leaders were asked to rank their top three most-used A/R benchmarks...

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## Convergence of A/R and Treasury Creates a Cash Culture Worthy of Investment

*By: Keith Cowart, FIS*

Most of us have a built-in protection mechanism that will not allow us to give up control of our respective organizations and responsibilities. So, the very mention of Accounts Receivable (A/R) and Treasury heading towards a...

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## Credit Insurance Companies Slash Coverage, Credit Professionals Shift Focus to UCC Filings

*By: Kristin Alford, NCS*

As the economy works on recovery, businesses are still struggling to keep the supply chain in motion and the financial risks are staggering. Suppliers have widely used credit insurance to protect their accounts receivable, but credit insurance companies are cutting...

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## Finance in the Post-Pandemic World

*By: Eva van de Grijn, Serrala*

As the world economy is starting to reset after the global pandemic, it becomes increasingly clear that back to normal does not mean back to pre-COVID. In many ways, the worldwide changes have been so drastic that a return to...

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## The Nine West Decision: A New Twist on an Old Cause of Action

*By: Kenneth A. Rosen, Esq. & Michael Savetsky, Esq., Lowenstein Sandler LLP*

Trustees pursuing recoveries for unsecured creditors in Chapter 11 cases may have another arrow in their quiver under the right set of facts. Board of director members may have something new to worry about...

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## These are the Most Popular KPIs in A/R Today . . . Are You Using Them?

By: Mitchell Rose, Senior Vice President & General Manager, Corporate Segment, Billtrust

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### About the Author



Mitchell Rose is Senior Vice President and General Manager, Corporate Segment at Billtrust, where he has worked with hundreds of businesses to help them automate their order-to-cash process. Before Billtrust, he held senior-level marketing positions with Coca-Cola, Mattel and Warner Lambert. Mitch holds an MBA from Columbia University in Marketing and a BS in Applied Economics from Cornell University. He can be reached at [mrose@billtrust.com](mailto:mrose@billtrust.com).

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# Convergence of A/R and Treasury Creates a Cash Culture Worthy of Investment

By: Keith Cowart, Senior Product Marketing Manager, FIS

Most of us have a built-in protection mechanism that will not allow us to give up control of our respective organizations and responsibilities. So, the very mention of Accounts Receivable (A/R) and Treasury heading towards a convergence sends shivers down your spine. One of the major arguments against it is that Treasury team members do not understand the nuances involved in the art form that is credit and collections...

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## About the Author



Keith Cowart is a Sr. Product Marketing Manager in FIS' Corporate Liquidity - Receivables group which features the award-winning Credit-to-Cash product, GETPAID and Integrated Receivables. He has over 20 years of professional experience in various accounting and finance leadership roles including Accounts Payable, G/L Accounting, as well as Credit and Collections in large global companies with shared service centers. Keith's focus has always been in continuous improvement and leveraging technology to automate processes to achieve extraordinary results. Keith holds a Bachelor of Business Administration degree from Piedmont College and a Master of Business Administration degree in Management from Georgia State University.

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# Credit Insurance Companies Slash Coverage, Credit Professionals Shift Focus to UCC Filings

By: Kristin Alford, Education & Marketing Specialist, NCS

As the economy works on recovery, businesses are still struggling to keep the supply chain in motion and the financial risks are staggering. Suppliers have widely used credit insurance to protect their accounts receivable, but credit insurance companies are cutting coverage and slashing policies to maintain their own bottom lines. While insurance companies deliver crippling blows to businesses' financial security, credit departments have been carefully reevaluating risk mitigation strategies and it's brought UCC filings into renewed focus...

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## Finance in the Post-Pandemic World

### *Three Observations on the State and Future of Work in Finance Organizations*

*By: Eva van de Grijn, Solution Architect, Serrala*

*The pandemic has forced finance organizations around the globe to implement completely new ways of working to ensure business continuity in a climate of extreme uncertainty. Companies had to quickly respond to unforeseen and suddenly changing circumstances that impacted virtually every global business in one way or the other. In many ways COVID-19 has accelerated developments in finance organizations that otherwise would have taken years, if not decades, to unfold. Now the question is: What does this mean for finance in a post-pandemic world?*

As the world economy is starting to reset after the global pandemic, it becomes increasingly clear that back to normal does not mean back to pre-COVID. In many ways, the worldwide changes have been so drastic that...

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### About the Author



Eva van der Grijn is a Solution Architect supporting automation of the end-to-end O2C processes. Working for a number of large Tech Companies both in the Netherland and the UK over the past 20 years, she has strong knowledge in the O2C arena with main focus on credit risk analytics and collateral management.

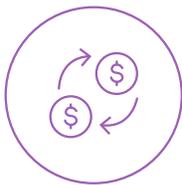
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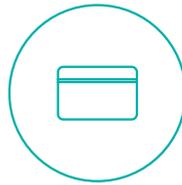
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## The Nine West Decision: A New Twist on an Old Cause of Action

By: *Kenneth A. Rosen, Esq. and Michael Savetsky, Esq., Lowenstein Sandler LLP\**

*\* The views expressed herein are those of the authors alone and are not necessarily shared by other persons at Lowenstein Sandler LLP. Each case and set of factual circumstances is unique and the law is subject to interpretation. This article should not be considered legal advice.*

Trustees pursuing recoveries for unsecured creditors in Chapter 11 cases may have another arrow in their quiver under the right set of facts. Board of director members may have something new to worry about when considering their fiduciary duties in approving a merger or sale.

A Chapter 11 plan of reorganization under which trade claims are unimpaired and where secured debt and/or bondholder debt are the only restructured debt is quite common. The norm in plans of reorganization is to provide...

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### About the Authors



Kenneth A. Rosen, Esq is Partner, Chair, Bankruptcy, Financial Reorganization & Creditors' Rights of Lowenstein Sandler. Mr. Rosen advises on the full spectrum of restructuring solutions, including Chapter 11 reorganizations, out-of-court workouts, financial restructurings, and litigation.

In his spare time, Mr. Rosen serves on several philanthropy and nonprofit boards primarily devoted to health care and education.



Michael Savetsky's practice focuses primarily on creditors' rights in the context of complex Chapter 11 bankruptcies, including representing creditors' committees, secured and unsecured creditors, and other parties in interest in Chapter 11 cases. He also has experience representing debtors, asset purchasers, and liquidating trustees, and prosecuting and defending preference actions and other bankruptcy-related litigation.



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# Bankruptcy Climate of 2020, Review of Early 2021, and What You Should Do to Protect Your Accounts Receivable

By: Kristin Alford, Education & Marketing Specialist, NCS

The events of 2020 will not soon be forgotten. A year that began with hope and optimism was quickly darkened by a pandemic that locked down economies for weeks and months. Businesses that had been sluggish prior to the pandemic crumbled as consumers hunkered down at home, many losing their jobs and millions facing a healthcare crisis. Commercial bankruptcy filings increased, leaving unsecured creditors scrambling to recover pennies on the dollar. In this article we will review the bankruptcy climate of 2020, a review of early 2021, and what you should do to protect your accounts receivable...

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## About the Author



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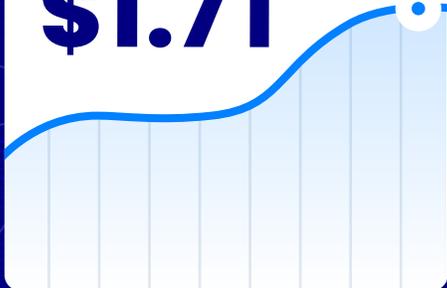
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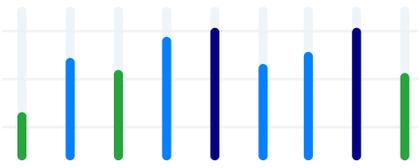


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# The Pandemic's Effect on the Placement of Delinquent Commercial Accounts for Collection

By: Annette M. Waggoner, Executive Director, Commercial Collection Agencies of America

Commercial Collection Agencies of America collects and tracks the placement of commercial accounts with its member agencies by their clientele. Each agency member submits a report of its account placement on a quarterly basis. In aggregate, the report offers the number of accounts placed and the dollar value of said accounts. The submission of the reports is one of the requirements for an agency to maintain its Certificate of Accreditation and Compliance.

Why does Commercial Collection Agencies of America require the information? The Association's mission includes being a premier industry resource to credit grantors. The report is a vehicle which offers an overview of placements so practitioners may have a scope into collection activity across the discipline. Feedback reveals that this information is used in a multitude of ways: from furnishing C-level executives with reports to making a necessary case with the sales department for action....and everything in between.

Additionally, this data collection supplies our member agencies with a barometer – a wider lens into how like peers in the industry are faring...

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## About the Author



Annette M. Waggoner currently serves as the Executive Director of Commercial Collection Agencies of America. Annette is responsible for the enforcement of the association's certification requirements, development of educational programming, and consultation to the Board of Directors, as well as the Independent Standards Board. She also serves as the association's advocate within the credit and collection industries and is a frequent author and speaker regarding commercial collections. Annette has been in the collection industry since 1992, when she was an officer, with ownership interest, of a certified commercial collection agency. .

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## Can a Claim Transferee “Wash” the Claim From Disallowance Risk? *Another Chapter in the Firestar Saga*

By: Bruce S. Nathan, Esq, Scott Cargill, Esq, John P. Schneider, Esq, Lowenstein Sandler LLP

*A full, more detailed version of this article will be available in the upcoming Q2 edition of The Credit & Financial Management Review.*

Claims trading is an efficient avenue for creditors of bankrupt companies to quickly liquidate their prepetition claim by selling the claim, at a discount, rather than waiting out the bankruptcy process hoping to receive a recovery from the bankruptcy estate. Conversely, buyers are often willing to purchase a claim for a variety of reasons, including with an expectation that the bankruptcy estate’s eventual distribution on account of the purchased claim will exceed the...

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### About the Authors



Bruce S. Nathan is a Partner in Lowenstein Sandler’s Bankruptcy, Financial Reorganization & Creditors’ Rights Department. He has more than 35 years of experience in the bankruptcy and insolvency field, and is a recognized national expert on trade creditor rights and the representation of trade creditors in bankruptcy and other legal matters.



Scott Cargill is Of Counsel for Lowenstein Sandler, and has represented various parties in numerous restructuring and insolvency proceedings in bankruptcy courts. He has also advised clients on such matters as the auction and sale of debtor assets, setoff rights, preference and fraudulent transfer liability issues.



John P. Schneider is an associate in Lowenstein Sandler’s Bankruptcy, Financial Reorganization & Creditors’ Rights Department. He represents debtors, creditors, and creditors’ committees in Chapter 11 matters and has served as counsel to Chapter 7 bankruptcy trustees in asset cases of varying complexity.

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## The Use & Impact of Securitization on A/R During the Pandemic

By: Kristin Alford, Education & Marketing Specialist, NCS

*The following editorial is the result of both survey results and anecdotal supporting commentary offered by the credit community. Details here within are based on CRF survey material and research material through the author (NCS).*

The Credit Research Foundation completed a survey in the first quarter of 2021 with their membership on the use and impact of securitization (UCCs, mechanic's lien, etc.) on accounts receivable during the pandemic. The survey explored the use of securitization as a risk mitigation tool.

The following data quips highlight the results of the survey and corresponding experience through NCS...

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