



**Interview with Aude  
Schneberger  
Credit Manager AS24**

### **What are your main needs and what qualitative and quantitative objectives must your credit insurance policy fulfil?**

We now have a customised credit insurance solution which takes into account the specific needs of our group and our fuel distribution business. This solution meets our three key needs, which are:

- to anticipate the risk of a client defaulting, by sharing qualitative and financial information with the insurer on an ongoing basis,
- to limit our net legal costs thanks to the insurer's guarantee,
- to have appropriate cover for our outstanding accounts and enough contractual agility to support our growth.

#### **Prevention**

Our risk management policy involves covering our unpaid accounts in order to limit our net legal costs. In this context, credit insurance enables us to base our growth on safe prospects and clients or, where we have identified risk, to negotiate appropriate cover such as a bank guarantee and, in some cases, to reduce the payment terms. The role of credit insurance is to provide us with

a barometer of the business activity and financial health of our business partners.

**We need to be alerted to risk in real time and we expect our credit insurers to fulfil this preventive role**, at a reasonable premium rate.

#### **Financial information and knowing each of our clients**

We currently manage 8,500 to 9,000 clients in France and 25,000 clients at the European level. In order to fully assess the risks of such high volumes of clients and such geographical diversity, we need entities capable of collecting and centralising as much information as possible, both from banks and financial partners and from collection agencies, in order **to provide us with the most reliable picture possible of the financial situation of each of our clients and prospects, country by country.**

In addition to this need for knowledge regarding our business partners, we are also looking for macroeconomic expertise and an understanding of the issues at stake in our sector. Based on this financial information, the opinion of our credit insurers and our business relationship with the client, we can then decide whether or not to accept the risk.

#### **Contractual agility**

Understanding our trade sector and our internal procedures is another key factor in our relationship with our credit insurers.

Fiche  
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**This sector-specific knowledge has a direct impact on our capacity to adapt contractual clauses to best suit our needs.**

We never accept to lose a client, even when an insurer decides to reduce or terminate its cover. If this arises, we work with our credit insurers to put in place alternative and supplementary guarantees to those provided by the insurers, in order to reduce our bad debts and continue generating profits. Similarly, our policy also enables us to continue working with clients following a reduction or termination of cover for a period of three months, which gives us time to find a solution with the clients concerned in order to cover their outstanding accounts. In particular, this clause enables us to optimise our relationships with road transport firms, for which we are a strategic supplier; suddenly refusing their cards could have very damaging consequences and even force them into insolvency. This three-month notice period is therefore necessary to enable us to find a valid solution for both parties and we clearly expect this level of contractual agility from our credit insurance partners.

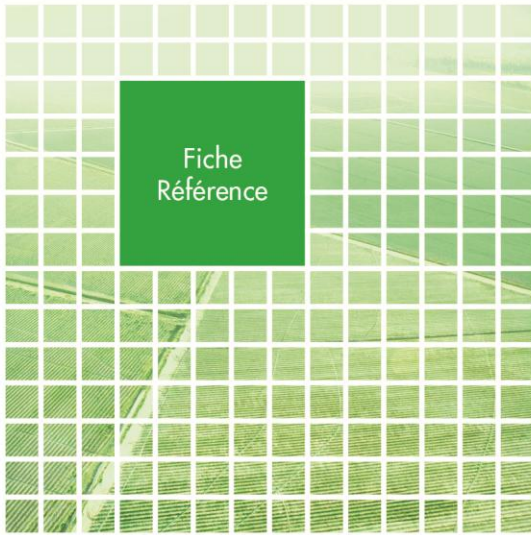


**What solutions have you put in place and what results have you obtained in terms of performance (in figures)**

For 25 years now we have been using credit insurance solutions which support and sustain the expansion of our group. From an SME based in the West of France, AS 24 has grown into a national enterprise and now a European group, with a fuel distribution and toll services network via 27 European subsidiaries. From sales of €594 million and a workforce of just 57 in 2000, **2012 sales reached €3.5 billion with a workforce of 216 Europe-wide.** Each of our subsidiaries has won market share backed up by a credit insurance policy.

We have been supported by A.U. Group since 2010 and are rolling out a Euler Hermes group policy covering 16 subsidiaries. This aim of this policy is to facilitate management at group level and muster greater bargaining power in negotiations with the insurer.

A.U. Group has also brokered contracts with Coface for our subsidiaries in Romania, Bulgaria and the Baltic states. Thanks to its special relationship with credit insurers, A.U. Group has enabled us to take out policies at the local level while benefitting from centralised support and direct access to the credit insurers' head offices.



### How does your broker support you day-to-day in managing your affairs?

A.U. Group is a vital partner in brokering our policies and client cover. They also play a key advisory role with respect the legal and contractual aspects. Their responsiveness and expertise provide real added value and we rely on them daily for information and for highlighting any inadequacies or possible enhancements to the policy according to our needs.

We began working with A.U. Group following a decision by the Total group, in the framework of an audit of our insurance policy. They drew our attention to areas in which we could improve certain legal clauses then enabled us to negotiate a contract better suited to our organisation and needs. We are now in an **ongoing process to enhance and optimise our contractual clauses, in which A.U. Group's support constitutes a real competitive advantage**, in particular offering us greater security in our transactions.

Apart from contractual enhancements, A.U. Group also supports us in brokering premium rates and helping us negotiate optimal terms with our credit insurers.

Finally, we benefit from day-to-day support with respect to arbitration decisions. Dedicated A.U. Group advisors help us obtain

appropriate guarantees from both Euler Hermès and Coface. They take care of sending the documentation and financial information to enable the insurers to adjust their terms as favourably as possible; their actions therefore have a direct impact on our business development. Similarly, A.U. Group also helps us to organise around three arbitration sessions per year, either face-to-face or by telephone, with a dedicated arbitrator.

### How important will Accounts Receivable be for you in the coming years?

This is a major issue for AS 24 as the fuel distribution sector is highly competitive and profit margins are very low. The client risk must therefore be managed as closely as possible in order to remain profitable. We therefore need to maintain an excellent level of information and communication with our clients. However, we also need a partner such as A.U. Group to optimise and facilitate our relationship with credit insurers.

**Company:** AS24

**Trade sector:** Fuel distribution

**Turnover:** € 3.5 billion

**Number of employees:** 216