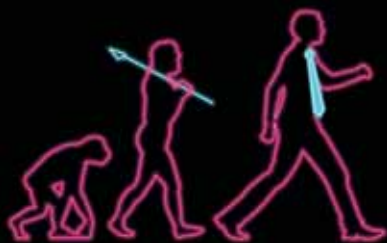


Invoice discounting evolves

Changing the face of Invoice
discounting with technology



Close Invoice Finance

In the world of financial services it is assumed that although cutting edge technology can become the backbone of back office systems it is incompatible with a service proposition that is built on the strong personal relationship between Client and financier. But, times are changing and Close Invoice Finance has taken a radically different take on the "hi tech versus hi touch" debate. The company, which was recently crowned "Best Factoring and Invoice Discounting Provider" for the third consecutive year in the Business Moneyfacts awards 2008 prides itself on its first class Client service but sees its bold and innovative approach to new technology as underpinning its competitive edge.



Close Invoice Finance
CEO David Thomson

Historically the sector was commoditised with little to differentiate between each product offering and recommendations made solely on cost or service. In recent times, the invoice finance sector has become more competitive and challenging than ever before. Seeing this change, Close Invoice Finance's CEO David Thomson had a vision that the invoice finance sector needed something which would improve the quality of service on all levels both in terms of technology and personal customer service, and he felt sure he could make that difference. Luckily Close Brothers, Close Invoice Finance's merchant bank parent company bought into David's vision, and after a £2 million investment in technology, and 18 months in development, the company launched IDeal, a first to market online invoice financing solution.

Instead of laborious, costly, month-end reconciliations, IDeal reconciles accounts automatically, on a daily basis. With the greater transparency afforded by the new system, Close are able to release more funds more quickly than ever before. As soon as a new invoice is raised and uploaded to Close, IDeal recalculates availability and gives Clients access to the additional funds. The award winning online invoice discounting solution eliminates paperwork, removes the need for lengthy invoice listings and monthly reconciliations and enables user access to funds at the click of a mouse. Invoicing is entirely streamlined, resulting in increased efficiencies and greater visibility at every stage, at a far lower cost.

IDeal has effectively generated 18 months' competitive advantage for Close transforming the risk profile of Invoice Discounting (ID) and making it accessible to a broader range of clients. Businesses who traditionally would have been obliged to opt for a factoring solution can now access invoice discounting through IDeal, giving Close a service with real stand out. IDeal is available to most businesses using an electronic software package and with UK sales of at least £200,000 per year. Once signed up real time visibility means that **clients can access up to 95% of the value of their invoices at the click of a mouse – over 15% more funding than traditional facilities.**

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Clients such as Ivor Solution, who are already using IDeal, have noted a significant impact with the new system with credit availability re-calculated every time a new invoice is uploaded. They have estimated that the business has access to almost 15% more funding than when they operated a traditional process. Ivor Jacobs, Managing Director, Ivor Solution said: "Close's IDeal product and the previous paper-based system we used are like chalk and cheese. We can get hold of cash very simply – with just two or three clicks of the mouse – making it much easier for us to manage our cash-flow requirements smoothly and efficiently."

Using Close Invoice Finance software gives businesses the power to grow without diluting equity and incurring debt. Furthermore, Close is the only provider in the receivables market to offer prepayment levels of up to 95%, giving Clients like Ivor Solution access to unprecedented levels of funding, a real shot in the arm for expanding businesses.

IDeal is gaining new market share quickly and already boasts over 300 Clients – with up to 30 more signing on each month since its introduction. The company is committed to maintaining this growth and enhancing the excellent, affordable invoicing solution they offer to customers. To achieve this, Close consistently evaluates its technology and customer service in response to feedback. The latest results from independent customer satisfaction research have shown that 100% of those IDeal Clients interviewed are willing to recommend the product. With 30 per cent of new Clients being poached from Close's competitors, it remains surprising that other factoring companies do not prioritise the development of technology, but to date IDeal remains unchallenged in the marketplace. For Close, technology is absolutely essential to underpin "the personal touch" if customers are to be retained going forward.

Looking ahead, Close Invoice Finance remain very optimistic about the future. They have in place a product that offers the market a more flexible approach to invoice financing, just when banks are growing more reluctant to take on risk. Their forward looking approach, combined with sustained excellence in customer service, is a winning formula for Close. But, there is no complacency and the business will continue to evolve to best meet the needs of customers, and ensure they are in the strongest position to compete for Best Factoring and Invoice Discounting Provider in 2009.

**To find out more about IDeal and how
Close Invoice Finance could help your clients,
visit www.closeinvoice.co.uk/ideal or
call us on 0800 220 257.**

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