

FACT FILE

COMPANY: VESTEY FOODS UK

ESTABLISHED:

Parent group established in 1890s

SECTOR: Food import and distribution

MARKET: UK Foodservices, retailers, public institutions, wholesalers, and manufacturers

“We work with a wide range of companies and all our business is account-based. Coface enables us to make fast decisions about credit limits and we encourage our suppliers to work with them too.”

Neal Wakeham,
Finance Director.

In brief:

Vestey Foods UK uses Coface to mitigate credit risk within its highly diverse customer portfolio.

Business challenge:

Part of the multinational Vestey Group, Vestey Foods UK is a large importer and distributor of food products with an annual turnover of £170 million. The company’s products can be found on the shelves of supermarkets such as Lidl and Morrison’s; at food service counters and in restaurants, health stores such as Holland and Barrett and even in UK army ration packs.

A family business, Vestey Foods is organised into eight different units, reflecting its diverse range of markets including wholesale poultry, convenience foods, retail, catering, natural foods and oriental foods. Customers range from small wholesalers who spend around £30,000 per year, to larger distributors and retailers who might spend £6 million. Its standard payment terms are 28 days.



“Being a privately-owned business, Vestey is risk averse and with such a wide range of commercial accounts, we understand the requirement for protection from customer insolvency,” says Finance Director, Neal Wakeham.

Coface solution

Following a recommendation from its broker, Aon, Vestey selected a Coface credit insurance policy in 2007. The annual premium includes credit information, insurance cover and, if required, collections although Vestey has its own credit control team.

The policy quickly proved its worth as Vestey was obliged to make a very large claim in the first year of its policy following the failure of a distributor. Since then, the claims process has helped Vestey's recoup around £70,000 each year which would otherwise have been written off as bad debt.

Neal has also been impressed with the speed of credit decisions on Coface's online credit ratings service, CofaNet, which enables Vestey to accept new orders on the spot. And he sees Coface as an ally in building long-term relationships with suppliers. "We are very customer-focused and part of our approach is to encourage these companies to share their data with Coface so we know they are a good risk," he explains. "We also believe it has helped us build a strong relationship with Coface because the better they know our customers, the better they know our business."

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Contact us

IF YOU WOULD LIKE TO CONTACT US WITH A GENERAL ENQUIRY REGARDING OUR PRODUCTS AND SERVICES, YOU CAN DO SO BY PHONE: **01923 478111** IN THE UK: **01 230 4669** IN THE REPUBLIC OF IRELAND

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