

## **A Powerful Combination for Credit and Collections Decision Support and Accounts Receivable Portfolio Risk Management**

The integration of PredictiveMetrics' Net30Score with SunGard's AvantGard GETPAID offers customers statistically validated risk scores as well as value added advanced reporting. This allows for the development of the most profitable collection strategies and credit lines. Net30Score is a multifunctional decision support system that uses internal accounts receivable data, which is proven to be the most predictive data, it's readily available, and it's free, to predict delinquency, improve DSO, and minimize write-offs. Leveraging the predictive power of internal performance data to develop portfolio management scorecards integrated into SunGard's AvantGard GETPAID platform provides a superior decision system.

### **Why Portfolio Scoring?**

- ◆ 80-90% of business is with existing customers
- ◆ Primary profit and loss center is existing customers
- ◆ Pro-active customer monitoring in a ever-changing financial environment
- ◆ Increase efficiency and reduce workload
- ◆ Improve customer service
- ◆ On-going customer reviews, collections prioritization, and credit line assessment

### **Why AvantGard GETPAID and Net30Score?**

- ◆ Improve DSO, reduce write-offs, and better estimate bad debt reserves
- ◆ Lower credit and collection costs
- ◆ Drive collection workflow by prioritizing internal collection resources based on inherent risk
- ◆ High hit rates - score all accounts by utilizing internal A/R data, which is the most predictive and it's FREE
- ◆ Statistical based scores are proven to significantly outperform rules-based scores
- ◆ Automate portfolio risk decisions and order hold release
- ◆ Grow revenues by optimizing collections strategies, credit line utilization, and new orders with existing customers

### **Credit Management Module Integration**

- ◆ Shows Net30Score data elements inside AvantGard GETPAID
- ◆ Advanced reporting and metrics based on Net30Score data elements
- ◆ Use Net30Score to drive risk-based collection strategies in the Collection Module

# Your Data Drives Better Decisions and It's FREE

The only data needed to produce and validate the Net30Score:

- ◆ Aging dollars
- ◆ Monthly sales
- ◆ Indicator of loss or bankruptcy
- ◆ Zip code

# Net30Score Output

1. Scores usually are on a scale from 0 to 100
2. The probability that the account will go bad within 6 months from the date of score
3. The account's Risk Class, which is used as the basis for applying collection strategies
4. Dollars at Risk (DAR), the dollar value of an account's outstanding balance that is at risk
5. Multiple Adverse Reason Codes that explain why the account scored the way it did

Risk Class	Score Range	Number of Accounts	Percent of Accounts	Cumulative Percent	Expected Number of Accounts to Pay in 90 Days or Less at All (BAD)	Expected Bad Rate in Risk Class (%)	Cumulative Percent Expected BAD through Risk Class (%)
Extreme	0.00 to 35.93	337	3.4	3.4	165	46.3	34.7
Very High	36.94 to 53.39	760	4.7	16.1	113	16.6	41.5
High	53.40 to 64.38	382	3.6	19.7	40	18.5	47.5
Medium	64.39 to 79.87	814	7.8	27.5	53	3.8	53.5
Low	79.88 to 93.39	392	3.7	31.3	0	2.8	53.5
Very Low	93.40 to 100.00	692	6.6	37.9	69	1.8	63.8
<b>Total Scored Accounts</b>		<b>959</b>	<b>91.3</b>		<b>430</b>	<b>4.4</b>	
Other		99	6.8	92.3	-	-	-
Too Thin to score		562	5.4	97.6	-	-	-
Bad At score		241	2.3	100.0	241	100.0	100.0
<b>Total Unscored Accounts</b>		<b>962</b>	<b>8.6</b>		<b>741</b>	<b>36.7</b>	
<b>Total All Accounts</b>		<b>1641</b>	<b>100.0</b>		<b>667</b>	<b>4.4</b>	

## Who is PredictiveMetrics?

PredictiveMetrics turns probabilities into profits. We specialize in providing custom and industry specific predictive scoring to help companies reduce costs and save money. Our analytical team is comprised of statisticians, econometricians, and actuaries that use advanced statistical techniques to help you understand risk on your portfolio.

For more information about PredictiveMetrics' Net30Score, call 732-530-9303 and ask to speak with sales.

For more information about SunGard Avantgard, please visit [www.sungard.com/avantgard](http://www.sungard.com/avantgard).



106 Apple Street, Suite 110 • Tinton Falls, NJ 07724  
 Phone: (732) 530-9303  
[www.predictivemetrics.com](http://www.predictivemetrics.com)  
[www.net30score.com](http://www.net30score.com)