

International Entities Need to Start Collection Efforts on Business Debt Early for Best Results

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International companies that do business in the U.S. will at one time or another likely encounter a situation where a U.S.-based customer defaults on its debt. In this case, it is important for the international entity to take action quickly with the assistance of a [U.S. commercial collection law firm](#).

According to a recent survey from the Commercial Law League of America (CCAA), the probability for success in collecting on an international business debt is lowered significantly with the passage of time.

In fact, the survey found that the likelihood of recovery for a 90-day past due account drops to 73 percent; after the account is past due for 180 days, the probability of recovery drops to 57 percent.

No company likes to pursue legal action against its clients, but there are a number of red flags that could indicate when it's time to think about engaging a [U.S. business debt collection attorney](#), including when a customer:

- Has promised payment more than once, but has not paid.
- Uses delaying tactics, like continuing to ask for additional documentation of the debt when you have already sent it.
- Suddenly disputes the terms of the sale.
- Refuses to pay or to discuss a reasonable resolution.
- Suddenly raises a dispute about merchandise or service when it has not been previously mentioned.
- Has an account that is more than three months past due.

Involving an [international business debt collection attorney](#) early in the process can increase the recovery rate significantly when it comes to collecting on delinquent accounts in the U.S. For further information or to discuss your needs, please contact Bob Freedman at (818) 473-5720 or email your request to cabusinesslawreport@tharpe-howell.com.

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