

## Emails chasing payment

When a customer takes delivery of goods, it is expected to pay the invoice.

It is always annoying to the supplier when the customer fails to pay on time and the payment becomes **overdue**. However, this situation has to be dealt with. Typically, the supplier sends a formal letter or email demanding payment, known as a **collection letter/email** or a **reminder**. Where possible, the letter/email goes out to a **named individual**.

This communication must be written in a tactful manner, without a display of emotions.

Often the following procedure around late payment is followed:

1. an end-of-the month a **statement of account** and/or **invoice** is sent out. It normally produces **settlement**, i.e. payment.
2. When **payment has not been received**, a second letter/email is sent with an added comment.
3. **In the event of continued non-payment**, a first collection letter/email is sent, followed, where necessary, by a second or third collection letter/email.

### Useful expressions:

- We notice that your account, which was **due for payment** on \_\_\_\_\_ is still **outstanding**.
- It seems that our invoice no. \_\_\_\_\_ for £ \_\_\_\_\_ **remains unpaid**.
- We have not received a reply to our **letter/email dated \_\_\_\_\_ for settlement of £ \_\_\_\_\_ against invoice no \_\_\_\_\_ of \_\_\_\_\_**.
- Unless we receive **the payment in full** by the end of the month/\_\_\_\_\_ we shall have no option but to **instruct** our lawyers/solicitors/legal department/**debt collection service to recover the amount due**.
- We still hope you will pay the amount due **without further delay**, otherwise we shall have to **take legal action**.

**Sample second collection emails.**

From: james@credit control.farrel.com

To: accounts@brown.co.uk

Cc:

Date: 4 May 2021

Subject: Invoice no. 1234/2021

Attachments: Invoice

Dear Mr Brown

On 29 April we reminded you that our invoice no 1234/2021 for £ 1001.20 for March deliveries continues to be unpaid. According to our record we have not yet received settlement and I therefore enclose another copy of the invoice.

Please give this matter your immediate attention and let us have your settlement without further delay.

Yours sincerely

James O'Brian

Credit Controller

From: james@credit control.farrel.com

To: accounts@brown.co.uk

Cc:

Date: 4 May 2021

Subject: Invoice no. 1234/2022

Attachments: Invoice

Dear Mr Brown

I am writing to remind you that payment on our invoice 12345/2021 for the amount of \$48,452.00 is now overdue for more than four weeks.

During our recent telephone conversation a week ago, you assured me that you would settle your account by the end of the week at the latest. Unfortunately that deadline passed two days ago and this might cause our company serious problems. As our companies have a long-term relationship, we still have not charged interest on the outstanding amount. However I need to inform you that if we do not receive the payment by the end of this week, we are empowered to levy an additional interest of 3% per week on all unpaid debts until the invoice is paid.

Also, as per our agreement, unless the payment is made by the end of this week, we are also entitled to debit your account with the charges of \$200.00 for late payment.

I deeply regret that I have to write to you this way since we always treasured a mutually profitable partnership with your company. We believe that any sanctions will be unnecessary and we look forward to your payment.

Please disregard this mail, if the necessary action has already been taken.

Yours sincerely

James O'Brian

Credit Controller

## **Assignment**

You are a Credit Controller with FairFoods Ltd, a food processing firm. Write a second collection email to your contact Jane Morrow, the Chief Buyer at Sandea Foods Ltd, a food retailer to remind him about a still outstanding payment for deliveries made in March.

Be tactful and use the appropriate language. Make sure that he understands the implication of non-payment to you. It is up to you to make up all the details that will make your email complete. Remember that you need to be specific.