



How to get what's rightfully yours

Your quick guide to debt recovery

When you've worked hard for someone, provided a service or lent something in good faith, you expect to receive what's due to you. Unfortunately, people and businesses don't always honour the agreements they make. If you find yourself in the position of being owed money and it looks like you may not be paid, it could well be worth your while talking to Griffith Smith's discreet and experienced debt Recovery Department.

To get a clearer idea of whether our service may be useful to you – and of how it works – have a look at the section below that most applies to you: *Recovering business debts* or *Recovering personal debts*.

Recovering business debts

No two business debts are ever exactly the same, which is why we always treat each situation on an individual basis. The first thing we do is sit down with you and establish exactly what is involved so that we can give you the best advice about how to tackle it.

It's important to look at all aspects of the situation and the implications of any action we might take, before anything is done. Some of the questions you need to consider are:

Is it worth it?

Litigation can be a costly business. We need to assess whether the cost of pursuing the debt is worthwhile in relation to the money you stand to recover. There's little point in going ahead if you're going to end up financially worse off by the time the debt has been recovered.

Can they afford to pay you?

In a similar vein, we need to look at whether the company or person you are pursuing is in a position to satisfy any judgement that is made against them. In other words, have they got the cash to cover it? If not, you may be wasting your time and money chasing them.

Do you want to save your business relationship?

Before you go in with all your legal guns blazing, it's worth thinking about whether you want to continue doing business with the people who owe you money. This suggestion may not be as strange as it sounds. In some cases, an otherwise good working relationship has broken down because of one transaction going wrong. Sometimes a process of negotiation can help all the parties involved reach a compromise that is beneficial to both – and that means they can carry on working together.

Griffith Smith is very experienced at this kind of commercial arbitration. On the other hand, if litigation is the way to go, we have all the skills and experience you need to get the best result.

When should you act?

As quickly as possible. Chances are, the person who owes you money owes other people money too. The sooner you begin the process of recovering your debt the more likely you are to get paid. Leave it too late and there may not be enough left in the pot to cover what they owe you.

Also, by involving Griffith Smith sooner rather than later, you leave yourself free to concentrate on running your business, not chasing up troublesome clients or suppliers.

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How much will it cost?

Many businesses are reluctant to involve lawyers in debt recovery because they assume it will be expensive. Instead they try to tackle it themselves or to involve a debt collector.

By employing a reputable firm of solicitors you are sending a message to the debtor that you are serious about recovering your money and that you are serious about recovering your money and that you are taking a very professional approach to the situation. The result is that, often, it only takes one letter from us to recover a debt, which is not very expensive.

Whether the process is as simple as this, or more complicated, we always provide you with cost estimates before we begin and keep you fully apprised of the costs as we go along. If it becomes necessary to issue proceedings, we will tell you how much this is likely to cost too.

Recovering personal debts

Before you decide to pursue a personal debt, it's important to work out how much the process is going to cost. We find that, in most personal cases, the cost of trying to get the money back is greater than the value of the debt itself. However, it's always worth asking us before you decide so that we can let you know whether taking action is worth your while or not.

If you decide to take action for a debt that is worth less than £5,000 your case will be dealt with by the Small Claims Court, which means you won't be able to claim costs. To help you keep those costs to a minimum, we are happy to give you advice about the procedures you need to follow and to help you draft the necessary documents.

Our experience

Griffith Smith has a strong and highly experienced team of lawyers who have specialised in debt collection for more than 20 years. We are well known at the local courts and have established a strong reputation for our professionalism.

Our experience in other areas such as employment, commercial and planning law, mean we can bring an added understanding to cases of business debt recovery.

We have a very practical approach to the process of recovering debts and will always discuss your options – and the costs involved – very clearly, before we proceed. Our aim is to make sure you are happy with the result, not staggered by the bill.

How to get in touch

For your convenience, once we have spoken, we are happy to take instructions from you by phone, fax or e-mail.

For more information, or to speak to a member of staff, call Griffith Smith Farrington Webb LLP on 01273 324041 or visit our Web site at www.gsfwsolicitors.co.uk