



Software start up offers fast way to target slow payers

Auckland's Paytorque uses the internet to automate the process of chasing delinquent debtors. These days, that's an expanding business

Chris Keall

Paytorque founder Lance Wickman says the recession has, unsurprisingly, increased the time it takes customers to collect their bills.

He quotes a Dun & Bradstreet survey, taken over the past 18 months, which found many companies now have to wait two to three weeks beyond a due date to receive payment on trade credit.

More surprisingly, the major accounting packages are not equipped to deal with the growing army of slow payers. Most lack any tool for sending out automatic reminders.

In response, Mr Wickman's company is introducing what it calls a world-first system for delivering late-payment reminders over the internet, via a software-as-a-service (SaaS) model, chasing a growing army of debtors.

Paytorque's eponymous software links to a customer's accounting system, uploading its accounts-receivable ledger then extracting the data it needs to send messages to debtors.

After spotting this gap in the market,

Mr Wickman created PayTorque, which is designed to work alongside the best-known accounting brands on the market.

Mr Wickman says Xero chief executive Rod Drury was enthusiastic about the potential of PayTorque work with his product.

PayTorque will launch with support for Xero, plus most versions of Xero rivals MYOB and Quick Books.

Modules for two of the other big players, Sage and Attache, are on the way. Paytorque will also create a custom module for any accounting programme.

After Paytorque has digested the accounts receivable ledger, it automatically sends a series of reminders, via email or "paper" (paper being defined as a PDF that a customer prints then sends themselves).

From a checkbox list, you can create sets of rules, such as which late payers get communicated with, and what types of messages they get, depending

whether you want to request payment within seven days or 14 days or on the 20th of the month, among other criteria, or whether you want to ask nicely or threaten further action.

Paytorque also offers extra features for your debtors, says Mr Wickman, each designed to reduce barriers to payment.

Chiefly, it introduces the ability for debtors to pay by credit card.

But it also lets debtors click on links to submit feedback about, say, a missing invoice number, or any other missing or a product or service dispute.

Debtors can also drill down to see details like their payment history.

Paytorque has a \$195 setup fee, then costs \$1 per debtor per month (regardless of how many delinquent invoices are tied to that debtor, or the number of times you contact them). There is a minimum fee of \$50 per month.



LANCE WICKMAN: Global plans for software delivered over the internet

Mr Wickman was one of five general managers who set up Industry New Zealand.

After it merged with Enterprise New Zealand to form NZ Trade & Enterprise, he became responsible for client services.

He then spent several years as a consultant, during which time he identified the need for a product like Paytorque.

The credit-crunch crystallised his thinking, and led to the formation of Paytorque Ltd around 18 months ago.

The company now employs eight people on Auckland's North Shore. Like more established SaaS contender Xero, Paytorque has global plans for its internet-delivered software.

Mr Wickman says there has already been interest from the UK and Australia. A big chartered accounting company – as yet un-named – is a potential partner in this push.

But for the immediate future, Paytorque is taking a more meat and potatoes approach.

Mr Wickman says he hopes to gain 700 leads from Paytorque's launch at the Bizzone Expo in Auckland this week, then convert 350 of those leads into sales.

By the end of the year, he's reckoning on 1000 customers.