

# Puerto Rico



## Total Respondents:

January 2017	76
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## Respondents with customers in Puerto Rico:

January 2017	26
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## Sales are primarily to:

	Existing Customers	New Customers
January 2017	96%	4%

## Do accounts in Puerto Rico represent a significant portion of respondents A/R?:

	Yes	No
January 2017	12%	88%

## Respondents extending credit to customers vs. those who do not

	Extend Credit	Do Not Extend Credit
January 2017	92%	8%

## Payment terms granted by those extending credit to customers in Puerto Rico:

	0-30	31-60	61-90	91+
January 2017	52%	31%	13%	4%

## Payment methods used (multiple selections permitted):

	Wire Transfer	EFT (seller initiated)	EFT (buyer initiated)	Check	Credit Card	Extended Payment Program or Progress Billing	B.P.O. (Bank Payment Obligation)	Letter of Credit	Cash Against Documents	Dated Draft	*Other
January 2017	81%	12%	42%	50%	35%	0%	0%	8%	8%	4%	11%
<b>*Other</b>											
January 2017	<ul style="list-style-type: none"> <li>• Payment bond</li> <li>• Export Credit Insurance</li> <li>• Cash</li> </ul>										

## Payment Delays Are:

	Increasing	Decreasing	No Change	No Payment Delays
January 2017	35%	8%	42%	15%

## Causes of payment delays, open account:

	Billing Disputes	Other Disputes	Cash Flow Issues	Inability to Pay	Unwilling to Pay	Customer Payment Policy	Government Approval	Regulatory Issues	Foreign Exchange Rates	Central Bank Issues	Cultural Norms and Customs	Other
January 2017	27%	0%	23%	4%	14%	14%	4%	0%	0%	0%	0%	14%
<b>*Other</b>												
January 2017	<ul style="list-style-type: none"> <li>• Economy is very unstable.</li> <li>• We don't currently experience much delay from our customers there, however we only have a few customers in Puerto Rico and they are subsidiary/branches of U.S. based companies and a few have centralized AP located in the U.S. As such my experience may not be typical.</li> <li>• Received damaged goods, short shipment.</li> </ul>											

## Resources used to check creditworthiness of customers (multiple selections permitted):

	Customer visits	Trade references	International credit reports	Country risk reports	Financial statements	Bank references	Tax records	Customer's borrowing relationship with their bank	Customer's line of credit with their primary bank
January 2017	52%	88%	84%	28%	60%	44%	4%	20%	20%

# Puerto Rico

**Documents used to confirm or finalize sale prior to shipping (multiple selections permitted):**

	Credit Applications	Purchase Orders	Sales Contract	Other
January 2017	73%	85%	58%	8%
<b>*OTHER</b>				
January 2017	<ul style="list-style-type: none"> <li>• cash in advance</li> <li>• payment bond</li> </ul>			

**Advice when doing business in Puerto Rico:**

January 2017	<ul style="list-style-type: none"> <li>• Know who you are actually selling to, do your research and investigations thoroughly in the beginning.</li> <li>• Be cautious. Puerto Rico has a failed economy and government insolvency. Know your customer and watch their performance closely. Be quick to follow up on any delays.</li> <li>• Know your customer. Understand the economic conditions in country. Attempt to get payment in advance.</li> <li>• I don't have much to add. When we did business with a couple of local companies (since purchased by large entities) payments were poor, but I did not have enough customers there to know if this was typical, or just the situation with those couple of customers.</li> <li>• Request any type of guarantee to secure the credit lines granted.</li> <li>• Your normal credit checking is usually sufficient.</li> <li>• Pay attention to Puerto Rico's economy.</li> <li>• Our customer base there is primarily multinational companies that we do business with in numerous locations. Dealing with smaller companies will be very different.</li> <li>• Things in Puerto Rico are getting tight with the problems they are experiencing with their economy. Be prepared for a delay in payment and be ready to react when a true problem presents itself.</li> <li>• They need to check the financial statements audited.</li> <li>• Know their financial worthiness.</li> </ul>
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