

How J. Lorber Boosted Sales and Customer Satisfaction by Partnering with Billd

Summary

J. Lorber partnered with Billd to eliminate credit risk, boost sales, and simplify financing, allowing customers to buy more while J. Lorber gets paid upfront. This partnership improved customer satisfaction and let J. Lorber focus on their core business.

Customer Overview

J. Lorber Company is a Philadelphia plumbing and heating distributor with a 100-year history. Serving both the trade professionals and homeowners, J. Lorber offers free daily deliveries, express in-out counter service and designer bath showrooms at its locations.



"Contractors are going to get bigger because of what Billd is doing. As a business, Billd came in and really helped the subcontractor out, especially with cash flow."

MICHAEL LORBER | EVP, FINANCE & OPERATIONS

The Challenge

When select customers had problems with their cash flow, J. Lorber saw an opportunity to help them find alternative financing options. Some customers needed additional credit and longer terms. However, extending terms past 60 days was not ideal. "After 60 days, it becomes challenging because we have to pay our vendors. Because of this, we prefer not to extend the terms," Michael Lorber explains. Not to mention, offering credit in-house came with a slew of drawbacks, such as:

Loss of sales. Over the years, they turned down sales due to high credit risk, with "tremendous opportunity lost." "We'd say, 'We want this sale, but at what risk? If we're not getting paid, it doesn't matter how much the sale is.'" Lorber says. When a customer hits their credit limit, it would also put the account manager in a bind, unable to sell them more materials.

Unpleasant customer experiences. Getting the customer set up with credit, with credit insurance, public bonds and trade references, could be a long, drawn-out process. This sometimes created an unpleasant experience for J Lorber's customers. Not to mention the awkward conversation if they weren't able to extend terms after all.

Chasing down payments. When J. Lorber would extend payment terms, some contractors would pay, and some wouldn't. There was always the possibility of having to chase down payments, a less-than-ideal scenario that does nothing to help customer relationships

The Solution

J. Lorber decided to partner with Billd to provide their customers with third-party financing partner. Billd would pay J. Lorber on a customer's order the same day. Now, when customers choose Billd, J. Lorber receives the entire payment upfront, on day one, eliminating any credit risk and guaranteeing incremental sales.

- No more waiting 30 days to get paid.
- No more chasing payments.
- No more underwriting.
- No more uncomfortable conversations about not being able to extend terms.
- Just the payment, in full. With no recourse.



The Results

Customers they were previously unable to offer credit to could now seamlessly buy more materials, boosting sales and customer satisfaction in one fell swoop. The contractor wins and the supplier wins, creating an optimal outcome for everyone.



“Working with Billd was a no brainer for us. We no longer have to be a financing entity; we get to be a supplier.”