

REACTIVE COMMENT

February 2023

James Burgess, Head of Commercial at [Atradius UK](#), one of the UK's largest trade credit and insolvency firms, says:

“The loss of almost 15,000 jobs is a huge blow to the British retail sector and paints a grim picture for the year ahead. It’s important to remember that behind these stats are individuals and families who could be struggling to make ends meet.

“The first quarter of the year is usually one to watch for retail and hospitality insolvencies during the post-Christmas quiet period, and it’s been a shaky start with some well-known high street names already falling victim to the challenging economic climate. Our data on late and failed payments shows claims were up by over 160% in the retail sector in 2022 compared to 2021 after a period of subdued activity, and we’ve already seen the number of claims creeping up this year.

“To avoid getting swept up in what’s shaping up to be an influx of insolvencies in early 2023, businesses need to make sure they’re effectively managing their supply chains and doing what they can to avoid holding onto excess stock. We – at Atradius – continue to underwrite retail firms on a case-by-case basis, but it’s crucial that firms have robust and updated financial insight and forecasts. To guard against the domino effect that crumbling supply chains can have on firms, a trade credit insurance policy can play a very important role in maintaining a company’s confidence in its trade debtor book.”

About Atradius

Atradius is a global provider of credit insurance, bond and surety, collections and information services, with a strategic presence in over 50 countries. The products offered by Atradius protect companies around the world against the default risks associated with selling goods and services on credit. Atradius is a member of Grupo Catalana Occidente (GCO.MC), one of the largest insurers in Spain and one of the largest credit insurers in the world. You can find more information online at <https://www.atradius.co.uk>