

Crushing Recovery Results for Solar Clients

Situation

Post-default recovery is an important part of the performance in the asset lifecycle. Within the renewable energy sector where average asset values are high and recoveries have additional measures of security, namely UCC filings, recovery management plays a significant role in overall investor economics.

Challenge

For one solar client, Goal, the incumbent, was asked to participate in a champion-challenger model against a competitor focusing on liquidation rates—an essential indicator of recovery success. This test would determine if the targeted model that Goal has developed and deployed for years across its client base and asset classes would continue to demonstrate a distinctive edge in the marketplace. Goal's experience with Solar asset management and strong agency relationships, set the stage for a challenge to measure results to determine if Goal's established performance benchmarks truly exceed the performance of an agency competitor.

Solution

Goal operates a best-in-class combination of specialized internal recovery resources and its carefully selected third-party agency network to enable the leveraging of strategic placement allocation and rotation to optimize results. A competitive compensation structure aligned with solar-specific recovery expectations further solidified Goal's leading position in recovery results.

Goal's proven strategy includes:

1. Managing its existing partner network playing to the strengths of the various pieces.
2. Strategically allocating and placing placements.
3. Conducting nationwide handling of Probate, Bankruptcy and Litigation.
4. Managing a large pool of charged off solar assets leveraging that volume to optimize agency attention.
5. Providing specialized agency training and expertise within the residential solar asset class.
6. Utilizing advanced reporting and analytics driving performance strategy decisions.
7. Closely managing partner performance and compliance with experienced management team
8. Establishing a competitive agency compensation structure reflecting solar specific asset balances and recovery expectations.

9. Recommending increasing the number of system deactivations for improved performance.
10. Advising against extending the client's initial 12-month primary placement strategy based on data suggesting shorter placement strategies yield better results.

Result

Goal achieved a remarkable increase in cumulative gross liquidations, **surpassing the competition by an average of 616%**. Furthermore, Goal's liquidation rates were **more than double those of the competitor** in 6 out of 10 monthly placement batches, and in 4 out of 10 batches, Goal exceeded the competitor's numbers by over eight times. Goal's impressive results not only boosted the solar client's bottom line but also led their senior management to commend Goal for its outstanding performance, further solidifying Goal's reputation as a trusted partner producing above market results in post-default recovery services within the renewable energy sector.

