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We specialize in providing capital to healthcare providers nationwide including hospitals, medical practices, nursing homes, home healthcare companies, doctors, rehab clinics and others with our Working Capital, Acquisition and Accounts Receivable Financing Programs. Currently, we finance healthcare clients whose funding needs range from $100,000 to $10 Million. Our standard of service and knowledge of the healthcare industry is unmatched by commercial banks or other finance or factoring companies. HEALTH CAPITAL provides flexible, asset-based loans and/or accounts receivable purchase fundings at highly competitive rates, with no hidden fees. Call us today and within 30 days HEALTH CAPITAL’s funding programs could be working for you.
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The Commercial Factor | May/June 2012 3
The IFA announced that the association has grown its membership to over 400 corporate members—a 10% increase over the prior year. This growth is felt not only within our association, but all through the industry as well.

With this growth it is important to delve into the topics of Sales and Marketing so that you can set yourself apart from others and drive business to your company.

Of course fraud continues to be a concern and since most likely every factoring company will experience fraud at some point in their lifetime, the IFA continues to dedicate resources to this essential topic.

I want to thank all of the attendees, exhibitors and sponsors of the 2012 Factoring Conference that was held April 18-21. What a success! With 650 attendees the conference made record numbers on a variety of levels, thus creating an extraordinary atmosphere of networking and learning. It is through the relationships that are built within the industry that help the economy thrive. By sharing knowledge and experiences with each other the industry has become stronger. A recap of the conference can be found on page 30.

With the increase in IFA members, we have seen record numbers at our training classes as well, thus creating some sold-out events. We recommend registering early for upcoming events. The 2012 schedule can be found on page 26.

I am also pleased to announce the addition of four new members to the IFA’s Board of Advisors. The advisory board serves a two year term and assists the IFA in broadening the public understanding of the uses and benefits of factoring. They also help to both design training programs and foster new ideas to benefit the IFA’s member organizations.

The additions to the Advisory Board include:

• Diana Clover, President of D&S Factors
• Richard Hall, General Manager of Factor LOGROS de Ecuador S.A.
• Marc Marin, Managing Director of Gateway Commercial Finance, LLC
• Andy Osborn, Senior Vice President of Summit Financial Resources

Advisory Board Members returning for the second year of their term include:

• Alan Atchley, President of Amegy Bank Business Credit
• Gail Reints, President and Founder of Sky Business Credit, LLC
• Oscar Rombola, VP Business and Marketing of ITC Invoice to Cash
• Einat Steklov, President of Coral Capital Solutions

I felt that increasing the Advisory Board from six to eight members was essential during this time of growth. I am very excited to have the opportunity to work with such a distinguished and diverse group of individuals. Their expertise in the factoring industry will be valuable as we continue to grow and enhance the benefits to our members.

Thank you for your continued support of the IFA.

Bert Goldberg
To help grow your factoring business, why not work with a bank that started out as a factor?

When you partner with Sterling National Bank, you're getting the experience of over 80 years in the factoring business working for you. With a variety of lender financing options to choose from, maybe it's time you switched to Sterling.

**Lender Financing Options:**
- [x] Lines of Credit
- [x] Letter of Credit Facilities
- [x] Business Banking Services

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PERSONNEL ANNOUNCEMENTS

**GC Business Credit Hires Waite, Expands Northeastern Market**

GC Business Credit, the working capital finance division of Gulf Coast Bank & Trust, welcomes Stephanie Waite. Waite has joined GCBC as Vice President and Business Development Officer in New York, NY.

**Scot R. Lund Joins Crestmark Team**

Crestmark adds Scot R. Lund, Vice President, Client Services, to the Crestmark team. He will provide assistance to Crestmark clients who could benefit from a unique interactive planning program to enhance the way their businesses are run.

INDUSTRY NEWS

**Pacific Western Bank Acquires Celtic Capital Corporation**

Pacific Western Bank completed the acquisition of Celtic Capital Corporation, an asset-based lending company based in Santa Monica, CA. Celtic focuses on providing asset-based loans to borrowers in the $5 million and under loan market in the United States. Pacific Western Bank acquired all of the capital stock of Celtic for $81 million in cash. Celtic’s tangible net assets at March 31, 2012 on a pro forma basis totaled approximately $9 million.

**Ansonia Credit Data and Tarnell Company LLC Announce Strategic Alliance**

Ansonia Credit Data announced the creation of a new strategic alliance with Tarnell Company LLC, a premier provider of credit and business information solutions for the plastics industry.

**ePaymentAmerica and Bayside Business Solutions Announce Partnership**

ePaymentAmerica and Bayside Business Solutions announced that they have partnered to integrate ePaymentAmerica’s Credit Card, Electronic Check, and ACH processing gateway directly with Bayside’s CADENCE portfolio management system.

**OSG Turns Twenty, Sets Sights on the Future**

Over the past 20 years, OSG has evolved from a small transactional document company to a leading provider of outsourced communications management solutions. With its original roots in telecommunications, OSG has expanded to include clients in the equipment leasing, financial services, newspaper, heating/oil and healthcare markets. Twenty years has also seen an expansion of operation facilities in Carlstadt, NJ, Tempe, AZ and New Berlin, WI.

**Maxium Financial Services Inc. Opens an A/R and Asset Based Lending Group**

Paul McLean, and Daryl MacLellan, partners, announced that Maxium Financial Services Inc. has added an Accounts Receivable Financing and Asset Based Lending Group to their organization. Martin Rees has been appointed Director of the new group.

INDUSTRY TRANSACTIONS

**King Trade Capital Funds $270K Supply Chain Finance Agreement**

King Trade Capital funds a $270K supply chain finance agreement for a coffee bean importer interested in expanding its business with several large public and private coffee roasters in the United States and Canada.

**Paragon Financial Group Provides Payroll Funding for Chicago IT Staffing Company**

Paragon Financial Group announced that it has offered a $550,000 invoice factoring line of credit to an IT staffing group headquartered near Chicago, IL. The facility will enable the company to meet ongoing payroll needs.

**Crestmark Provided $17.3M in Working Capital Facilities to 19 Businesses in April**

A sample of these transactions included: Crestmark’s Troy, MI office provided:
- $5M ledgered line of credit to a manufacturer of automotive parts
- $1M accounts receivable purchase facility to a manufacturer of custom paint
- $275M asset based lending facility to a California publishing company

**Sterling National Bank Approves $2M Letter of Credit**

Sterling National Bank has approved a $2 million letter of credit facility to a privately owned company that provides factoring and financing to a wide range of businesses including manufacturers, trucking companies and service industries.

**Finacity Announces an Increase to $150M Securitization Facility**

Finacity Corporation has facilitated the successful increase to $150 million of an existing trade receivables securitization for Hapag-Lloyd Group.

**King Trade Capital Provides $1M Spot Import Letter of Credit**

King Trade Capital has provided a $1M spot import letter of credit for a New York based importer of mobile phone accessories. The company and the factor recognized the need for an alternative source of capital to buy the inventory to take advantage of the potential new growth.

**Republic Business Credit Closes $1M Receivables Purchase Facility**

Republic Business Credit announced a $1M receivables purchase facility for an Indiana based engineering and manufacturing company.
Choose the right WSA Factoring Software for your business!

WSA Factoring software, NovaCS and Pegasus, are time tested solutions for the international and domestic lender. WSA has employed state-of-the-art Microsoft and web technologies to deliver real time information to both internal and external users. Both systems support the core functions of the factor and are scalable across multiple users, offices, and countries; easily meeting the demands of today’s lenders and their sophisticated borrowers.

**NOVA CS: Commercial Services / Factoring System**

NovaCS is designed to provide the lender with maximum flexibility in financial products and pricing. NovaCS is a full commercial services system including modules to support bulk A/R, inventory, documentary and standby letters of credit, purchase guarantees, and term/mortgage loans.

**PEGASUS**

PEGASUS is the end-to-end processing software for the start up or established factor purchasing less that $1 billion in invoices per year.

For information on WSA Factoring software please contact Rosanne Doyle at (570) 941-9037 or via email at rosanne.doyle@stuckynet.com.

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William Stucky and Associates, Inc.

Microsoft Partner

Two Embarcadero Center, Suite 2220, San Francisco, CA 94111 • www.stuckynet.com
No matter what business you are in or which industry you cater to, without customers your chance of survival is basically nil. The cornerstone of any business consists of a solid marketing plan which focuses on attracting new customers in a cost effective manner to generate revenues and turn a profit. 

BY DON D’AMBROSIO

No matter what business you are in or which industry you cater to, without customers your chance of survival is basically nil. The cornerstone of any business consists of a solid marketing plan which focuses on attracting new customers in a cost effective manner to generate revenues and turn a profit.

Way back in the day, maybe six or seven years ago, most marketing plans consisted of an advertising budget, maybe some PR, a newsletter and occasional updates to the company’s website. Depending on the size of the company, a marketing director could spend a small fortune on a basic “shotgun approach” where they place ads in a local papers or trade magazines and hope that someone found it interesting enough to purchase their product or service. Just scan through the daily mail you receive at your home or office and you’ll find flyers and postcards from companies trying to earn your business. I’m not saying these approaches are not effective, but with advent of smart phones and social media, many businesses with little or no budget can market their goods and services in a very effective manner.

One very cost effective way to market your business is through social media. Unless you live under a rock, almost everyone is familiar with social media and how it has changed the way we communicate with each other. Social networking sites such as Facebook have over 900 million subscribers with each user having an average of 130 friends. From a business perspective, entrepreneurs and developers from more than 190 countries build with Facebook Platform. Twitter, which recently celebrated its six year anniversary in May, has over 400 million subscribers that send over 175 million “tweets” a day! There are many other forms of social media other than social networks such as podcasts, blogs, RSS feeds to name a few.

What makes this social media movement so exciting for businesses is that any company looking to get noticed can do so with little or no money. Also there is no barrier to entry, little or no cost and you can use it as much as you want. Not a bad deal at all.

Setting up an account with Facebook, Twitter or LinkedIn is free and a very good place to start. On LinkedIn, start by joining groups within your own industry to keep track of the latest news and events. Create a Facebook page for your business and get your friends and colleagues to “Like” your page. On Twitter, go to the “Who to follow” section and search for people and companies with similar interests.

Another effective way to get your company noticed is to write a press release. According to Wikipedia, a press release is defined as, “A written or recorded communication directed at members of the news media for the purpose of announcing something ostensibly newsworthy”. The goal of the release is to generate interest in your topic and should be targeted to a specific audience and have a strong news angle. For example, if your company is in the invoice factoring business and you are launching a new service for a particular business segment such as government contractors, write about the benefits you will be providing and how it will help those...
that others may find interesting?” For a relatively inexpensive cost, a well-written press release can draw attention to your company and increase sales.

With today’s modern technology we have the world at our fingertips. Think of how far we have come in such a short amount of time for marketing our companies. Whether you have an established business or you are charting your course as a startup, there has never been a better time to market your business in a very cost effective way.

For those of you who have never written a press release or may not be familiar with the format, I would start by reading a few actual releases online from some of the larger press release distribution companies such as PR Newswire or Business Wire. You can read a variety of press releases by subject, industry, company name, date, etc.

So how exactly do you write a press release? First, make sure the information in your release is newsworthy. Examples of newsworthy events can be the announcement of a new business startup, the launch of a new product or website, new events at your company or some philanthropic work your company has performed. Second, keep the reader’s attention by focusing on how your company is providing a benefit to the targeted audience. Give specific examples of what benefits your company can provide readers. Share your success with readers and explain how you have achieved the growth and success you are writing about. Do not craft your release to sound like a cheap advertisement for your company. Remember, you are trying to get your release picked up by media outlets and nothing turns off an audience more than fluffy self-promotion. It’s also important to avoid technical jargon that will confuse and lose the attention of the average reader. A general rule of thumb is to keep the length to be somewhere around 500 words or less.

Now that you have written your release it’s time for you share your information with the rest of the world. The easiest way to accomplish this is to utilize a distribution service which can do this at a reasonable cost. Just type “press release distribution services” into your favorite search engine and you will find tons of companies to willing to help you with this service. Most PR distribution service providers allow you to target specific media circuits based on geographical region and industry. Depending on your budget the will cost vary depending on the length of your release and reach of the distribution. For example, the cost of a release to local media outlets will be less expensive than one sent to a national circuit. Typically, a local press release of 500 words or less should cost less than $500 on average. So ask yourself, “Is my company doing something newsworthy within that specific industry.

Don D’Ambrosio is the president of Oxygen Funding, Inc., an invoice factoring company located in Lake Forest, California. For more information, he can be reached at don.dambrosio@oxygenfunding.com or you can visit his company’s website at www.oxygenfunding.com.
Stop the Bleeding! Lessons in Fraud Prevention

Verifications. They are the most critical part of any factors existence. We have all heard horror stories about verified invoices that ended up being fraudulent. So how do you verify your portfolio effectively in order to sleep well at night? BY SCOTT WINICOUR

“But he told me he was going to pay the invoice last week!”—Famous last words from an “ex” factoring account executive.

Verifications. They are the most critical part of any factors existence. We have all heard horror stories about verified invoices that ended up being fraudulent. So how do you verify your portfolio effectively in order to sleep well at night?

The ABC’s of verifications

As we all know, concentrations in any shape, manner or form can be the death of a factor. So diversify your verification calls. Don’t limit calls to only a few large account debtors or to debtors in a certain location. Don’t just call on this week’s invoices; also call on last week’s and last month’s. Make sure you speak with a different contact at the account debtor’s office as often as possible. Learn to recognize any forms of concentrations in your verification process and eliminate them.
• Pre-funding vs. post-funding verifications

I have heard a fair amount of new factors tell me that they verify an invoice prior to funding and then wait to get paid. Their claim is that since they verified the invoice up front, then they should get paid in the ordinary course of business. Experienced factors know firsthand that something can easily happen post funding that can jeopardize the payment of an invoice and therefore will also verify post-funding. At Gibraltar, we try and split up our pre-funding verifications and post-funding verifications as much as possible. Before funding, we may confirm an order was placed with the buyer prior to shipping, or verify with a 3rd party shipper that the order is en route (and that the box is “heavy”, of course). Post funding, we review our portfolio daily and decide what follow up post funding verifications need to be made. We might call the receiving department to confirm receipt and if possible acceptance of the product. We may call the buyer to confirm that they are happy with the service or the product. Many times we call the A/P department to see if the invoice is scheduled for payment. Yes, the cat is out of the bag post funding, but our follow up verifications have been known to help prevent a small problem from getting out of hand.

• What means do you use to verify invoices?

Non-offset letter—many of our fellow factors will not fund an invoice unless you have a non-offset letter signed by an officer of the account debtor. In theory, a solid practice because if you don’t get paid, you can sue the account debtor to get your money back. While there have been times we have employed this practice, it has never made us rest easy at night. After all, there is no such thing as a good lawsuit!

Email verifications—once you have established the proper contact, email serves as a written verification that you can fall back on. Services like RPost and others have helped factors use these written verifications as evidence in legal disputes.

Phone verifications—while I am a firm believer in email verifications, there is nothing more important to me then having a live conversation with the proper person about the invoice you are trying to verify. Ask as many open ended questions as you can and you will be surprised how much information your contact will release to you. Developing a relationship and trust with that individual will allow you to continue to contact that person for future verifications. Our account executives have been known to get to know their contacts on a personal level. On occasion, they send flowers or cards for birthdays and anniversaries and really work hard to develop a rapport. Those relationships can be extremely
valuable down the road.

**Who do you contact to verify an invoice?**

During our standard due diligence, we ask for a customer contact list. If your client is a fraudster, some on that list are their partners in the scam. Our standard practice is to contact a 3rd party that can verify that the customer is actually the real customer and not a con artist. If the account debtor is large enough, reach out to their HR department and confirm that person is currently employed along with their title and responsibility. The smaller the customer, the more difficult to confirm your verifier is on the up and up. Additionally, the internet is a great place to research and determine if your verifier is trustworthy. Google, LinkedIn, and Facebook are all great places that will tell you more than you want to know about the person you are making contact with. To the contrary, a con artist, good at what they do can easily set up a LinkedIn profile or Facebook page that will be deceptive. One trick that has worked very well for us is to ask for the verifiers’ direct superior’s contact information. Listen closely to how your contact responds to this request. If they stumble while trying to think of the information that is usually a telltale sign of whom you are dealing with. Listening to how the person responds on the phone can tell you a lot about the information you are receiving. Of course, if they provide you with the supervisor’s information, use it to your advantage and verify with the supervisor, but once again make sure you know who you are really speaking with.

**What do you ask for when you verify an invoice?**

Depending on the person you are speaking with, there are a number of questions you could ask. If you are talking to someone in receiving, you are most likely not going to get a lot of solid information you can go by. Try and find out how many boxes were delivered, if they opened the boxes, if the boxes were inspected etc. If you are speaking to the buyer, try and confirm that the product was delivered as expected. Is the product to specification? Was the product delivered according to the time frame that was dictated despite the PO terms (especially important for seasonal products like Easter chocolates, Valentines Day gifts, etc.)? Was anything broken upon inspection? If you are talking to accounts payable, try and confirm that the invoice will be paid for the proper amount, in accordance with the terms of the invoice, without any deductions and most importantly that the check will be made payable to you, the factor, and mailed directly to your lockbox.
• Tracking and reporting your verifications.

During our underwriting process, we establish minimum levels of verifications for each client. Because we verify pre-funding and post funding, we needed to develop a way to track and report our verifications to management. We have developed a proprietary system that attaches to our summary aging. Every morning, we pull a fresh summary aging and review the amount of verifications each client currently has. If they don’t meet the minimum requirements, it’s time to beef up our verifications. In addition, during our ongoing portfolio reviews, we determine if we need to adjust our minimum levels. Many of our deals look much different a few months post closing and therefore verification levels often need to be reset.

• Verifying the verifiers.

Verifying invoices can be a tedious and tiresome job. It is very easy for an account executive to become lazy and not care about their work and properly verify their portfolio. Having a supervisor question the a/e’s verifications is a great way to keep your team on their toes. If they know you are watching over their shoulder, they are more likely to care and do their job right the first time.

To conclude, diversification in all aspects of your verifications is essential to your success as a factor. A diversified verification system, while not foolproof, will hopefully spot problems early enough to help prevent losses in all of our portfolios.

Scott Winicour is the Chief Operating Officer of Gibraltar Business Capital (GBC). GBC is a niche specialty finance platform that provides factoring and asset based lending to lower middle market businesses across the US. Scott is active in a variety of industry organizations. He has been a regular speaker at the International Factoring Associations annual conference and is a member of the Turnaround Management Association, Commercial Finance Association and the International Factoring Association. Scott can be reached at 847-272-9618 or swinicour@gibraltarbc.com.
This article presents three best practices for effective prospect qualification: using a customizable targeted prospecting tool, using current profitable customers to find lookalikes, and using credit information to assess and prioritize collections.

BY AMY BUTERBAUGH

For many companies, the preferred method for acquiring new customers is primarily through the efforts of their sales force. But in the factoring industry, due to time consuming due diligence and evaluation practices to effectively qualify prospects, we know things aren’t that simple.

Because the quality of your customers will ultimately determine the profitability of your business, implementing the strategies necessary to obtain accurate, timely, and consistent prospecting insight will prove invaluable.

In this article we present three best practices for effective qualification: using a customizable targeted prospecting tool, using current profitable customers to find lookalikes, and using credit information to assess and prioritize collections.

**Customizable Targeting**

Obtaining targets based on a qualified prospect list should be a fully customized process, designed to decrease cost, create efficiencies, and increase your return on investment. Some examples of valuable data points are:

- **SIC code and Industry insight**: Better understand the industries that you operate in to identify growth opportunities and mitigate risk.
- **List building tools**: Identify top prospects within your target markets to build new business.
- **Company insight**: Research specific companies before making a call to better understand their business and potential needs.
• Executive insight: Identify the right decision-makers for your solutions and learn more about their background before you communicate to them.
• Ability to connect: Leverage email addresses for target executives to increase penetration rates and shorten sales cycles.
• Alerts and triggers: Target businesses that just had a significant change: new ownership, recently moved, or just starting. Get there before your competition does!
• Current and Historic financial data and charts: Get a better picture of the financial health of the prospective client to minimize the risk of taking on a high risk AR portfolio.

Hoover's, from Dun & Bradstreet, is the market leading solution in the business information space, providing data on more than 85 million companies and 100 million people throughout 900 industry segments. Hoover's mission is to make your work easier by connecting you with the business people and companies that can help your business grow. The ability to customize your data pull based on your specific company criteria makes Hoover's a targeted application.

A shortened sales cycle, coupled with increased close rates, retention rates and penetration rates can be reality with a tool like Hoover's shaping your prospecting initiative. On average Hoover's users convert 5% more leads, and close 9% more in revenue than sales people not using the tool.

With Hoover's, you will save time and be able to focus on your highest-value activities, allowing you to prioritize for maximum productivity.

Finding Lookalikes
Prospecting doesn’t always have to begin with a fresh slate. You are currently in possession of the most effective tool for prospecting that you could have—your current book of business.

You can focus your prospect list by finding lookalikes. Using Hoover’s new Optimizer feature enables you to find more prospects that fit the profile of your best customers!

Optimize Your Data in 3 easy Steps:
1) Prepare Your File (up to 25,000 records)
2) Upload Your File to Hoover’s
3) Download Optimized File with 34 data fields including:
   - DUNS Number
   - Sales Volume
   - Year Founded
   - Confidence Code
   - Employees Here
   - SIC Code
   - Phone Number
   - CEO Name
   - Mailing Address

It’s easier than ever to target your best prospects by appending key segmentation data such as Industry SIC Code, Employee Count and Year of Founding.

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Grow Your Factoring PORTFOLIO

Access working capital to grow your factoring business and retain existing clients longer with Hennessey Capital’s Factor Finance program. With Factor Finance, you can leverage our technology, expertise and capital to realize new opportunities.


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LASTLY, WE KNOW THE FACTORING ‘SALE’ DOESN’T STOP AT ACQUIRING NEW CUSTOMERS; THAT IT IS JUST THE BEGINNING.

You can increase sales productivity by filling in missing key information and eliminating wasted calls to duplicate and out of business leads. All of this allows you to visualize your opportunities with interactive charts of your customers by geography, employee size and industry.

Prioritize Based on Risk

Lastly, we know the factoring ‘sale’ doesn’t stop at acquiring new customers; that it is just the beginning for where prioritization has to happen to keep business profitable. Now that you have the customers, how do you help them get the best ROI on their investment in you? You have to collect!

Similar to targeting prospects, you now need to prioritize target companies for payment. But how? The key is to gain insight into those businesses using a market leading tool such as MyDnb.com.

Obtaining a Business Information Report (BIR) from MyDnb.com allows you to see:

- Company Summary-D&B Rating-Payment activity (Public filings & history summaries)
- Full Paydex-Family Tree
- Financial Statement & Industry Data

With MyDNB.com, you have access to the D&B data you need—more easily—through fewer, more useful reports, with the option to add more data when you need it, so you can work efficiently and get just the insight you need. You can share your reports more easily for better collaboration with your colleagues and partners. And it is easy to access your recent work quickly to help you work more efficiently.

Having a view into how these debtors pay their bills in general, whether or not they have tax liens or judgments files against them (or any other sign of financial stress) will enable you to set up a “RISK DRIVEN” collections strategy to collect more money faster. This gives you an edge over traditional “high dollar down” prioritization, since you will be able to apply your resources toward the best collections opportunities and derive the greatest value from your most important asset – your accounts receivables.

Amy Buterbaugh is an Account Consultant at D&B where she is responsible for customer communication, marketing and industry events. She’s been in the data industry for four years. Amy graduated from the University of Delaware with a degree in Sociology. She is located in Dun and Bradstreet’s Parsippany, NJ office. She can be reached at buterbaugha@dnb.com.

Platinum Partners Credit Opportunities Fund (“PPCO”) is an asset-based investment fund providing loans to markets that are underserved by traditional sources of financing. PPCO is active in the trade finance marketplace, providing warehouse lines to established factoring and purchase order finance companies while also working directly with a variety of businesses to provide the capital necessary to finance the purchase or manufacture of their products.

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Email: alpha@platinumlp.com
Reports and Reporting In: The Fun Part of the Job

It has to be easier to herd cats than it is to get an entire sales force to be accurate and on time with reporting. And trying to completely track salespeople’s activities would be akin to grabbing a tiger by its tail. Although, the feline related activities certainly have to be more fun. And probably safer, too. But, running a business requires certain paperwork. Furthermore, managing people requires accountability. So at one time or another, every person involved in sales will have to come to grips with these realities. Ever try to try to completely track salespeople’s rate and on time with reporting. And to get an entire sales force to be accurate to “the fun parts of sales”. Let’s start with Sales Reporting. The two most common reporting requirements are Contact Management and Expenses. Sales people view the inputting of data (contact management) as a waste of valuable time. After all, a lead has never materialized during data entry. Leads arise from the actual contacting of people, and their time is best spent actively contacting.

Keeping Perspective
I don’t care which style you try to assert as the leader, the purest form of success is exceeding realistic goals. On time reporting doesn’t generate leads. Perfect activity tracking doesn’t close deals. Therefore, reporting & tracking will never be primary performance measurements. You must always remember this fact. If you make these a priority, you are barking up the wrong tree.

Reporting
Having made this most critical of points, let’s now direct our attention to “the fun parts of sales”. Let’s start with Sales Reporting. The two most common reporting requirements are Contact Management and Expenses. Sales people view the inputting of data (contact management) as a waste of valuable time. After all, a lead has never materialized during data entry. Leads arise from the actual contacting of people, and their time is best spent actively contacting.

I COULDN’T AGREE MORE.
Consequently, we can conclude that a salesperson who disciplines themselves to update their contacts daily (or weekly at worst) will be more successful. I know my logic seems twisted, but follow me a little further.

Yes, the more effective a salesperson is at contacting people, the better their results will be. But “effective” is the key word. It’s not necessarily how many calls one makes (although more calls is always better than less). The “priorities” should be:

Call ALL active leads daily to update them on the status of their application or follow up on items you are waiting for. Prospects complain all the time that they aren’t kept apprised of what is going on once paperwork is submitted or they aren’t reminded when the ball is in their court and they let something slip through a crack. Are you kidding me?!

Call ALL referral sources of these active leads at least once per week to keep them updated. Referral sources complain all the time that once they refer a deal to someone, they never hear what came of it. Are you kidding me again?!

Call referral sources of past closed deals (in other words, the people that make you money today) at least monthly so you can stay on the top of their mind for that next hot lead.

Call those “potential” sources that best fit your chosen niche (in other words, the people that can make you money in the future). You should be trying to carve out a specific piece of the pie you can call your own. There are certain people who will be key to making you successful in this endeavor. You need to target them, take action and follow through.

This is why contact management activities are so important! You cannot execute properly unless you have the information at your fingertips. With good information, you can make better calls and more timely calls. And as for quantity? People are very hard to reach early in the morning and late in the day/week. These are the opportune times to update your database. And if you do...
it routinely, it will be many small bits of time as opposed to procrastinating and having to spend a large chunk of time to catch up. Good contact management practices will lead to more, better calls.

Now on to the other reporting issue, expense reports. Trying to get a salesperson comfortable with expense reporting is like trying to get a long-tailed cat to be comfortable in a room full of rocking chairs. However, even a cat knows it is easier to deal with one obstacle than many at the same time. So why anyone would put off doing something that only gets more difficult with the passage of time is beyond me. Good results are borne out of good habits. If you pride yourself on being a well-disciplined professional, then your expense reports will be done accurately and on time, every time. This is not something that in itself is going to make a salesperson successful. It is merely the fact that successful people almost always do what is in their best interests. Just like the contact management issue, this is better done more often, expending small amounts of time and effort, rather than waiting and making a mountain out of this mole hill.

Activity Tracking
Salespeople view activity tracking as corporate babysitting. Once again, I COULDN’T AGREE MORE. It’s proper at this juncture to repeat the most important sentence in this article, “the purest form of success is exceeding realistic goals”. How one does it is less important. Thus, I’ve never expended much time trying to track one’s every move. But if you look back at proper contact management, you’ll see that if someone is updating their contact management daily, then we’re getting very close to “activity tracking”. Moreover, this is not done out of necessity to “babysit”, it’s done out of a desire to enhance performance. And if someone isn’t interested in bettering their results, I’m not sure they belong in sales because the best salespeople are never satisfied.

Of course, the best salespeople are not the ones who need help. It’s the ones who are not reaching minimum quota that have to be actively managed. This is where activity tracking is absolutely critical. Underperformers need to change. However, how can you change someone’s work habits if you don’t know what their work habits are? This is why having solid contact management practices in place is so important. If a salesperson not performing up to par AND they’re not updating their database, it’s an easy decision to cut this cat loose. If they are not putting in the effort, why should their sales manager. Conversely, if they are fulfilling their reporting duties, than it takes only a little more effort to fully track an underperformer’s activities and suggest ways that they can improve their effectiveness. At least in this latter case there’s a good reason to put forth the effort as a sales manager.

Conclusion
Every market is unique. Every salesperson is unique. Success comes in different forms. Nevertheless, there are traits that are consistent among successful salespeople. They are disciplined. They are persistent. They do the necessary work. They constantly strive to be better. And if they do the right things, even when they hit a rough patch, they can usually be managed back on track. It shows in their reporting. It’s reflected in their actions. They’re the cat’s meow! •
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10/22-23 AE/LO Training for the Transportation Industry
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3/5 Luncheon Meeting with NYIC
New York, NY

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Imagine, it’s a Tuesday morning and you’re out and about...
You open up your tablet, phone or laptop and click on your origination hub icon. You scroll through a list of leads, all matched to your own specific target deal requirements and select one that has the biggest funding requirement. You click on it and see a single page profile of the business, its sales, location, a quick summary of who they are and what they are looking for. You see a list of the supporting information they have ready to make available.

This prospect looks interesting so you want to see more. You see they are close by so you ask to set up a meeting. The business, seeing your response opens up your profile and feels comfortable giving you online access to some of its sent invoices, financial history and main contracts with its major customers.

Key Challenges
The Idea Exchange on the last day of the IFA conference 2012 last month was a great way to wind down a hectic but fruitful few days. It was fantastic to hear many stories sharing the top 3 concerns for 2012:
• Finding enough of the right business
• Assessing the prospect and its customers
• Managing invoicing & collections

Finding and assessing business is the highest priority within the current environment. Many factors recognized that invoicing and collections still remain labor intensive but while the current way of managing receivables may be costly, it still depends on business flowing through.

So how are we all finding business?
Nice and easy, or a modern day Shakespearean play?

Customer, Customer, Where Art Thou?
If you’re a large national bank, you hire 1000 salespeople to call on businesses, while launching expensive media campaigns, pushing your branches, paying lead generators and direct sales partners. But, as even modest size factors will recount, feet on the ground does not mean money in the bank! And feet on the ground cost money.

Factors currently use contracted sales organizations paid per meeting/call set up; lead generator subscriptions; conferences; attorney and bank referrals; name and number lead generators; cold calling and the age old, personal introduction. These channels have worked well in the past but in times of economic uncertainty, seem to be delivering fewer viable leads.

Many factors use their own websites as a means to receive inward inquiries. This still requires the business to find the site and make the effort to fill in details on individual financier sites (businesses need to shop around, and whether we like it or not, the choice makes them better customers). Businesses trust the lending community less these days. Approaching businesses in the right way can move a prospect from ‘wait and see’ to ‘let’s grow the business’ mode.

A few marketplaces and loan portals tend to bring smaller businesses looking for more generic loans. The invoice auction model seems to favor private investors wanting high yield exposure to a particular group of corporate payables. In these models, business may already have tried other approaches before taking the plunge.

A recent innovation, the working capital hub has started limited roll-out in the US and Europe. Embedding e-financing with e-invoicing, the working capital hub connects businesses and commercial financiers while creating cash flow visibility and automating collections.

Let Me Count The Ways
Once the lead is in, getting hands on background information, doing searches UCC checks etc., talking to customers can be expensive.

Visibility on collections: businesses need it, financiers need it.

You open up the online files, glance through them quickly and then pass them on to your colleagues in credit or operations to take a deeper look. By the time you meet the prospect, you’re armed with some specific questions and already have a good idea of the business. You tick a few boxes asking for additional information, add a few notes and in minutes, your prospect can pass on this information request to an accountant or maybe the business’ designated hitter for finance. You get a notification email in your inbox asking you to check out new information. You see what the prospect has sent you, as well as a list of what is still outstanding.

Next to the client is a link to perform a UCC search, check credit on the owners, as well as request additional credit and benchmark information on the prospect. Some of the information needed is outside of your current ‘all
It’s Friday and the prospect needs cash to make payroll. You received the financing request a few days back but since all the information was in place, and the invoices are to a buyer you monitor quite closely, you can close the deal rapidly. And move on to the next one.

**A 21st Century Solution**

The customers at our company actively manage their invoices and receivables through our working capital hub. We match businesses with funding gaps to individual lending criteria. Lenders receive tailored leads with online data room access and can track invoice status and see supporting documents. With a growing base of e-invoicing companies, all within B2B networks, invoice supply chains and part of working capital hubs, commercial factors have a potentially huge pipeline of businesses all invoicing business customers and waiting to get paid.

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**Will’st Thou Repay Me?**

The invoice finance industry has been managing client receivables for centuries. We’ve seen some technological advances in the way clients generate their invoices and send these to their factors, but largely, the process is still high cost and labor-intensive.

“Every day, the client sends us a schedule of invoices. We stick them in an envelope or send them by email. Then we call up our contact in the buyer to check they got. And call them up again to follow the invoice trail, until we get paid.”

So, how can improving the way businesses invoice make financing easier? Showing a business its real-time collection status allows better forecasting of cash needs. Allowing lenders better cash flow visibility, supported by other financial information strengthens the credit case, and makes it easier for both sides.

The prospect signs and you have a customer. Your origination hub shares information with your own internal factoring platform so all the information you need is securely available wherever you have internet access. You used to be responsible for taking all uploaded invoices and sending them yourselves. Now, with the option to streamline invoicing while keeping visibility high and fraud risks low, you rely on e-invoice networks to do your high cost work for you.

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Sanjeev Chhugani is a founder of Bilbus. He has been in the banking world, leading financing, rescues and principal investments for corporates, public sector entities, banks and SMBs for over 20 years. Bilbus is a working capital hub that combines e-financing with e-invoicing, connecting businesses and lenders and providing deal filtering, online borrower document access, and efficient receivables tracking and invoice status updates. Sanjeev can be reached at sanjeev@bilbus or 571-354-0580.

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After working for a number of years for banks like: Manufacturer’s Hanover Trust Company, Chase Manhattan Bank, National Westminster Bank, and French American Banking Corp., Michael Cipriani signed on at Rosenthal & Rosenthal in 1990, where he is now Executive Vice President for marketing, business development and credit evaluation.

One day, Jerry Fishman, the owner of Nash International (from New York City’s garment center), a Rosenthal & Rosenthal client, asks Mike Cipriani to buy a ticket to a fundraising dinner for The Needlers Foundation. Although Mike’s first impression was that some ladies who worked on sewing machines were probably being helped out somehow---Mike soon discovered that The Needlers Foundation was abundant with anyone and everyone who had a business enterprise in fashion and garments! A number of them were already Rosenthal clients, and Mike wanted to finance more of them.

Before Mike knew it, he was chosen to be on The Needlers board of directors where they opened the door to its inner-sanctum: Fundraising! Like many non-profits and public service groups, it is often about making contacts, getting people on the phone, making appeals for contributions, begging your friends and business associates to come through and help out. Mike did all of this, to the point where they made him “Man of The Year” in 2004.

Mike remembers this evening at New York’s famous Tavern on the Green as one of the highlights of his life. “I was overwhelmed with the turnout of family, friends, and business associates,” he exclaims. “We raised $400,000 that evening. It meant so much and I think about it to this day, that people who I know, contributed because of my involvement, that my name was associated with The Needlers Foundation.”

As a past President of The Needlers Foundation, a guest of honor for their annual dinner, and now an executive committee member—Mike was able to enlist others beyond the circle of business owners from the garment industry. Mike broadened the sphere of supporters for The Needlers to include accountants, lawyers, and finance executives all of whom are professional service providers for the garment and fashion interests.

But Mike Cipriani feels gratified in other ways because of The Needlers Foundation—which primarily provides grants to leading doctors and hospitals in the greater New York region for indigent patients who require highly specialized surgical procedures. “We had a young boy from Africa,” Mike describes, “where his face was severely deformed. When he came out of surgery and was healed, and transformed into practically a new person thanks to the wonder of this doctor and medicine—it hit me that a portion of money raised from the dinner where I was the guest of honor, underwrote the cost of this treatment, and made this youngster’s newfound quality of life possible! I cannot explain the zenith mindset I had, that I along with the members and contributors to The Needlers, made all of this possible.”

Michael Cipriani explains that The Needlers Foundation which was established about fifty years ago is so much more than just a charitable not-for-profit. “This is truly a fraternal club of people who identify with one another, the ‘thread’ being the garment and fashion industry,” Mike illustrates: “We raise funds through our annual dinner (where we will be honoring Thomas Kingsbury, the President/CEO of Burlington Coat Factory) on October 17th, 2012, and our
golf tournament scheduled in Long Island, New York for August 27, 2012. But we have tremendous camaraderie, a lot of fun, and a unique respect which accrues in working side-by-side with one another. These relationships which get earned through The Needlers Foundation serve me well in business as these entrepreneurs and company owners then look to me for either factoring or asset-based lending needs.”

Mike was the originator of an annual Italian feast sponsored by The Needlers Foundation, where a specific charge is to have lots of merriment with special attention paid to spouses. “After all, the spouses allow their partners to log a lot of voluntary time and effort on Needler activities. So this event held at some NYC five-star, name Italian restaurant becomes and treat and recognition to a guy’s wife or girlfriend,” Mike says.

In addition to his career at Rosenthal & Rosenthal, the 63-year-old Bronxville, New York resident served as an elected member of the Yonkers, New York City Council for eight years. He is also active in two Roman Catholic Church parishes, and the New York State Sons of Italy, where he was recently honored with a prestigious award.

Mike Cipriani points out that: “The Needlers Foundation is the ONLY forum of its kind where all aspects of the fashion and garment industry come together to showcase their works of charity and benevolence.”

Scott Fishman (left), a principal at Nash International and President of The Needlers Foundation, Michael Cipriani, and J. Michael Stanley (right), a member of the Needlers Board of Governors. Image by: Howard Wexler, Needlers Foundation Photographer.
The Double Debtor Dilemma

If you don’t recognize the term “Double Debtor Dilemma”, you are not alone. Most factors and even many factoring attorneys don’t know the term but almost everyone recognizes and has encountered the situation to which this term is applied.

The typical situation in which the Double Debtor Dilemma arises is this: Client A is factoring receivables with Factor 1. Factor 1 properly files a UCC Financing Statement against Client A. Business is not going well for Client A so he gets the brilliant idea to form a new company and start over with that new name of Client B, and walk away from the existing debts and security interests. There is usually no documentation for transfers of assets or any consideration paid. The name on the door changes and new bank accounts are opened but everything else is just business as usual, including operating from the same location, same employees, same customers, same phone number and same product or service.

The problem arises when Client B then goes out and enters into a factoring arrangement with new Factor 2. Client B of course doesn’t disclose any of this history and Factor 2 thinks it is dealing with a new company. Factor 2 runs a lien search on Client B which comes back clean and therefore goes forward with the new financing.

Client B doesn’t have any more success than Client A and goes out of business. Factor 1 and Factor 2 then find out what happened and both claim the accounts receivable of Client B. The dilemma that arises is that there are now two debtors but only one set of collateral. Both secured parties are claiming that same collateral through the double debtors.

The Legal Theories underlying the Double Debtor Dilemma

There are a number of theories under which Factor 1 can claim the accounts of Client B but this article will address only priorities under Article 9 of the Uniform Commercial Code. The analysis under Article 9 is well established but convincing a court to apply those principles is another story. Article 9 governs these transactions, even if they are a true purchase and sale of accounts. UCC § 9-109(a). Factor 1’s security interest is enforceable against third parties (§9-203), continues in collateral notwithstanding sale, exchange or other disposition of the collateral (§9-315), attaches to identifiable proceeds of collateral (§9-315), and remains perfected (§9-507). A perfected security interest has priority over subsequently perfected security interests (§9-322(a)).

Sections 9-507 and 9-508 place time limits on the perfection of a security interest in new after-acquired property (but not existing collateral) if the debtor changes its name such that it becomes seriously misleading or if a new party acquires rights in the collateral (i.e., Client B becomes the owner of the collateral). Unless a new UCC Financing Statement is filed against the new name or against the new party (i.e., Client B) within four months of when the name change occurs or the new party acquires rights, the existing UCC Financing Statement remains effective as to new after-acquired collateral only if it is acquired within four months after such event.

Prior to the revision of Article 9 in 2001, the Double Debtor Dilemma was addressed by case law. Revised Article 9 codified this case law in § 9-325. This Section, as well as prominent commentators and subsequent case law, make it clear that the security interest of Factor 1 continues in the accounts of Client B and has priority over the security interest of Factor 2, subject only to the time limits described above and other defense discussed below.

It has also become well established that the security interest and priority of Factor 1 extends not only to the accounts that were transferred from Client A to Client B but also extends to all accounts of Client B, even those created after the transfer occurred.

The rationale for these conclusions is that a fundamental premise of Article 9 is that a debtor cannot destroy a perfected security interest by transferring the collateral or by changing its name or corporate structure. Any different resolution of the Double Debtor Dilemma would contradict that fundamental premise. Furthermore, Factor 1 cannot be expected to be aware when new financing is being sought for Client B and can’t protect itself but Factor 2 can – and the law says must – take steps to protect itself. The law imposes a duty on Factor 2 to investigate the history of Client B and the
source of title to collateral being taken. Failure to do so puts Factor 2 at risk and Article 9 will allocate any resulting loss to Factor 2.

**Protections Against the Double Debtor Dilemma**

How does Factor 2 protect itself? By asking questions about the history of the prospective client, including name changes, mergers, acquisitions, changes in structure, by asking questions about when and how the collateral was acquired, by conducting appropriate due diligence to verify the answers, and structuring lien searches to address the information learned from this process. By doing so, Factor 2 would have discovered that there had been a change in name or organizational structure and a transfer of collateral and that Factor 1 claimed a prior lien. Factors that do not properly screen prospective clients put themselves at substantial risk.

**Caveats**

Although the legal theories and results are clear, claims based on the Double Debtor Dilemma are not a sure win. There are defenses, including holder in due course status under § 9-331. But the biggest hurdle is often a practical one. Judges with little experience in commercial finance have a hard time understanding these principles and instincts of the jurists can lean to Factor 2. Selling the Double Debtor Dilemma to the court can be a difficult sell. The better course is for Factor 1 to pay close attention and be very involved with its client to see the warning signs of a Double Debtor Dilemma developing.

Information provided in this article is general information only and not legal advice. Readers are encouraged to consult an attorney for specific legal advice.
IFA 2012 TRAINING SCHEDULE

THE LAW AND BUSINESS OF FACTORING
WITH BOB ZADEK, ESQ.
Planet Hollywood Resort and Casino, Las Vegas, NV
June 18 & 19
A packed 2-day course complete with a full set of superior forms is designed to help novices and seasoned factoring professionals, attorneys, and accountants build and strengthen their factoring know-how.
Instructor: Bob Zadek, Esq., Buchalter, Nemer
Fee: $1495 ($1595 for Non-IFA Members)

ACCOUNT EXEC / LOAN OFFICER TRAINING
Planet Hollywood Resort and Casino, Las Vegas, NV
June 21 & 22
Topics Include: Invoice Verification Procedures, Reviewing and Approving Debtor Credit Limits, Dealing with Credit Memos, Monitoring Tax Payments, Specific Industry Concerns and Pitfalls, and more!
Instructors:
Jay Atkins, President, First Growth Capital
Darla Auchinachie, VP, Bridge Capital Finance Group
Mike Ullman, Esq., Principal, Ullman & Ullman, P.A.
Fee: $845 ($895 for Non-IFA Members)

CREATING AND MANAGING A FACTORING PORTFOLIO TRAINING SEMINAR
Buchalter, Nemer, San Francisco, CA
June 27-29
The Schedule:
This factoring course will deal with most aspects of starting, growing and managing/operating an independent or bank-owned factoring company with special focus on sales, underwriting, account management, deal structuring, client servicing, capitalization and back-office structure.
Instructors:
Bob Zadek, Esq., Buchalter, Nemer
Vince Narez, Bay View Funding
Fee: $9000 ($9,250 for non-members)
The class will run from 8am - 4pm all three days. The fee includes attendance for 4 people, course materials (including Bob Zadek's legal docs, contracts and letters), continental breakfasts, coffee breaks and luncheons. Also includes additional consulting after the course is completed.

CREDIT & UNDERWRITING TRAINING CLASS
Planet Hollywood Resort and Casino, Las Vegas, NV
July 19 & 20
This course, designed specifically for the factoring industry, will help factors wanting to expand and build on their knowledge base in underwriting and analyzing client and debtor credit.
Instructors:
Debra Wilson, Vice President, Vertex Financial, Ltd.
Cole Harmonson, President & CEO, Far West Capital
Fee: $945 ($995 for Non-IFA Members)

TRANSPORTATION FACTORING MEETING
Hyatt Escala Lodge at Park City, UT
September 6 & 7
This meeting will feature various speakers and plenty of time for networking. We will begin with a welcome reception on Wednesday evening. Thursday and Friday will feature lectures mixed with group discussions. Following the lecture we will have a group dinner. Friday we will discuss debtor credit with a group credit discussion.
Moderators:
Diana Clover, President, D&S Factors
Tim Valdez, Chief Lending Officer, TAB Bank
Legal Counsel:
David Jencks, Esq., Attorney, Jencks & Jencks
Fee: $845 ($895 for Non-IFA Members)

ADVANCED FACTORING SYMPOSIUM
Caesar's Palace Hotel and Casino, Las Vegas, NV
October 18 & 19
Designed to identify and consider how to address business and legal issues that arise in a factoring business. Group discussions will be a portion of this course.
Instructors:
Mike Ullman, Esq., Principal, Ullman & Ullman, P.A.
Jared Ullman, Esq., Attorney, Ullman & Ullman, P.A.
Fee: $945 ($1045 for Non-IFA Members)

ACCOUNT EXEC/LOAN OFFICER FOR THE TRANSPORTATION INDUSTRY
Caesar's Palace Hotel and Casino, Las Vegas, NV
October 22 & 23
A comprehensive two-day course dedicated solely to transportation factoring professionals; offering advanced, detailed and specific transportation information and covering a multitude of issues related to transportation factoring.
Instructors:
Lori Gustaf, FirstLine Funding Group
Tim Valdez, TAB Bank
David Jencks, Esq., Attorney, Jencks & Jencks
Fee: $845 ($895 for Non-IFA Members)

SMALL FACTORS MEETING
Caesar's Palace Hotel and Casino, Las Vegas, NV
October 25 & 26
Small Factors have unique needs. This workshop is designed to give small factors a forum to discuss and learn. Emphasis will be on round table discussion, networking and education.
Moderators:
Jeff Callender, President, Dash Point Financial Services, Inc.
Ryan Jaskiewicz, President, 12five Capital
Legal Counsel:
David Jencks, Esq., Attorney, Jencks & Jencks
Fee: $645 ($695 for Non-IFA Members)

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AFA MEETS WITH KEY MEMBERS OF CONGRESS

During May 2012, the AFA began meeting with members of Congress on section 32919 of S. 1813. This provision would require freight brokers to increase the amount of their surety bonds from $10,000 to $100,000. The proposed changes also direct the Secretary of Transportation to review the amount and consider increasing it every five years.

If this provision were enacted, surety providers estimate that 75–85% of the 20,000 existing freight brokers would not qualify for a surety bond, and, as a result, would be forced out of business. The effect on the trucking industry, and, in turn, on factoring, would be dramatic. The AFA was asked to be a part of the debate over this provision.

With funding provided by transportation factors, the AFA agreed to help. We have met with Members of Congress in an effort to educate them on what we believe to be the true nature of this proposal and the impact that it would have. In addition, we are reaching out to our clients and others who would be harmed by this surety bond increase to seek their help in this effort. Putting small businesses and thousands of jobs at risk is simply the wrong solution to whatever problem some in Congress are seeking to address.

Proponents, which include the Transportation Intermediaries Association, the Owner Operator Independent Drivers Association and the American Trucking Associations, argue that increasing the surety bond will prevent freight brokers from committing fraud.

Robert Voltmann, President of the Transportation Intermediaries Association, whose organization now supports the proposed change, opposed the same change in 2004. Voltmann said in 2004 “... increasing the bond, however, will not achieve the results desired by those seeking the increase. Risk is part of life... fraud exists in both the brokerage and the motor carrier industries ... the government is not here to protect businesses from making bad choices ... DOT should crack down on fraudulent companies whether they are operating as brokers or carriers.”

At best, this is a misguided effort to fix an unfixable problem. At worst, this is an effort to reduce competition among freight brokers.

The Congressional conferees and staff continue to work on the transportation reauthorization bills, and the schedule for this conference’s wrapping up its work is unclear. But we intend to continue our efforts to be sure the conferees are aware of the negative impact the provision would have.

Founded in 2009, to provide a unified voice for the factoring industry, the AFA is dedicated to promoting and protecting the interests of the factoring community. The AFA board is made up of volunteers who devote time and their own funds to travel to Washington, D.C. on behalf of the factoring industry.

2012 MEMBERS & DONATIONS

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COMMERCIAL FACTOR

Business Processing

Genpact

Genpact, a global leader in business process and technology management, has mastered the science behind improved operational performance with Smart Enterprise Processes (SEP™). Their industry-specific services encompass all of Genpact's forward thinking and process expertise to help Factoring and Invoice Discounting companies' world-wide streamline and manage every phase of the cycle, providing the support needed to increase deal conversions, improve fee income and lower costs. By managing the entire process from end to end, they break down silos that impede information flow, accuracy, and timely processing.

Phone: +91-9828165659 • Website: www.genpact.com
Email: sherin.george@genpact.com

IFA members will receive 10% off services during the 1st year and 5% off on services starting in the 2nd year of engagement and onwards.

Certified Email

RPost

RPost's Registered Email services allow factors to end disputes attributed to missing, misplaced or denied receipt of notification emails for notices of assignment, notices of default, borrowing base certificates, and other important notifications. It also helps speed invoice collections with proof of invoice delivery irrefutably starting the accounts receivable aging clock.

Website: www.rpost.com/ifa
IFA Member Benefits: receive a $10 discount per 100 pack. Also, the first order from each company will be doubled.

Consulting

12five Consulting

12five Consulting provides technology and social media consulting to the commercial finance industry. Born out of its sister company, 12five Capital, 12five Consulting understands the technological needs of the commercial finance industry, as it was their application of these tools that lead to their expertise. 12five specializes in software optimization, cloud computing implementation and social media representation.

Phone: (630) 633-7423 • Website: www.12five.com
Email: ryan@12five.com
IFA Member Benefit: One free hour of initial phone consultation

FactorHelp

FactorHelp has come to be regarded as the factoring industry’s premier resource provider. Their manuals, in use on every continent of the world, are setting the industry standard and their reputation as the one-call solution for factoring problems is growing. By consistently introducing innovative, viable products, vigilantly cultivating an extensive alliance of Strategic Partners and providing the professional expertise demanded of an industry leader, FactorHelp strives to maintain its goal of providing the unparalleled service the factoring industry expects from a solutions partner.

Phone: (972) 722-3700 • Website: www.factorhelp.com
Email: helpdesk@factorhelp.com
IFA Members receive a discount of 10% on their consulting fees and 5% discount on all FactorHelp products in the IFA store.

Credit

Ansonia Credit Data

With over 150 factors and growing, Ansonia Credit Data is the leading provider of affordable business credit reports. They understand the unique needs of ABL/Factoring companies. With no set-up or annual fees, Ansonia’s reports feature real-time access to a global database on companies of every size, industry and market segment. Whether you’re looking at a company in the USA, Canada, Mexico or beyond, Ansonia credit reports are priced at a low $8 with a substantial discount offered for participation in our A/R data exchange.

Phone: 855-ANSONIA (855)267-6642 x.103
Website: www.ansoniacreditdata.com
IFA Member Benefits: 20% off the Alert System. The Alert System sells for $25 per month. In the event that the Alert System is discounted or offered in other promotions, an additional benefit to IFA members may be required.

Carrier411 Services, Inc.

Carrier411 Services, Inc. provides several web-based services used by factors: Carrier411.com enables factors to qualify and monitor clients and debtors for changes in their insurance, authority and safety. Factor411.com is a free web-based system used to manage relationships with potential clients, existing clients and account debtors more efficiently and effectively. Debtor411.com is a new online credit service used by transportation factors.

Phone: 888-411-9661 • Website: www.carrier411.com
IFA Member Benefits: Receive a 32% discount on Debtor411 credit reports.

Experian

Experian is the industry leader when it comes to credit information on small to medium sized companies.

Phone: 973-285-4856 • Website: www.experian.com
Email: Jacqueline.Faitoute@Experian.com

IFA Members receive Experian business credit information at a special reduced rate

Smyth Networks

Smyth provides world class credit and accounts receivable services that the world’s largest companies use to manage risk, and optimize cash flow and maximize profits. Their services include credit information, analytics and credit insurance, accounts receivable, collection, deduction management, and profit recovery. Their Smyth Networks™ platform offers businesses a new paradigm in industry trade credit data interchange in a virtual environment with reports that score tens of millions on industry-specific trade data on millions of companies based on a secure and scalable data cloud computing backbone.

Phone: 201-714-4514 • Website: www.smyth.com
IFA Members receive free trade reports in exchange for AR data. Also receive free bankruptcy notifications & preferred rates for collections - 15% contingency fee.

Transcredit

CREDIT SCORING is one of the most important financial tools that you can use to make sound yet prompt business decisions. At TransCredit we know just how crucial this data is to keep freight in motion across the USA. In 2011 more than 93 million loads were rated by our Credit Score & Days-To-Pay™.

Phone: 800-215-8448 • Website: www.transcredit.com
Email: winston@transcredit.com
IFA Member Benefit: Receive a discount of 50% or more. Score your portfolio through Bayside’s Credit Factoring Software or directly with Transcredit.

Credit Card Processing

ePaymentAmerica

ePaymentAmerica is the nation’s leading provider of merchant services for the factoring, A/R financing, and P/O financing industries. They offer IFA members exclusive VISA, MasterCard, American Express and Discover pricing, a discount on their virtual gateway, and a discount on PCI Compliance Certifications.

Phone: 901-385-5235
Website: www.epaymentamerica.com
Email: chunt@epaymentamerica.com

IFA Member Benefits: Exclusive credit and debit card rates, discounted gateway fee, discounted PCI compliance.

Disaster Recovery Services

Agility Recovery

For the past 22 years, Agility Recovery has been a premier provider of onsite recovery solutions across the United States and Canada. When disaster hits, Agility will be there on the scene, providing you with any, or all, of the critical elements you need to keep your business in business: power, space, technology, connectivity. Membership also includes access to a dedicated Continuity Planner and secure access to your Agility planning portal to assist in building and maintaining your business continuity plan.

Phone: 704-341-8700
Website: www.agilityrecovery.com
Email: salessupport@agilityrecovery.com

IFA Member Benefits: 5% discount to each respective client’s monthly ReadySuite membership fee.

Funding

RMP Capital Corp.

RMP Capital Corp. is a best-in-class provider of Rediscounting Lines of Credit to Independent Factoring Companies with portfolios from $250,000 to $300,000,000. Understanding the needs of the Independent Factoring Company is the driving force behind a funding program which has helped clients build their operations and grow their portfolio. With over 10-years of industry experience, RMP Capital Corp. prides itself on taking the time to understand its client’s needs, which helps its clients realize their potential and achieve their goals. From providing capital to providing support, RMP Capital Corp has the solution for you.

Phone: 631-738-0047 • Website: www.rpmcapital.com
IFA Member Benefits: RMP Capital Corp. will pay your IFA membership yearly dues.
MARKETING

50 Words Marketing, LLC
50 Words is a marketing outsourcier for companies that either do not have a marketing department or that need to add more manpower to their existing marketing team. They serve as your dedicated marketing department.
Phone: 610-631-5702
Website: www.50wordsmarketing.com
IFA Member Benefits: IFA Members will receive a 20% discount on the same day due diligence order.

PURCHASE ORDER FINANCING

Gateway Trade Finance, LLC
Gateway provides purchase order funding for importers, distributors, wholesalers and exporters nationwide. They will work with a client’s current or perspective factor, ABL lender, bank and private lender. Gateway can fund 100% of the cost of pre-sold finished goods in transactions from $25,000 to $40,000,000. They will do the small transactions and one off transactions that are not currently funded by their competitors. “Financing Growth for Entrepreneurs.”
Phone: 703-548-2882
Website: www.gatewaytradefinance.com
IFA Member Benefit: Gateway will pay a 12.5% referral fee on completed transactions on all deals brought to them by IFA members.

RECRUITMENT AGENCY

Commercial Finance Consultants
Established in 2002, CFC is the premier provider of human talent to the factoring industry. CFC’s goal is to provide their clients with the best available human capital and the most current industry information to assist in accomplishing their growth potential.
Phone: 469-402-4000 • Website: www.searchcf.com
Email:dar@searchcf.com
IFA members will receive an additional 60 days added to the guarantee on all placements.

SOFTWARE

Bayside Business Solutions, Inc.
Bayside Business Solutions is a leading global provider of superior software applications for factoring, invoice discounting and asset based lending. A nimble company, Bayside is able to quickly leverage changes in technology and finance into better tools for their users. Bayside prides itself on providing the best customer service in the business.
Phone: 205-972-8900 • Website: www.baysidebiz.com
IFA members will receive 10% off license fees and add-on modules. For IFA members who are currently Bayside customers: Free one day refresher course, per year, at Bayside’s training facility in Birmingham, AL.

FactorFox
FactorFox Cirrus is a cloud application for factors, their clients, brokers and others who enter or access data. Entries can be made and reports accessed from any internet-connected computer, tablet, or smart phone. As a web-native program, there is no extra cost to access its data on the web, nor are manual uploads of reports necessary. FactorFox’s versions include Start Up, Professional, Management, Enterprise and Franchise, making it suitable for nearly any size factory.
Phone: 866-432-2409 • Website: www.factorfox.com
Email:jeff@factorfox.com
In addition to the one-month free trial for everyone, IFA Members receive an additional two free months for a total of three free months to try the complete program.

TAX COMPLIANCE

Tax Guard
Tax Guard is the only tax compliance company in the U.S. that works with lenders to expose credit risks in real-time before it becomes public information. Unlike a traditional UCC search for federal tax liens, Tax Guard utilizes a proprietary, patent-pending process, providing due diligence and tax monitoring reports to lenders across the United States.
Phone: 202-955-3282 • Website: www.tax-guard.com
IFA Members will receive a 20% discount on the same day due diligence order.

TELECOMMUNICATIONS

Vocalocity
Vocalocity is a cloud-based voice solutions provider with services and support especially tuned to help businesses grow. Vocalocity ensures higher quality conversations through proprietary technology that differentiates its service from traditional Voice-Over IP (VOIP) providers. With cloud-based connectivity, businesses can work from anywhere while enjoying features that deliver large enterprise visibility and functionality. Vocalocity’s cloud-based PBX enhances customer satisfaction, and delivers exceptional business intelligence and flexibility. Vocalocity PBX uses the customer’s current broadband connection to transport calls over the Internet to deliver superior voice quality and reliability.
Phone: 888-244-8999
Website: www.vocalocity.com/IFA
IFA Members receive 25% discount off Each Monthly Unlimited Extension, and either: 10% off On-Demand Call Recording or 10% off Company Call Recording. Or, buy Voicemail Transcription, Get On-Demand Call Recording free.

TRANSPORTATION

ExecuCar
This is a premier luxury sedan service that offers private transportation with experienced professional drivers. Whether you are heading to the airport, a business meeting or social event, ExecuCar will get you there safely in style and comfort.
IFA Member Benefits: Save 10% on your roundtrip transportation by booking online with ExecuCar at www.execucar.com. Use the following Discount Code: CLLMC

SuperShuttle
SuperShuttle is the nation’s leading shared-ride airport shuttle service, providing door-to-door ground transportation to more than 8 million passengers per year. Their friendly drivers, comfortable vans and reasonable rates take the hassle out of getting to and from 33 airports in over 50 US cities and surrounding communities.
IFA Member Benefits: Save 10% on your roundtrip transportation by booking online with SuperShuttle at www.supershuttle.com. Use the following Discount Code: CLLMC

UCC SEARCH

First Corporate Solutions
First Corporate Solutions is a full service public records provider specializing in the research, retrieval and filing of public records nationwide and internationally. Their services include industry standards such as UCC, lien and litigation searching, UCC and corporate filing services, nationwide registered agent coverage and real property title searching, as well as unique solutions such as state and county account monitoring designed specifically for Factors.
Phone: 800-406-1577 • Website: www.firstcos.com
Email:daves@firstcos.com
IFA members will receive a 10% discount off of the retail rates of their signature state and county account monitoring product.

IFA CALENDAR OF EVENTS

JUNE 18-19
Law and Business of Factoring
Planet Hollywood
Las Vegas, NV

JUNE 21-22
Account Executive/Loan Officer Training
Planet Hollywood
Las Vegas, NV

JULY 19-20
Credit & Underwriting
Planet Hollywood
Las Vegas, NV

SEPTEMBER 6-7
Transportation Meeting
Hyatt Escala Lodge
Park City, UT

OCTOBER 18-19
Advanced Factoring Symposium
Cesar’s Palace
Las Vegas, NV

OCTOBER 22-23
AE-LO for the Transportation Industry
Cesar’s Palace
Las Vegas, NV

OCTOBER 25-26
Small Factors Meeting
Cesar’s Palace
Las Vegas, NV

JANUARY 24-25, 2013
Presidents & Senior Executives Meeting
Ritz-Carlton
San Juan, Puerto Rico

MARCH 5
Luncheon Meeting with NYIC
New York, NY

APRIL 24-27, 2013
2013 Factoring Conference
Fontainebleau
Miami Beach, FL

FOR DETAILS ABOUT IFA EVENTS, PLEASE VISIT WWW.FACTORING.ORG
Factors Descend Upon “The Golden State” for the 2012 IFA Spring Conference Huntington Beach, CA

BY JAMIE BERMAN

That’s a wrap! A reported 650 attendees tipped the scale at IFA’s Annual Spring Conference, making this the largest event in IFA history. The 2012 festivities took place in California, April 18-21, at the luminous Huntington Beach Resort & Spa.

We asked Bert Goldberg, Executive Director of the IFA, for the secret to his repeated success and he humbly replied, “It’s the group of people that are attending that make it a success, I just give them what they want… I provide the relaxed atmosphere and they do the rest.” Bert and his team design these conferences to cater to all of the employees in the attending company.

A ripe atmosphere set the stage for premium networking at the RMP Capital Welcome Reception. The fountains and food set amidst a musical background and cool breeze, called all networkers forward. There was quite an impressive turnout at the opening event, a sea of casually dressed professionals all drinking in their first rounds of 2012 IFA networking in the beautiful oceanic landscape.

After a night of cocktails and icebreaking, attendees were primed for a full course of activities and information sessions planned for them over the next several days.

Here’s a glimpse of the conference circuit. The Economic Forecast was done by James W. Paulsen, Ph.D., Chief Investment Strategist, Wells Capital Management. Following that address was the famous, or shall we say infamous, “Catch Me If You Can’s”, Frank W. Abagnale. He started as a conman and ended as one of the world’s most respected authorities on forgery, embezzlement and secure documents.

There were six sessions to chose from to finish off the first official conferencing day and those sessions were available in two different time slots. The first set of sessions included: Hot Issues for 2012 In The Factoring Community, presented by Mike Ullman Esq and Jared Ullman Esq. of Ullman and Ullman PA. Alongside that: Overcommitted, Overwhelmed and Over It! Presented by Juliet Funt, President, Talking on Purpose Inc. Lastly: Factoring 101, presented by Darla Auchinachie, Vice President, Bridge Bank. The second set of sessions included: M&A Activity in the Factoring Sector, featuring a panel of three experts: Mick Goik, Chief Financial Officer, Crestmark; Jeffrey Goldrich, President -CEO, North Mill Capital, LLC and Tim Stute, Managing Director, Milestone Advisors, LLC. Running parallel to that session was an encore appearance by Frank Abagnale, who presented, “Fraud: The Art of the Steal”. At the same time, “Everything You’ve Always Wanted to Know About Notifications & Verifications… But Were Afraid to Ask” was running. That event, showcased: Robyn Barrett, Managing Member, Factors Southwest, LLC; Steve Kurtz, Esq. Attorney, Levinson, Arshonsky & Kurtz; Sally Stark, President, Sierra Capital, Inc. and Gail Reints, President, Sky Business Credit, LLC.

To unwind, after an intense day of listening and learning, the Bibby Social and Tax Guard Dessert Reception were a welcome diversion on Thursday evening.

Friday began another jam-packed day. The American Factoring Association led the discussion to start off the day. On the shoulders of that session was a presentation led by Bob Zadek, Esq. Adjacent to Zadek was a session on Factoring in Canada, featuring: Jeffrey Alpert, Esq. Attorney, Torkin Manes LLP; Martin Fingerhut, Esq. Attorney, Cassels Brock & Blackwell LLP; and Oscar Bomboló, Senior Vice President, ITC Invoice to Cash, Inc.. Following Factoring in Canada, but still during the Zadek presentation, the Canadian Roundtable took place with: Tina Capobianco, Vice President, JD Factors; Glen Dalzell, Senior
Vice President, TCE Capital Corp.; Jeffrey Alpert, Esq., Attorney, Torkin Manes LLP and Martin Fingerhut, Esq., Attorney, Cassels Brock & Blackwell LLP.

During lunch in the exhibit hall, everybody refueled and got ready to hop back into the final sets of sessions. There were six in total to finish out the day: Factoring: Past, Present and Future with Nick Hart, Managing Director, Bibby Financial Services; David Tatge, Esq. Attorney, Epstein Becker & Green, P.C., Hugo Traeger, Director, Staffing Industry Analysts and Andy Leopold, Regional Sales Director, Bibby Financial Services. You could also choose from Funding in Second Position & The Art of Subordination with David DeSantis, Managing Director, Medley Capital, LLC; Robert Grbic, Chief Operating Officer, Capital Business Credit; Scot Pierce, Esq., Attorney, Brackett & Ellis and Einat Steklov, President, and Managing Member, Coral Capital Solutions and if that didn’t appeal to you, maybe: Current Topics in Transportation Factoring, with David Jencks, Esq., Attorney, Jencks & Jencks would. Sitting on top of those sessions were the final three: Traits of Top Factoring Sales Performers featuring: Mitchell Haber, Vice President, Profiles International and David Rains, President, Commercial Finance Consultants. Search Engine Optimization (SEO) with Dave Keys, President, Solutions by Dave, and Small Factors Roundtable with Melissa Donald, President, LDI Growth Partners, LLC; Darrell Fleck, Managing Partner, RMJ Capital, Inc. and David Jencks, Esq., Attorney, Jencks & Jencks, P.C.

The speakers & sessions this year received the highest ratings ever recorded at an Annual Conference. The overall attendee feedback was extremely positive. Brian Flynn from TCI Business Capital, Burnsville, MN was recorded commenting, “Another excellent IFA annual conference! I found the experience educating and enlightening while opening the doors to new business relationships.”

The closing event was held upon the Majestic Queen Mary, where dinner and entertainment sealed the deal for a most enjoyable Huntington Beach experience. For people staying into Saturday the ever-popular Idea Exchange took place in the Huntington Ballroom.

Looking forward to seeing everybody in Miami in 2013! •
IFA Creates Alliance with Romanian Factoring Association

An Interview with RFA Executive Director, Bogdan Rosu

BY JAMIE BERMAN

Bogdan Rosu, Executive Director of the Romanian Factoring Association (RFA), spoke to IFA's Commercial Factor Magazine on why he's so emphatic about the great opportunity factoring provides. He shared his thoughts on the anticipated partnership between the RFA and IFA, along with specifics regarding the Romanian factoring market.

After an initial introduction, Rosu jumped right in by sharing his enthusiasm for a session he just attended at the conference, “Fraud: The Art of the Steal”. He said, Frank Abagnale, who led the session, was the best expert he'd ever seen. A fraud manager himself in the past, Rosu found this session extra captivating and was blown away with Abagnale's knowledge of the fraud world.

Without any lost excitement, Rosu started in on why he is an advocate of factoring and why he makes it a point to attend the IFA's events.

Rusu: “These conferences are most valuable because of the openness and idea sharing that takes place. At other events I’ve attended, banks are dominant and they are not invested the same way as the entrepreneurs you find in the IFA, who know their businesses by heart.

“I am thrilled the IFA asked me to partner and promote each other's activities. The factoring market in Romania has been developed since 1993, by banks first and then independent factors. The RFA has been established since December 2010 and was founded by 10 members. The members are actually the largest banks in Romania, plus two independent factors (Next Capital included). The combined volumes of our businesses cover ~ 97% of the Romanian market, there are still smaller players who haven’t joined the RFA, but soon will.

I was elected president of the RFA both in December 2010 and December 2011.

“The Romanian market is developing nicely; we had a 30% market increase from 2009 to 2010 and a 43% increase from 2010 to 2011. The overall trend is obvious, more and more businesses understand the advantages factoring provides. SME's now have an opportunity to find capital they need. It's a great solution for SME's because the financing is quick and easy. With that being said, I wouldn't minimize the value of factoring for large multinationals either.

“I don’t see factors as the lender of last resort, but the lender of first resort... from the beginning, factors can help businesses grow. "

Here is more detailed information Rosu provided for us on the 2011 market:

The total volume of “pure factoring” was 2.6 Billion EUR (which is ~ 3.46 Billion USD). The invoice discount volumes were another 0.5 Billion EUR (~ 0.66 Billion USD), taking the market to 3.1 Billion EUR (~ 4.1 Billion USD). The total factoring market increased 43% from 2010. For domestic factoring the industry breakdown was as such: constructions & infrastructure (26%), metals & chemicals & recycling (13%), auto & equipment (13%), agriculture & food (13%), F.M.C.G. (12%). For export factoring, the main areas were metals, chemicals & recycling (51%), services (26%), and IT&C (7%). The profile of the adherents were as follows: 40% were companies with yearly turnover of under 5 Million EUR, 27% were companies with yearly turnover of 5 - 50 Million EUR, and 33 % were companies with yearly turnover in excess of 50 Million EUR.

On April 25th, the IFA announced its alliance with the RFA. They’ve entered into a cooperative agreement that will allow the associations to extend their reach and advance knowledge of the industry. We’ll keep you posted on the evolution of this partnership and the impact it has on the Romanian factoring market. •
IFA: Why did you choose factoring vs. other types of financing?
Roberts: Our financial needs are driven strictly by the demand to meet payroll and payroll taxes, timely and accurately. Other financing options were a loan or line of credit. Our factoring relationship has been an invested partner that monitors our progress and is there to assist whenever our needs change.

IFA: What is important in a factoring relationship to you?
Roberts: A business partner with the financial strength to grow and change as our business needs and financial needs change. They understand what we are trying to do and with their hands on approach, approvals take days, sometimes hours, versus weeks.

IFA: What criteria did you use to determine which factor you’d work with?
Roberts: The ability to have a personal account manager assigned to our account and access to any member of their team at anytime, for any issue we need to discuss. They are just always there for us.

IFA: Would you recommend factoring to others? Who is it best suited for?
Roberts: I would be cautious recommending factoring as there are groups out there whose philosophy does not mirror Allied’s. I have recommended Allied on numerous occasions. We represent one of the best scenarios to be a factoring client. We have short payment cycles, which create the lowest fees possible and our cash demands, outside of growth are consistent, measurable and fairly predictable.

IFA: What advantages and opportunities does factoring allow for your business?

Roberts: In short, factoring allows us to not fear any opportunity that the public or private sector offers. If we can develop and staff the solution, Allied is there to provide the financial partnership for a successful endeavor.
Small Factors and Marketing in the Current Environment

I am sometimes asked how many factoring companies exist today. While I don’t know of statistics that tell exactly how many there are in North America, there seem to be more players in the factoring arena now than there were five years ago. And without a doubt, more are continuing to enter.

We have seen an indication of this by the steady increase in attendance at the IFA conference year after year, as well as the number of companies springing up to service the factoring community. Each year, the IFA conference exhibit hall has new providers with a new product or service aimed specifically at factors.

Why is the number of factors growing? First, factoring is simply becoming better known. The drop in bank lending for the last few years is exposing factoring to business owners and in turn the general public, and while many people still don’t know about factoring, it’s not the deep dark secret it once was.

Some people who are becoming smaller factors have worked in a particular career for a few decades and are ready to do something else. Many have been successful, saved some money, and would like to make a good return on investment for the remainder of their working days. Others want to keep busy in retirement. Younger factors like the handsome returns and the simplicity of the factoring model. Some (such as mortgage brokers) have lost their former jobs, learn about factoring, and feel their experience can be a good fit in the factoring world.

What’s more, factoring is getting the attention from some deep pocket financiers. They like the fact that factoring is providing funds for companies in the downturn. But even more, in light of how strictly regulated banking is, they are drawn to factoring because it is not government regulated. That is bringing some serious money to the table that hasn’t been funneled into factoring until recently.

What does all this mean? There is, and will continue to be, more competition for factors of all sizes than there used to be. More factors going after the same prospects means we really need to be on our game when it comes to finding and booking new business.

In my own small factoring business, I have found – and spoken with other smaller and larger factors who agree – that getting new business is harder than it used to be. Some larger factors are looking at deals they once turned away, and are significantly lowering their minimums. Some with previously much higher minimums have come down to as low as $5000 to start. This had been territory primarily for us small factors, but we are now facing competition with larger factors for the smallest deals.

This means we need be very clear in our minds as to exactly what our niche is. We need to define very precisely the type of business we fund, and the type of business we decline or refer. Then we need to determine the best way to find, qualify, and close our choice clients. Thus we need to start thinking outside the box as to how we market. We probably need to try different methods than just those we’ve used up to now.

Factors of all sizes need to network with each other and make their niche well known: transportation, medical, government, construction, and other niche factors, especially smaller factors, need to know – and be known to – each other. That is why events like the IFA conference, and the workshops offered throughout the year, are so valuable.

They provide us not only excellent training and how to properly do our daily work, but superb networking opportunities because of the diversity in company size and specialties among participants.

In my own business, for years I have relied heavily on referrals from brokers. While a few factoring companies having training programs for brokers, they naturally insist their trainees bring all deals to them. There is no one organization that trains brokers for the larger factoring community; thus finding skilled factoring brokers is not easy. Good brokers – those who understand the business, can recognize and accurately pre-qualify viable deals, and know many factors in various specialties, are truly needed. However, brokers are beating the bushes right alongside the factors, and face the same challenges. Though good brokers continue to send me deals, the number of broker referrals has diminished in the last year or two.

During the same time I have noticed an increase in the number of prospects who have become savvy about finding a factor online. Unfortunately, with this comes a decline in the proportion of good potential factoring clients approaching me. While some who find my website directly are a good match (SEO is crucial!), others who find me through other sites often aren’t viable for a variety of reasons. Underwriting reveals a business owner with a too-checkered past, problem debtors, or a scenario that

In addition to writing this regular column for The Commercial Factor, Jeff Callender is President of Dash Point Financial (DashPointFinancial.com) which buys receivables of very small businesses. He has written many books and ebooks about factoring which can be obtained from DashPointPublishing.com as well as the IFA website’s Store. All his books are being updated and will be re-released this summer. He also is the President of FactorFox Software, Inc., a cloud-based program used by factors of all sizes to track their receivables. You can reach him at 866 432 2408 or via email at Jeff@DashPointFinancial.com or Jeff@FactorFox.com.
FactorFox Cirrus Is Almost Here!

Cloud-Based Software for Factors and Their Clients

COMPLETELY WEB-BASED:
- Nothing to install - just log in and start
- Accessible from any computer with web access
- Create unique login rights for staff, clients, & brokers
- Web-native - nothing to upload to the net

SAVE TIME:
- 24/7 online schedule entry by factor or clients
- 24/7 online reports for factor, clients, brokers
- Easily & accurately exports to QuickBooks

SAVE MONEY:
- Affordable for any size factor: Start Up, Professional, Management, and Enterprise versions - all with free online training
- No charge for web access, upgrades, document sharing
- No charge for support via ticketing system & online chat
- Recurring payments via credit card; no checks to send

FREE TRIAL & GUARANTEE:
- Free demo videos
- Free 30-day trial of full database - 90 days for IFA members!
- No-risk guarantee

Cirrus Includes:
- Sleek new interface
- Numerous new features
- Upgrade included with subscription - no extra $\n- Funding for Factors is built in
- Many 3rd party applications - fully integrated

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Since no one wants junk, we need to learn to market in new ways. We need to open doors we have in the past left closed, and turn over stones we’ve previously stepped on. We also need to stretch our marketing dollars farther, spend them more wisely, and make a point of carefully analyzing which marketing provides the most bang for our buck. We need to know how much each lead and each closed client has cost from any campaign we’ve run or referral we’ve received.

So examine your own business marketing practices. What methods have worked for you? Do they still work? What hasn’t worked? Are they worth another look? What haven’t you tried that might be worth a shot? How much has each client in your portfolio cost to bring into the fold? If you don’t know, you should spend a little time and figure it out – you could be surprised by what you find.

Just as important, how long has each client stayed, and what kind of return has each provided? What marketing methods have brought in the most clients, and even more important, the most income? And what methods have you never tried that could be fruitful?

Continually analyze your marketing, and continually tweak how you do it. In today’s environment, you have to...
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