

Dorothy Then: "LIONS AND TIGERS & BEARS, OH MY!"
Dorothy Today: "CYBER CRIME AND CORRUPTION & FRAUD OH MY!" ICE Meeting
March 10, 2020 | 9:00 AM - 3:00 PM

Please join an amazing slate of experts and the International Credit Executives where we'll learn how to protect your organization from Cyber Crimes, Fraud, Foreign Corrupt Practices situations, and more. Seriously, who better to learn from than the people enforcing compliance, and the experts tasked with defending and building compliance programs?

Click [here](#) for more details.

[VIEW LIST OF ATTENDEES](#)

"Advanced Collections & Negotiation Skills " Barry Elms Seminar

April 14, 2020 | 9:00 AM - 4:00 PM

How to improve the payment habits of big spending, slow-paying customers by developing a 4-point plan and an effective negotiating strategy.

How to get paid by customers with cash-flow problems, or worse, no money, by using high-ball maneuvers, splitting down the deal, linking the deal and other effective negotiation techniques.

How to manage conflict with customers who believe the best defense is a good offense...plus how to resolve disputes with a "Can't Fail" negotiating plan.

YOU CAN SAVE BIG \$\$\$ BY TAKING ADVANTAGE OF THE EARLY REGISTRATION DISCOUNT

Register by March 17 and deduct \$50 per person from your seminar fee. This discount, along with the multi-attendee discount, allows more people from your company to attend this extremely valuable seminar!

Click [here](#) for more details.

"Measuring Credit Department Performance" Webinar

April 22, 2020 | 9:00 - 10:00 AM

During this ENLIGHTNING program, Michael will examine:

1. The limitations of traditional measures of credit performance
2. The ways companies often measure credit performance today
3. Other useful and relevant measures of performance of the credit team to consider
4. How to convince your company to use both traditional and non) traditional measurements
5. How to develop (and how Not to set) individual performance goals for credit team members

Click [here](#) for more details.



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Novares US Engine Components Inc

NEW GROUP MEMBER

**INTERNATIONAL CREDIT
EXECUTIVES GROUP**
Chantal Wittman
Wintrust Financial Corp
Eric Zimmerman
Cielo
Amber Cunningham
Clack Corporation

Shelly Kadlec of Minneapolis Washer passed away. Shelley will be greatly missed by all of us who have known her for so many years. A no nonsense professional business women with a delightful sense of humor. Shelley was a wonderful friend to us all and the kind of person you wanted to be around. May God Bless Shelley, her husband and family.

NEW Group Representative

INTERNATIONAL CREDIT EXECUTIVES GROUP

Riyaz Kaka
Fifth Third Commercial Bank

ABOUT THE BUSINESS CREDIT MANAGEMENT ASSOCIATION

Regardless of whether your company is large, medium or small, the one consistent common denominator of all business concern is the timely and efficient conversion of your companies sales/receivables into cash, and the proper extension of business credit while minimizing exposure to bad debts.

The Association is the credit persons support and professional management organization. Our organization provides you with:

- The latest techniques in managing your receivables
- Optimal techniques in tactful collection, fraud and bad debt avoidance and;
- The opportunity for education that will raise the performance and efficiency of your credit and collection personnel to the highest level

Your company needs a membership in the BCMA. Utilization of the above programs and additional services will reduce your credit administration costs & improve your collections and cash flow. Take advantage of all BCMA has to offer and receive a multi-fold return on your investment.

**If you have something you would like us to announce
please send an email to
admin@wcaacredit.org**

Whose Cash Flow Is It, Anyway?

How much pressure is too much pressure to put on persistently delinquent accounts? Relentless competition forces this credit manager to ponder this question constantly, and he has developed some uncommonly effective measures for applying the amount of pressure that is needed.

"We have a cash-flow problem," the delinquent distributor tells Credit Manager Jim Gray of Stanton, Inc. (Worcester, Mass.).

"No you don't," replies Gray. "We have the cash-flow problem."

Gray's point, of course, is that Stanton is the party that has spent the money to manufacture and ship out the product, industrial use valves. The distributor ships it on to the customer, but the cost is Stanton's problem until payment comes through. And, adding insult to injury, the distributor may be in no hurry to pay because the customer blames Stanton for any delays.

How do you protect your cash flow in a situation like this? Final customers' perceptions notwithstanding, you get tough if you have to. Gray describes one recent instance where a long-time customer who had run up a large delinquency was slapped with a strict payment schedule.

Everything Stops

"His total outstanding was \$900,000, with half of that overdue," he says. "I told him that he should send us a list of needs daily and that he would have to pay 10 times the value of whatever we

Whose Cash Flow Is It, Anyway? (Continued)

shipped. He negotiated that down to five times, and, after he had made some payments, we dropped that some more.

Most recently, he sent in \$60,000 for a \$40,000 order. He knows that if anytime the product going out exceeds the money coming in, everything stops." In another instance, as a condition for continuing to ship to a delinquent account, he required the customer to send in five \$10,000 checks to be held and applied against future orders when the account was brought current. Had the account failed to return to current status within a specified time period, the shipments would have stopped and the checks applied to the delinquent balance.

"We offer really good discount terms (2%10th + 25th Net 30), but distributors still don't take advantage," Gray says. "We've even gone so far as to point out that, if they borrowed at twice the prime rate and discounted their payments, they'd still make money."

Much as these devices help in reducing accumulated delinquencies, Gray has no illusions that the late-payment problem can be solved for good. "We're our own worst enemies," he says. "When we see opportunities to do more business, we increase shipments. The distributors expand too quickly; they run up huge debts."

This problem is particularly severe at present because sales are flat. "The valve business is very contained," he says. "There are only so many customers. To increase business you have to get it away from competitors. That means selling at next to cost to get your foot in the door."

Communicating Hourly

Under these circumstances, he continues, it is absolutely essential to keep everyone in the organization informed about the receivables situation. "I communicate daily, even hourly, with our sales and factory people," he says. "I want to try to make sure that we continue to process orders--even with distributors on credit hold--so that when the distributor meets the requirements we've set, we can ship."

The problem, however, is that the factory people have to look out for their own priorities. "They have to devote their resources to building for orders they can get credit for this month," he says. "They want sales; I want cash. It's a struggle, but we have a good team of players who understand the situation."

With the economy the way it is, Gray finds no end in sight to daily collections problems. He strives to maintain positive customer relationships while being firm about keeping accounts current.

"As hard as it is, I really do enjoy collection work," he says. "You get a feeling of accomplishment when an account comes back into line. It's even more fulfilling when a customer thanks you for being hard but fair."

'YES' TEMPORARY HELP SERVICES

THE ASSOCIATION IS A PREMIER SOURCE FOR TEMPORARY HELP AND OUTSOURCING SERVICES IN BUSINESS CREDIT, COLLECTION & ACCOUNTS RECEIVABLE MANAGEMENT

Our specialized and experienced staff is available to help you obtain immediate results, help you maximize your collection efforts, help you get caught up, maintain your credit and collection efforts and improve your cash flow at YOUR office or at OUR OFFICE, you choose: OUR EMPLOYEES WORKING AT YOUR OFFICE

Who Needs YES Temporary Services?

- Companies who do not have sufficient staff to collect receivables on a timely basis.
- Companies who have or will be downsized. (Rightsized)
- Companies looking for quick turn over of receivables.
- Companies involved in acquisitions, requiring short-term help from experienced people to collect, validate or resolve disputes on past-due accounts.
- Companies who are under a hiring freeze but can use outsourced or temporary help.

People In the News

The Association is pleased to inform you that the Credentialing Standards Board has Awarded the following individuals their professional designations.



Anissa M Lacy has earned the professional designations of Certified Credit Professional (CCP) and

Certified Professional Collector (CPC) in November 2019. Ms. Lacy is a professional who has made a career in Business Credit & Collection. Anissa has been a group chair, mentor, published and recognized by peers in her industry. This designation has been earned and deserved many times over.

CERTIFICATION

Why should business credit and collection professionals apply for Credentialing Standards Board (CSB) accreditation as soon as the opportunity is available? The answer is this. By having accreditation in place, Certificate holders are more valuable to their employers. Why? Because they have invested in their own professional development in order to strengthen specific skills needed on the job. Individuals with professional credentials are also more respected by their colleagues and peers in the industry.

To Learn More visit <http://www.creditsociety.org/>

Coming to Terms With Your Sales Contract

When Michael M. Rankin, became credit manager for Buckeye Valve USA, Inc. (Columbus, OH), he quickly discovered why the company had a DSO problem. The sales department was often offering contracts to customers without fully understanding their implications for Buckeye's accounts receivable.

"When I studied the issue more closely," says Rankin, "I found that the company -- not the customer -- was agreeing to a number of terms and conditions upon which payment was contingent. Then it was up to us to try and collect as best we could."

Rankin immediately put into action a two-step plan aimed at reducing Buckeye's problems with these contracts:

- Step #1: He met with the sales department and discussed, in detail, each contract's terms and conditions so that the salespeople would fully understand the A/R implications.
- Step #2: Rankin met with Buckeye's customers to discuss each contract's conditions, with the aim of achieving some much-needed compromises. "I discussed all the things they couldn't live with, as well as all the things Buckeye couldn't live with," he says. "Then, we agreed to compromise."

Case in point: The issue of retainage was one area where Rankin sought to achieve some accommodation from Buckeye's customers. Buckeye Valve receives a great many orders from general contractors who are building large facilities (buildings, treatment plants, etc.). In negotiating contracts with these contractors, a building's owner usually holds back 10% of the total payment until it is satisfied that the general contractor has paid off all the subcontractors, the facility is completed, and the start-up is problem-free. Once these conditions are met, the owner will release the remaining 10% to the general contractors. "In most cases, in order to protect themselves, the general contractors will, in turn, hold back 10% from their suppliers," explains Rankin. This is called retainage.

While the concept of retainage makes sense, it poses significant problems for a company like Buckeye Valve. For example, while all the valves it delivers and has installed may work perfectly, it can take up to two years for a project to come on line, because of other problems beyond Buckeye's control (e.g., problems with subcontractors or other suppliers). When that happens, the company must wait that long to collect its remaining 10%.

Coming to Terms With Your Sales Contract (Continued)

Rankin realized that what the general contractors really wanted was protection. Retainage just happened to be the most common way of achieving it. So, Rankin began to offer some alternatives to general contractors -- alternatives that would, on the one hand, provide them with the protection they needed while at the same time guaranteeing full and timely payment to Buckeye Valve.

Among the alternatives Rankin offered were:

1. 10% in the form of a performance bond issued by Buckeye Valve's insurance company. "The cost of such a bond is less expensive than having to wait two years to receive the final 10% of our payment," he explains.
2. 10% in the form of a standby letter of credit from a bank. "In other words, if the valves don't work, the contractor can go to the bank, present the letter of credit, and receive the 10%," Rankin says.

Payoff: As a result of offering these options, Rankin is now usually able to negotiate 100% payment from general contractors. What's more, Rankin has reduced Buckeye's DSO by approximately eight days.

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Need help? We provide all our member clients with consulting, collection & recovery services and business credit reports? Call us first. Currently we are working with scores of members who are dumping DnBi's services and converting thru our office capped annual subscriptions from Experian. We're proud to advise you we've save companies thousands and thousands of dollars. Give us a an opportunity to help you migrate away from DnB, get better information, more services and save thousands of dollars.

Call me direct to get started.

**Best regards,
Business Credit Management Assn / Wisconsin Credit Assn
Wayne J. Crosby
Vice President
262-289-1224**

Commercial Recovery Collections

You can trust WCA Commercial Recovery Services Department to assist with debt recovery here in the United States or anywhere in the world.

BACKGROUND....WCA Commercial Recovery Services Department offers effective results. Regardless of your company's size or location, the consistent common denominator of all business concerns is professional and efficient recovery specialists who can help with your delinquent accounts.

CREDENTIALS....WCA Commercial Recovery Services Department is recognized and acknowledged for establishing and setting industry standards for generally accepted credit and collection practices and principles and is integrally associated with the Commercial Law League of America. To ensure our financial responsibility, WCA Inc is licensed by the Wisconsin Department of Financial Institutions.

PERSONALIZED SERVICE.....Our experienced professional staff acts as an extension of your collection function working with you to obtain results. We pride ourselves on our ability to analyze each case, take the necessary and appropriate action (s) and recover your receivable in the shortest time possible. Our number one goal is to protect our members' interests at all times. Our recovery services staff can provide you with professional and practical advice at critical times during the collection process.

INDIVIDUALIZED & STATISTICAL INFORMATION.....Effective no-nonsense communications is key to keeping you informed on your debtors. We report significant timely information to you as your case proceeds. We provide, upon request, a computerized status report to keep you apprised on all of your debtor accounts, allowing you to track individual debtor progress.

Need credit card payment solutions for your business? Whether large or small, TSYS has the customized solutions to



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fit your business needs. BCMA partners with TSYS because they are focused on creating more value in our client relationships than ever before, and their voice has emerged as one of the most trusted in the payments industry. This true spirit of partnership, and the accompanying understanding that our success is determined by our clients' success, infuse everything we do. Whether you're LOOKING TO BEGIN ACCEPTING CREDIT CARDS, or LOOKING TO LOWER YOUR CREDIT CARD SURCHARGE FEES... TSYS will help. Contact the Association at 262.827.2880. We'll put you in touch with a representative that will assist you. **TSYS was named to Ethisphere's 2013, 2014-2018 World's Most Ethical Companies List!**

**NACS Credit Services, Inc*

**The Business Credit Management Association Wisconsin*



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Chrys Gregoire X221

Administrative Support
General Questions or
Information
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Group Services
E-Commerce
Credit Reporting

Patty Hughes X227

Recovery Specialist
Credit Reporting



GOT AN IDEA?

Would you like to contribute to the BCMA Newsletter? Just write to us at admin@wcacredit.org with your idea!

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UPCOMING INDUSTRY CREDIT GROUP MEETINGS

MARCH 10, 2020

Regional Paper & Packaging Industry Credit Group
Teleconference Call
Fine Paper/Graphic Arts Industry Credit Group
Book of Reports Only

MARCH 11, 2020

Plumbing & Heating Industry Credit Group
Delafield, WI

MARCH 12, 2020

Metals & Industrial Suppliers Credit Group
Brookfield, WI

MARCH 13, 2020

Electrical Suppliers Industry Credit Group,
Brookfield, WI
Iowa Plumbing Heating Electrical & Construction
Industry Credit Group
Davenport, IA

MARCH 16, 2020

Western Electrical Suppliers Industry Credit Group
Book of Reports Only

MARCH 17, 2020

Building & Construction Materials Credit Group
Milwaukee, WI
Minnesota Fine Paper Credit Group
Teleconference Call

MARCH 18, 2020

Food Service Supply Hospitality Industry Credit
Group

TBD

Minnesota Electrical Suppliers Credit Group
Brooklyn, MN

MARCH 19, 2020

Food Suppliers Industry Credit Group
Teleconference Call
Construction Industries Credit Group
Appleton, WI

MARCH 20, 2020

IL Fine Paper Industry Credit Group
Oak Brook, IL

MARCH 24, 2020

WI/IL HVAC Industry Credit Group
Teleconference Call

BCMA

Business Credit
Management Association

Education Events

YOU CAN TRUST THE
ASSOCIATION TO
ASSIST IN
COLLECTION
RECOVERY FROM
YOUR DEBTORS
ANYWHERE IN THE
WORLD.

LET THE
ASSOCIATION HELP
WITH EMPLOYMENT
OPPORTUNITIES.

April 14, 2020

“Advanced Collections & Negotiation Skills ” Barry Elms
Seminar

April 22, 2020

“Measuring Credit Department Performance” Webinar