

# Credit Line

A M E M B E R N E W S L E T T E R

M A R C H 2 0 0 7

## Confidence Can Get You Where You Are Going

By: Patty Fullmer, Area Credit Manager  
BMC West, Chairman, NACM BCS

Confidence can get you where you are going. Confident people inspire others. Opportunities seem to come their way more often and they become magnets for success.

So how do you gain CONFIDENCE in the credit world? I have worked in this field for about 10 years and here are some things that I have learned to help to build confidence.

1. You have to be involved in an organization that encourages, uplifts, educates and promotes confidence. Where can you find all

of these? NACM. Yes, NACM is the best thing that ever happened to me in my career development. The people I have met have become my friends. I know who I can go to when I need questions answered.

I have been given scholarships which will lead me to certification. Some classes for certification are: Principles of Business Credit, Credit Law, Accounting, and Financial Analysis. These classes have challenged me and given me the tools to become a more confident credit manager.

The information I get by being involved in NACM Industry Credit Groups has given me the confidence to make hard decisions. Attending the group meetings monthly has allowed me to network and learn about the laws that directly affect my industry and how we can make changes for the better.

I have been able to attend and participate in many seminars and the information and experience from them have been very valuable for my confidence. It can be difficult to speak to a large group but I have learned so much. As I continue to participate, I continue to gain confidence that affects both my career and my personal life. Watch for these seminars and attend as many as you can. They build confidence one seminar at a time.

NACM has given me the confidence to know when I have done all that can be done to collect from a customer and when it is time to turn it over to the NACM Collection Department. Give them a try!

I would encourage everyone to consider attending National Credit Congress, June 10-13 in Las Vegas. The information you will get by attending will be a great confidence builder. The people you meet will become mentors and friends you can count on when help is needed.

2. Give yourself a pep talk, or call one of your friends or mentor from NACM for a little pep talk. Those who work hard, stay focused, and keep positive attitudes are simply better prepared for what comes next. Smile more while you are working. It will help and it is contagious.

3. Avoid individuals who suck your energy and diminish your confidence. Hang out with people who are working on the same things you are. Pessimists drag you down, as do whiners and critics, so finding a few good mentors and friends at NACM will keep you on track. Stick with the winners.

4. One positive behavior is the willingness to get back in the game after a setback. Don't whine about or nurse your wounds, get out there and meet them head on. NACM can help. I didn't think I could get through Accounting. But, with encouragement and a second go, I succeeded with a B.

5. Winning is often the result of persistence— not giving up when your goal appears to be in jeopardy. When you have the attitude that the things you do make a difference, that's confidence. Believe in yourself.

I would encourage each of us to take a few minutes and look at where we are going. If you see you need a little help with your CONFIDENCE, look to NACM for help. This organization is here for you. Get involved. You do make a difference. I have gained so much from this organization. I have enjoyed this year being the Chairman of the Board of Directors. The year has gone fast and I have learned so much. I would like to thank NACM and all the people that make this organization work so well for its members.

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# How Important Is A Credit Application?

## THE POWER OF THE CREDIT APPLICATION

By Caryl Nielsen, CBF  
Valley Glass, Inc.

A few years ago I was working toward my CBA certification. I had completed all of the required courses with the exception of one, "The Principles of Business Credit." NACM was offering scholarships, so I applied and received the funding to take this class. I enrolled thinking this was the last class before sitting for the CBA certification exam. I had no idea at the time how much this class would enhance my job performance or how valuable the knowledge I had learned from it would be.

This class covers all aspects of Business Credit. I am going to touch on one particular chapter, Credit Policy and Procedures.

In this chapter we studied the important features of a credit application and the major items that should be included. We were instructed to create a credit application for a fictitious business and present it to the class.

This classroom project took on a life of its own. It was no longer just a project, it also became a business project for me. My company's credit application was approximately 35 years old. So, I decided to apply what I was learn-

ing in class and revise our credit application.

I sat down and thought about all of the different types of negative and costly experiences I had encountered in my credit and collection profession and made a list. I then narrowed the list down to the ones that seemed to keep recurring. I then constructed clauses within our credit application that would help prevent future costly issues.

The following wording has been most used to date. It reads, "The terms and conditions of this application shall, upon extension of credit by the company, constitute an agreement of sale and cannot be changed or modified by any employee other than the President or Corporate Credit manager."

I recently had an account go legal and to trial. The above clause, along with other aspects of our revised credit application, helped win our case.

This particular account had been a long time customer of ours. Approximately 10 months ago, I noticed a slowing trend. I called the customer. She wasn't available so I left her a message to return my call. She didn't return my call. However, I received payment in the mail 2 days later. This same case scenario happened time and time again. Then I stopped receiving payments after my phone calls. Due to the fact that this customer had been a long time good customer, I called her one last time to let her know I would have to pursue the account further

if I did not receive payment. This time I received a call from one of her employees stating that he had purchased the business and that he would be in to pay me as soon as possible. I explained to him that due to the fact that he was the new owner, he would have to complete a new credit application and request a credit line with us. I then proceeded to contact the original owner and signer of the account. Again she did not respond, but I received a partial payment of 5,000.00, which was brought into me by her employee. The check was drawn on the original owner's bank account. This was the last contact I had with any individual with this account. I then proceeded to go legal. I filed the case and served the original owner and signer of the credit application and personal guarantee.

We showed up at court, and, while we were waiting for our case to be heard, I spoke with the owner of the account. Her defense was that we had served the wrong party. Her employee or partner (the new owner) had been the sole owner for the last 6 months prior to this case.

Our case was called and the Judge asked us to give our sides. I explained to the Judge that the defendant was not disputing the amount of the claim, but the ownership of the account. She felt we had sued the wrong individual.

I presented the Judge with a brief history of the account and that she felt she no longer owed the debt. I then proceeded to explain that if she had spoken to me sooner, the account would have been closed and her partner would have had to reapply for credit as the new owner. I

# Collections & Negotiations Seminar!

then pointed out the fact that she had not listed him as a partner on the original credit application. I also pointed out the clause in our credit application that stated the account could only be modified or changed by the President of the company or me.

The Judge then asked the defendant if she had been receiving my phone calls and why hadn't she returned my calls. She stated that she had spoken with our sales representative and explained the situation to him.

The Judge then made his ruling. He stated that he found that we had proven our case and that I had her dead to rights (these were his exact words). She was ordered to pay the claim along with the court fees.

This customer came into my office two weeks later, apologized, and paid the account in full along with the court fees.

The credit application, if properly constructed, can be one of the most powerful tools for a credit professional. We need all the help we can get when an account goes bad.

NACM and ICEL are very active in helping credit professionals become more knowledgeable and effective within the credit profession. They offer classes and scholarships, all you have to do is sign up.

## **BARRY J ELMS** **AMERICA'S #1 CREDIT COACH** **MARCH 22ND, RED LION HOTEL**



### *Two Dynamic Sessions...*

#### **Morning Session: Advanced Collections & Negotiations Skills**

- How to use a 5 point negotiations formula to control the outcome of ALL collection interactions
- The 4 keys to creating equal value solutions to complex credit and collection negotiations including a live collections negotiations case study.
- Understanding the 7 rules for effective credit & collections negotiations.

#### **Afternoon Session: Dealing With Troubled Companies**

- Why companies fail and how to spot the signs of a company in trouble before it is too late.
- Understanding the facts of life about Chapter 7, 11, & 13 bankruptcy, including how to get paid even in a Chapter 7 liquidation filing.
- How to use 6 negotiation strategies to deal with customers with severe financial difficulties.

Barry's entertaining and inspiring material is appreciated by a portfolio of clients that include, General Motors, Ford Motor Credit, American Express, Verizon, Dell Computers, Shell Oil, The Federal Reserve, and many other leading organizations.

During a speaking career of over 20 years, Barry has given over 2000 presentations worldwide. His energetic style and dynamic message will keep you on the edge of your seat.

### *MEMBER TESTIMONIALS...*



"Barry Elms is what I like to call a "veteran" speaker. He thoroughly knows his subject and his audience. You can always expect to learn from him, because he always delivers. His presentation style is fluid and professional, interjected with humor and great stories. I have been to his seminars at our Association, NACM Credit Congress, Western Regional Credit Conference and Broadcast Credit Cable Association Conference. He is truly one of the best!"

Tammi Russell, CCE, Credit Manager



"Every effort should be made to attend! I had the privilege of attending one of Barry's seminars at Western Region. He is very captivating and gets his message across. He definitely keeps your interest. Don't miss this special opportunity!"

Barbara Mackay, Intermountain Concrete Specialties

**Registration:**  
8 - 8:30 a.m.  
**Morning Session**  
8:30 - 12 noon  
**Afternoon Session**  
1 - 4 p.m.

To Register: Give Georgette a call at 487-8781, ext. 116 or email [GBevan@nacmint.com](mailto:GBevan@nacmint.com)

# Spring Banquet 2007 Viva Las Vegas!

## 2007 NACM Spring Banquet Friday, April 20

Gardner Village, The Gathering Place  
1100 West 7800 South, West Jordan, UT  
Dress: "Glitz & Glam"

**\$500 Grand Prize  
Drawing**



Price: \$50/Person

6-6:30: Annual Stockholders' Meeting-All members invited

6-6:45: Social Period With Cash Bar

7:15-8:00: Superb Dinner, Prime Rib or Chicken

8:00 - 9:30: Installation of Officers & Directors, Awards Presentation,  
Credit Executive of the Year and DOOR PRIZE DRAWING

**NEW**

**"Wheel Of Fortune!"**



**\$500 Winner 2006  
Whitney Davidson**



**Approx. 85% Chance Of Winning A Prize!  
First Time Attendee Cash Drawing!**

SIGN US UP! Give Georgette a call at 487-8781, ext. 116 or email [GBevan@nacmint.com](mailto:GBevan@nacmint.com)

# Code

Black : Industry Credit Groups

Red: Other events

# March, 2007

## Looking Ahead:

March 22nd: NACM Credit & Collections Full Day Seminar, BARRY J. ELMS  
 April 6: Mechanics Lien Seminar, Dana Farmer, NACM Training Office  
 April 20: 2007 NACM Spring Banquet, "Viva Las Vegas" Gardner Village  
 May 2, 9, 16: Credit Boot Camp, NACM Training Office, a.m. sessions

Sat./Sun.	Monday	Tuesday	Wednesday	Thursday	Friday
				1 Hardware & Lumber	2 Steel & Welders
3/4	5	6	7	8 ICEL BOSSES LUNCHEON RED LION HOTEL National Railroad & Related Products	9 Concrete, Paving, Excavating & Waterworks National Railroad & Related Products
10/11	12 Fine Paper	13 Food & Restaurant Regional Contractors WPMA-AM	14 Contractors at NACM	15 Electrical Industrial Supply Roofers/Siding Wholesale Florists	16 Diesel Engines Ogden Contractors Southern Utah Contractors
17/18	19 Masonry & Landscaping	20 Printers of Utah Heating & Plumbing Floor Covering	21 Advertisers, Media Ut. County Contr. Automotive & Truck Suppliers Intermtn Metals Nat'l Dist. Credit Pro	22 Waste Haulers  BARRY J. ELMS FULL DAY SEMINAR	23
24/25 31	26	27 Equipment Dealers	28 General Services	29 General Contractors	30

### Welcome New Members

**Supreme Automotive #5597**  
 1032 West 2610 South  
 Salt Lake City, UT 84119  
 Industry: Auto Parts Warehouse  
 Rep: Bill Affleck

**The Village Bank #5598**  
 294 East Tabernacle  
 St. George, UT 84770  
 Industry: Bank  
 Rep: Kris Kent

**Burningham Enterprises Inc. #5599**  
 95 North 200 East  
 American Fork, UT 84008  
 Industry: Transportation  
 Rep: Jeff Burningham

**Alpine Innovations #5600**  
 275 North 950 East  
 American Fork, UT 84043  
 Industry: Mfg. Promotional Products  
 Rep: Neil W. Peay

### Member Changes

Company and Rep. Change/or addition  
 Semi Services, #2188  
 Vic Gengler  
 Interstate Barricades, #4722  
 Heidi Wallace  
 Chanshare Farms, #5240  
 James Roberts  
 Press Media Corporation, #5400  
 Sheree Hodgson  
 Salt Lake Magazine Co., #5417  
 Martha King  
 Wasatch Supply & Barrel, #5481  
 Karma Newberry  
 Monster Door Inc., #5576  
 Brad Coleman

**ICEL Luncheon**  
**Thursday, March 8**  
**Red Lion Hotel**  
**11:45 a.m. - 1:15 p.m.**  
**Bosses Luncheon**

**Building A High  
Performance Team**

Speaker: Dennis Green  
Special National Speaker  
*Dennis gives a practical  
approach to focusing on the  
right leadership attributes/  
activities to obtain that higher  
level of performance.*

Dennis Green is a 25-year business professional. He has effectively guided teams to the top of peak performance in a multitude of business cultures and industries across the U.S. His strengths are leadership effectiveness, relationships, team building, organizational wellness, and strategic planning.

He is a professional facilitator and executive coach. His talent is his ability to observe any situation and find realistic solutions.

Dennis teaches that businesses can no longer rest on the plateau of past performance.

Companies must develop teams that are prepared to climb higher, explore new summits, and perform at peak efficiency every day.

*“Dennis Green is great! He’s a rare find of experience, energy, and passion. Dennis’ teaching and sharing style is so hands on that everyone in the organization gets involved. If you want to take your organization to new places, then put Dennis to work—he’ll help you get the results you want!”*

*David Patrick, Financial Advisor*

Cost: \$13.50  
For reservations contact  
Georgette Bevan at 487-8781, ext. 116  
email: GBevan @nacmint.com

## **NACM BCS Board of Directors, 2006-2007**

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