

The Business Credit Pro

NACM Houston



National Association of Credit Management

Today's Resource for the Busy Credit Professional

SUPER DAYS

November 22-23, 2005

Sarbanes Oxley and the Credit Department

After headlines of corporate fraud became a very common sight, the U.S. Congress passed legislation requiring companies to be more accurate with their financial disclosures and reporting. Before you and your company become a headline, come and learn how to protect yourself. Rachel Stanford, an Associate with Cokinios, Bosien & Young, will present how Sarbanes Oxley affects the credit department.

Please feel free to invite other people from your company to attend this part of the Super Days event, even if you are not in a Super Days Industry Credit Group. The cost is \$24 per person for the event, \$27 for walk-ins.

Please sign up at www.nacmsouthtexas.org/login.asp to come to the event.

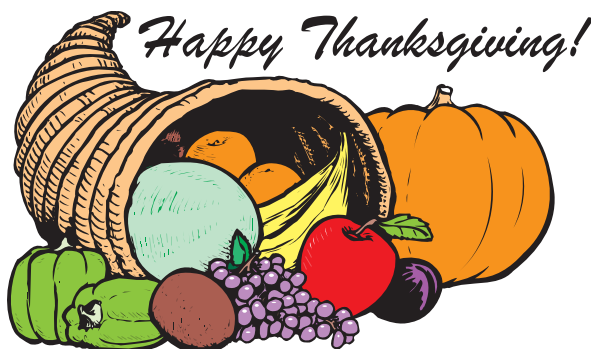
Time: 11:30am-12:30pm

Industry Credit Group meetings will follow the presentation.

Lunch will be a Tur-duc-hen!

If you have any questions or comments, please contact Pam Brennan at 281-228-6100 ext 1318.

NACM Houston • 10887 Wilcrest Dr. • Houston, TX 77099



Save the Date!

NACM HOUSTON'S

HOLIDAY
Gala

Friday, December 2, 2005

- 2 September Olympians
- 2 Olympian of the Quarter
- 2 NACM-National November Events
- 2 October CMI Results
- 3 2005 Legislative Conference
- 3 Flash Poll Results
- 4 What's Coming Up???
- 5 The Classic Five-Step Turnaround Process

..... **NOVEMBER 2005** **INSIDE** preview

- 6 November YCER: The Basics of Arbitration & Litigation
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- 8 Super Days and November Calendars

NACM Houston



National Association of Credit Management

**Your Business Credit Trade Association
dedicated to improving the performance
of today's business credit community.**

Directory

NACM Houston

10887 Wilcrest
P.O. Box 721348
Houston, TX 77272-1348
www.nacmsouthtexas.org

Main Phone Number 281.228.6100
Toll Free 866.252.NACM
Main Fax 281.228.6122
Industry Credit Groups Fax 281.228.6123

Staff Extensions

Accounting

Controller, Bernard Forde 1450

Administration

President, Kathleen Quill, CAE, CBA 1400
Vice President, Michele Hamby 1360
Executive Assistant, Rosie Prosser 1405

Education

Education Manager 1410

Industry Credit Groups

Nat'l Group Rep, Deana Gardner 1300
Local Groups Rep, Pam Brennan 1318

Membership

Membership Marketing Specialist, Gretchen Neel 1317

Legislative Issues

President, Kathleen Quill, CAE, CBA 1400

NACM Houston Business Credit Services

Main Phone Number 281.228.6100
Adjustments & Workouts 281.228.6100
Collections 281.228.6161
Credit Reports 281.228.6150
Toll Free 866.252.NACM
Remote Access 281.228.6142
Credit Reporting Fax 281.228.6121
Collections Fax 281.228.6122

Staff Extensions

Out-of-Court Workouts & Int'l Government Affairs

Manager, Robert H. Davis 1370

Collections & Investigations

Manager, Jim Vogt 1430

Credit Interchange

Credit Interchange Manager, Steve Kruschke 1480
Interchange Supervisor, Wanda Love 1341
Special Reports, Deidre Henry 1350

**Both NACM-Houston and
NACM Business Credit Services exist
for and because of you. Any questions or
specific needs are not just welcome, but
the reason we are here. Please call us.**

2005 LEGISLATIVE CONFERENCE

During the recent NACM Legislative Conference in Washington DC, the NACM Houston members pictured below visited our legislators, representing creditor rights.



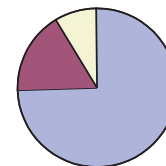
From left to right: **Senette Parker** (National Oilwell Varco), **Ronnie Archer, CCE** (Dunn Enterprises), **Michelle Mayhall, CBA** (Rexel Summers Electrical Supply), **Gary White, CCE** (Waste Management), **Michele Hamby** (NACM Houston), **Dave McMillen, CCE** (Waukesha Pearce Industries), **Kathleen Quill, CAE, CBA** (NACM Houston), **Ryan Flood** (Legislative Representative for Congressman Tom DeLay) and **Linda Bost, CCE** (Wilson Industries).

Flash Poll Results

Statement #1:

Sarbanes-Oxley requires more financial disclosures and reporting.

Answer: True

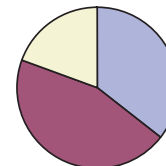


True – 84%
False – 6%
Not Sure – 10%

Statement #2:

Sarbanes-Oxley applies to privately held companies.

Answer: False

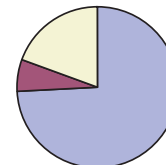


True – 35%
False – 45%
Not Sure – 20%

Statement #3:

Sarbanes-Oxley applies personal liability and penalties to employees like you.

Answer: True



True – 74%
False – 6%
Not Sure – 20%

Date	Event, Presenter	Times
Nov 7	Nationwide Certification (CBA/CBF/CCE) Exam Test Date	
Nov 14	Teleconference: Protecting Your Company's Assets from Fraud, Waste and Abuse <i>Presenter: Gary Weishaar, CFE/NACM Asset Protection Group</i> For more information, please contact the NACM Meetings Dept. at 410.740.5560.	2:00–3:00pm
Nov 16	Changes Created by the Bankruptcy Abuse Prevention & Consumer Protection Act of 2005 <i>Presenter: Brent Wells, Esq./Wells & Henry PC</i> The latest bankruptcy reform initiative took eight years being born, but Congress finally passed comprehensive legislation on April 20, 2005, which became effective October 17. The changes are sweeping and will substantially impact both business and personal bankruptcy cases. Don't miss this opportunity to be fully informed about how the new bankruptcy law will affect you and your business.	11:30am–4:30pm
Nov 17	The Basics of Arbitration & Litigation (YCER) <i>Presenter: John Herberger, Esq./JD Herberger & Associates PC</i>	7:45–9:45am
Nov 18	Credit Boot Camp <i>Presenter: Linda Bost, CCE/Wilson Industries, Inc.</i> A day designed to provide an overview of the trade credit function covering: The Credit Function; The Credit Policy; The Credit Application and Laws Governing Their Creation and Implementation; Role of Credit in Your Organization and As a Part of the Sales Function; Investigating the Credit Worthiness of a Potential Customer; Identifying the Red Flags of Risk; Tools to Reduce Risk; Interaction and Building Relationships with Both Internal and External Customers; Impact of the World Business Market; Accounts Receivable Process; Staying Out of Jail and Tools for Successful Growth in the Credit Profession.	8:30am–4:30pm
Nov 28	Teleconference: Doing Business With a Troubled Company—What Should I Do? <i>Presenter: Bruce Nathan, Esq./Lowenstein Sandler PC</i> For more information, please contact the NACM Meetings Dept. at 410.740.5560.	2:00–3:00pm
Dec 2	Collection Management <i>Presenter: Jim Shreve/FTD Resources</i> Participants who complete this training program should be able to: understand how to set and achieve their collection goals for business accounts; identify the reasons and early warning signs of a delinquency problem; understand how to conduct telephone collection calls, send effective delinquency letters and monitor collection activity; and decide when to use an attorney for collection matters.	8:30am–4:30pm
Dec 5	Teleconference: Letters of Credit <i>Presenter: Madeline Sprague, CTP/Wells Fargo HSBC Trade Bank NA</i> For more information, please contact the NACM Meetings Dept. at 410.740.5560.	2:00–3:00pm
Dec 7	The Perfect Credit Application & The Electronic Credit Department <i>Presenter: Scott Blakeley, Esq./Blakeley & Blakeley LLP</i>	8:30–11:30am
Dec 9	Trading in America <i>Presenter: Frank Reynolds, International Products, Inc.</i> This full-day seminar covers Incoterms for U.S. domestic use. This is important as the Uniform Commercial Code (UCC) terms of shipment and delivery that are used in domestic sales/purchases have been deleted, deemed obsolete. There will need for replacement terms in domestic business, and Incoterms is a logical choice. Domestic use of Incoterms makes another issue that already exists for exports more important: revenue recognition under Sarbanes Oxley. You can't afford to miss this seminar!	8:30am–4:30pm
Dec 16	The Ins & Outs of Factoring (YCER) <i>Presenters: Bob Kinkaid & Alan Atchley</i>	7:45–9:45am

It's so easy to register, just call Gretchen Neel at 281.228.6100 ext. 1317.

Don't hesitate to make your call today!

Scholarships are available! CEU points are awarded for most classes!

NOTE: This is a tentative schedule. Dates, times and presenters on all scheduled events are subject to change. All events, excepting teleconferences, will be held at the NACM Houston Conference Center at 10887 Wilcrest Drive, Houston. www.nacmsouthtexas.org

THE CLASSIC FIVE-STEP TURNAROUND PROCESS

BY ROBERT H. DAVIS

The business lifecycle is one rollercoaster that all companies ride through during the course of their existence. While each company's lifecycle may differ incrementally in terms of its ultimate level of success and distress, or failure, no organization is exempt from experiencing certain degrees of the lifecycle's highs and lows.

Just as gravity pulls the roller coaster toward the ground after reaching its pinnacle, challenges threaten a company's success at some point. A lost contract coupled with product distribution problems may initiate this new phase. However, if an organization does not immediately address looming problems, it will hemorrhage key employees, cash and customers. Revenue sources will dry up, and the once rosy future becomes dim. An overall sense of fear, panic and despondency sets in.

Business decline and failure can be caused by internal or external factors, or a combination of the two, such as excess leverage, management shortcomings, technology changes, loss of market share to name a few. As credit and collection managers, you are usually first in spotting problems that can lead to a bad debt loss and/or write-off attempting to collect

your past-due accounts receivables. NACM's Business Credit Services can assist you in avoiding these issues through its successful and established "alternatives to bankruptcy" programs. Below, please find a summary of the Five Step Turnaround Methods utilized in many cases. We also provide services in ascertaining funding for distressed companies through a variety of methods and lenders.

The Five Step Turnaround Methods are:

- Situation Analysis
- Management Change/Review
- Emergency Action
- Business Restructuring
- Return to Normalcy

Seeking assistance early in the process and first signs of a distressed company can prevent your company from a possible losing scenario. Please feel free to contact us to discuss the details of this article and how we can assist you in the prevention phase of bad debt write-offs and provide your customer an alternative to bankruptcy.

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> **Credit Card Acceptance Program**
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4
Great Programs

1
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YOUNG CREDIT EXECUTIVES ROUNDTABLE

The Basics of Arbitration & Litigation

Presented by John Herberger, Esq., JD Herberger & Associates PC

November 17, 2005

Registration/Networking/Breakfast: 7:45–8:15am

Program: 8:15–9:45am

Cost: \$5 per person

Contact Gretchen Neel at 281-228-6100 ext. 1317, gneel@nacmsouthtexas.org, or fax 281-228-6123 to make your reservation!

To participate in YCER, you should have 5 years or less experience in the industry... if you have more, ask about being a mentor for the group!

The new Young Credit Executives Roundtable is designed to provide up-and-coming credit professionals with a forum for effective and confident decision-making in regards to business credit information, financial analysis and collection practices. Through a series of education and networking forums, attendees will walk away with enhanced knowledge of how to's for credit management, collections finance, personnel performance management, technology and more! Each course will be taught by an industry professional speaker who understands the bottom-line impact on your company and that you must have a strong grip on credit and collections basics.

Member companies may attend one YCER meeting at only \$5 per attendee. Thereafter, the company must have a group membership for \$100 whereby it may send as many representatives as wished to each meeting for \$5 per attendee.

Monthly YCER fees will be billed semi-annually (June and December) unless another payment method is chosen.

Name: _____

Title: _____

Company: _____

Mailing Address: _____

City/State/Zip: _____

Phone #: _____ Fax #: _____

E-mail: _____

Payment **MUST** be received before attending the class.

Payment: Check # _____ Bill My Company* Online Bill Pay
 American Express Visa MasterCard Discover

Credit Card #: _____ Exp. Date: _____

Signature: _____ Date: _____

(*Only available to members who can receive an e-mailed invoice.)

Mail: NACM Houston, Attn: Gretchen Neel, 10887 Wilcrest Drive, Houston, TX 77099

Fax: Attn: Gretchen Neel at 281-228-6123 • **Phone:** 281-228-6100 ext. 1317

Cancellations within 72 hours will be billed. Substitutions always welcome.

DESIGNEE RECEPTION



From left to right: Julie Coppage, CBA; Linda Battle, CCE; Caroline Skipp, CBA; Liz Gonzalez; Candace Cook

From left to right:
Kathi Quill, CAE, CBA;
Debbie Melder, CCE



From left to right: Karen Meldrum; Jay Wald, CCE; Theresia McCollom; Modesty Ryan; Michele Hamby



From left to right: Jay Wald, CCE; Dave McMillen, CCE



From left to right: Jim Clem, CCE; Chrissy Garcia; Jay Wald, CCE



From left to right: Tom Holder; Carol Zingelmann, CCE

Fun Fact of 1906...



The Chicago White Sox defeated the Chicago Cubs in the World Series.

WELCOME NEW MEMBERS!!!

Corus International America Houston
IESI Corporation
Houston Products Processing Corp.
Wilson Fire Equipment

Did you know?

If you submit your company's aging to NACM Houston you won't receive any more trade tickets? We also offer discounts on NACM Houston credit reports for those companies who submit their aging!

www.nacmsouthtexas.org

2005 SUPER TUESDAY & SUPER WEDNESDAY SCHEDULE

2005 Dates Program Topics

Presenters

Menu

Nov. 22 & 23 Sarbanes Oxley & the Credit Department Craig Power/Cokinos, Bosien & Young

Tur-Duc-Hen

Dec. 20 & 21 Collections Jeopardy

NACM Emcee

Grilled Spiced London Broil

Make your reservations now!

Online: www.nacmsouthtexas.org

Fax: 281.228.6120

Phone: 281.228.6100

Come try our menu! New caterers for 2005:

Logan Farms Honey Baked Hams (Kirby & Rice Location)

Mama Ninfas

Lasagna House

Bailey Connor Catering

NOVEMBER

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1 6:00pm: Business Law 6:00pm: FSAI	2 NAEC Meeting	3	4	5
6 9:00am: Designee Exams	7 11:30am: BLMT	8 11:30am: HEC 6:00pm: Business Law 6:00pm: FSAI	9 11:30am: ADME	10	11	12
13 2:00pm: Teleconf.—Protecting your company's assets from fraud, waste and abuse 5:45pm: Executive Committee meeting	14 5:45pm: Board Meeting	15 11:30am: Changes created by the BAPCPA of 2005 6:00pm: FSAI	16 7:45am: YCER 8:30am: HRIS 11:30am: STLM	17 8:30am: Credit Boot Camp	18	19
20	21 11:30am: BLMT 11:30am: ELEC 11:30am: HAC	22 11:30am: CONT 11:30am: INDS 11:30am: INTL 11:30am: OFSS 6:00pm: Business Law 6:00pm: FSAI	23 Thanksgiving	24 NACM Houston closed	25	26
27 2:00pm: Teleconf.—Doing Business with a Troubled Company: What Should I Do?	28 11:30am: PLUM	29	30	31		