



DeLinda Goodman, CCE

Membership: It's All About You!

Having the opportunity to serve as your CFDD National Vice Chairman of Publicity and Membership Services is an honor that I do not take lightly. I want to express my thanks and appreciation to you, the members, for granting me this chance to step into this leadership position with the CFDD organization. I am excited to serve and to see how, together, we can all grow the membership of CFDD.

Over the many years I have been a member of CFDD, I have learned so much from so many, and I see this as an opportunity to "give back" in an effort to repay in some small way what I have been given.

In these times where everything seems to move at the speed of light, it is important for us to continue to be able to change and adjust to meet the ever-changing needs of our members. We must constantly be looking for new ways to add value for all of our members and plan for our future.

That's where you come in. Your CFDD National Board would love to hear your suggestions and creative ideas on how we can grow and retain our members. The opportunity to share and exchange ideas is so critical to our ongoing success. On that note, if you have any ideas, I ask that you contact either myself or any other of the CFDD National

Board members and share them. We'd love to hear from you!

Although Hurricane Florence led to the rescheduling of our conference that was planned for September, I am looking forward to the CFDD National Conference in lovely Charlotte, North Carolina, on Nov. 27 and 28. Please be sure to register to attend (you now have a second chance!) as this will be a great opportunity to hear experienced speakers share their knowledge regarding several pertinent topics related to the credit field.

I am very excited about some plans we are currently evaluating to take CFDD to the next level. Stay tuned for more information coming soon.

DeLinda Goodman, CCE, is the CFDD National Vice Chairman of Publicity and Membership Services and a member of the Louisville Chapter. Chair of the CFDD Portland Chapter.



Members: \$475

Non-members: \$550

See page 3 for information.

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DATES TO REMEMBER	
2018	
Nov. 4	Special CFDD Conference room rate ends
Nov. 5	CBA, CBF, CCE Exams
Nov. 27-28	CFDD National Conference, Charlotte, NC
Dec. 7	Special Credit Congress Registration rate ends
2019	
Jan. 18	Application deadline for the March 4 nationwide professional designation exams
Feb. 22	Early Bird Credit Congress Registration rate ends
Mar. 15	CFDD Scholarship Application Deadline
Mar. 15	CFDD National Award Nomination Deadline

CFDD
newsletter

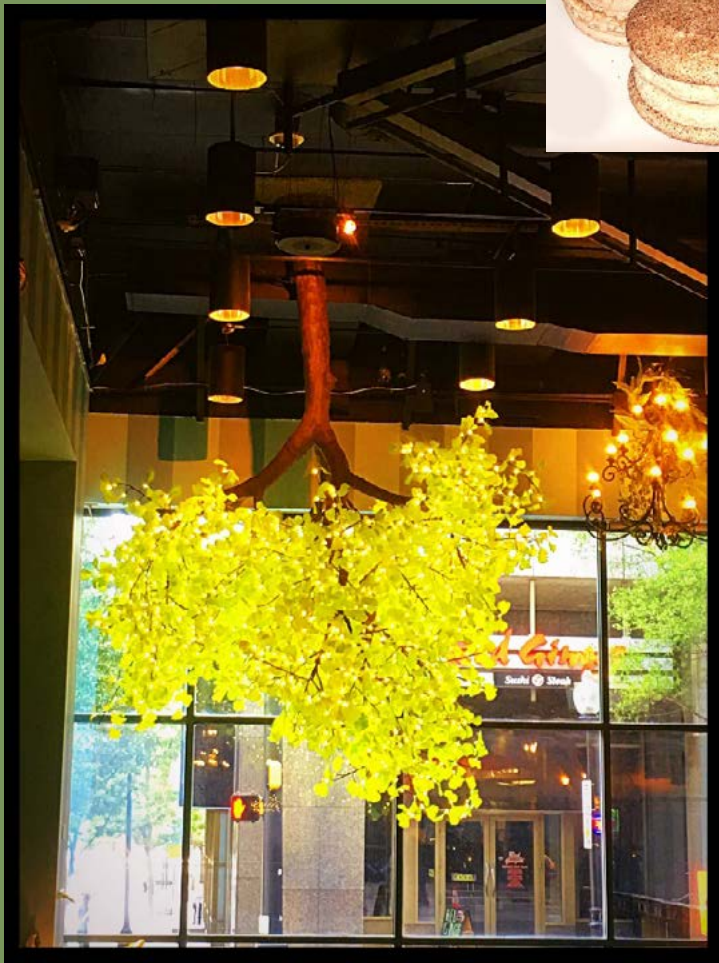
september **october** 2018
The Official Publication of the NACM
Credit and Financial Development Division





While you are downtown check out **Amélie's French Bakery Uptown**.

Lucky for those not venturing downtown there is an **Amélie's** right down the road from the hotel in Park Road Shopping Center.



As you are getting off your flight I recommend taking a moment to enjoy the rocking chairs placed around the main terminal.

Is beer more your speed? You are in luck! Charlotte is home to numerous craft breweries. One of the closest craft breweries to the hotel is **Sugar Creek Brewing Company**.

So, we have covered the view, food, sweets and drinks. What is left? **SHOPPING!**

The hotel is right next door to SouthPark mall. This mall has it all. From an Apple store to Burberry to Crate & Barrel to Nordstrom. And there are restaurants... more food.



If you arrive on Sunday, go check out downtown Charlotte.

One of the best places to get a great view is from the balcony at **Fahrenheit**. Go for a drink. The view is worth it. And the Lobster Ravioli is incredible.



CFDD

NATIONAL CONFERENCE

**A Second
Chance to
Register**

November 27-28, 2018 • Doubletree Suites Charlotte Southpark • Charlotte, NC

Registration

Member	\$475
Non-Member	\$550
Additional Wednesday Dinner Ticket	\$69

Hotel

DoubleTree Suites by Hilton—
Charlotte-SouthPark
6300 Morrison Blvd., Charlotte, NC 28211

The special conference room rate is \$167 a night for single/double occupancy. The hotel deadline is **Nov. 4, 2018**, based upon availability.

Please call 1-800-HILTONS, and request the group code CFD for the 2018 CFDD National Conference. Or, to make reservations online, please visit [here](#).

Please join us in Charlotte for networking, news and these valuable sessions

- Making a Confident Credit Decision
- It's not about you, it's about your audience. What audiences want from you in presentations.
- Trade Creditor Beware: Lessons Learned from Toys 'R' Us and Sports Authority
- Credit Applications: Goldilocks (Too much, too little, just right?)
- Best Practices Roundtable
- When Customers Don't Pay in Full. Are we really reading the story our customer is delivering?

Hurricane Florence forced CFDD to postpone its national conference until November as our thoughts turned to those preparing to face the storm and our concern centered on the safety of those traveling to Charlotte.

CFDD members will have the chance to reunite in Charlotte on Nov. 27 and 28. The CFDD Board of Directors will host its annual meeting with Chapter Board Leadership on Monday, Nov. 26 at 3pm. The CFDD National Board will hold its meeting immediately after the Chapter Leadership meeting on Monday.

If the November date is more convenient to those who did not register for or were unable to attend the September conference, we will extend a warm CFDD welcome to you in Charlotte!



Andrew Michaels

Conquering Cyber-Readiness in Credit

When someone breaks into a house, the homeowner is likely to take preventative measures to improve security, whether it's installing heavy-duty locks, alarms or cameras. The same can be said for financial institutions (FIs) when cybercriminals breach a company's network and steal or leak confidential information. The latest and greatest cybersecurity programs aren't necessarily a company's most valuable asset, but rather, it's their knowledge and understanding that will better protect them in the long run.

Last year, data analytics company FICO Decisions collaborated with independent research company Ovum to survey security and IT employees across five industries in the U.S. and other countries, including financial services, health care, power and utilities,

the same, the remaining 5% of retail and eCommerce respondents anticipate a decline.

What surprised analysts was how the number of cyberattacks actually declined in the prior year in the U.S. In 2016, 61% of respondents said there was an increase in cyberattacks, yet only 33% said the same in 2017. However, this good news doesn't account for companies' current level of preparedness—only 31% of companies say they understand the risks at hand.

“While U.S. organizations are realistic about overall levels of risk and expect it to increase, they are not so realistic about their own cyber-readiness,” the study states. “With attacks expected to increase in volume, breach risk is more important than ever before. Organizations must take the opportunity to objectively understand their likelihood of suffering a breach so they can take the necessary steps to transfer or mitigate risk.”

Too few U.S. companies (28%) never update their risk assessment procedures, with 3% conducting no assessments whatsoever. The survey indicates companies are “overly optimistic” regarding cyber-readiness.

In addition to employee training, some companies are engaging another preventative practice known as penetration testing, which involves third-party testers attempting to expose cyber vulnerabilities in companies through test hacks. During a 10-month period that ended in June, cybersecurity software firm Rapid7 conducted simulated cyberattacks on nearly 270 corporations for its Under the Hoodie 2018 report. The tests concluded the finance sector, for example, was more defensive against external threats, like websites and phishing, as opposed to



retail, and eCommerce and telecommunications. A startling revelation came from the financial services, retail and eCommerce industries, where 80% of respondents in the U.S.—63% around the world—believe cyberthreats and data breaches will rise over the next year. Few U.S. respondents in financial services (20%) and retail and eCommerce (15%) said levels will stay

internal threats, like connections and WiFi. About 61% of the tests resulted in no threat detection on behalf of the company.

"These results imply that if the penetration tester is not detected within a day, it's unlikely the malicious activity will be detected at all," Rapid7 analysts said in the report.

At Wagner Equipment Co. in Albuquerque, New Mexico, Customer Account Representative Roberta Ortiz-Montoya said the company's IT department stays on top of any potential cyberthreats.

"We here in the credit department get emails from the IT department when there is a scam of some sort," said Ortiz-Montoya, a member of the Albuquerque CFDD Chapter. "[We're told] not to open any emails [when] we don't know where they are coming from."

CFDD Louisville Chapter Member and Western Regional Credit Manager Lynn Kendrick, CBA, of Wayne Supply & Walker Machinery, said not only do they refrain from opening sketchy emails, but they are also in the process of implementing a three-digit verification code on credit cards.

Managing employee credentials, such as implementing administrative credentials to complete specific actions, and encouraging a "see something, say something" policy can help mitigate cyberthreats, Rapid7 noted. Time-driven account locks and two-factor authentications aren't as bulletproof on their own, but these strategies can be effective when utilized with other precautions.

Andrew Michaels, NACM editorial associate

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Yvonne Prinslow, CCE

CFDD & NACM: Supporting Both Organizations

Having served on both my local NACM Affiliate Board and my CFDD Chapter Board, you might think I would have a unique perspective on both organizations, but actually there are quite a few CFDD Portland Chapter members, past and current, who have served on both boards. We have an especially wonderful relationship here in the Pacific Northwest between the CFDD Portland Chapter and our local NACM Affiliate—NACM Commercial Services. We support each other. Our local Affiliate handles the Portland Chapter's billing and sends out our monthly newsletter. Five of their staff are members of CFDD, and we have an NACM liaison at all our monthly

education meetings. When we hold a credit retreat, we work with NACM so there is no scheduling conflict with our retreat. We also have CFDD members on the NACM Commercial Services Board and the NACM NW Foundation Board.

NACM provides services, such as credit reports, collections, industry groups, education and professional designations. CFDD encourages professional development, offering programs for continuing education and certification, scholarships, conferences, retreats and networking. CFDD membership is loaded with benefits and helps credit professionals meet day-to-day challenges. NACM and CFDD have synergy. Through cooperation, they produce a combined effect greater than the sum of their separate parts.

I'm so thankful to be a part of an NACM Affiliate and CFDD chapter that work together. We really do have common goals. The more you grow in your credit career through professional development, the more you understand and appreciate the services NACM offers you and your employer.

By supporting each other, both organizations are able to thrive. I think this is one of the reasons NACM Commercial Services and the CFDD Portland Chapter are some of the largest groups in the nation.

We are Better Together!

Yvonne Prinslow, CCE, is the Assistant Credit Manager, Hampton Lumber in Portland, Oregon. Yvonne currently serves as an Area Director on the CFDD National Board of Directors as the liaison to the chapters in Portland and Evansville. Yvonne is Membership Committee Chair of the CFDD Portland Chapter.

CFDD's 2019 National Conference *in partnership with* The NACM Western Region Credit Conference

Save the dates!
We're going to Portland in 2019!



October 23-25, 2019 ▶ Portland, OR ▶ Sheraton Airport in Portland



Chris Birdwell

Approaching Succession

In the near future, I am going to be facing a major shift that is totally foreign to me, but for many reading this, it is not uncommon. The mere fact that I have the third-least tenure in my department and will be recognized in December for 20 years of service says it all. Between the four of us that staff Pioneer's Credit Strategies Team, we have a combined 87 years of tenure! As the saying goes, "A change is coming." It is no secret that Baby Boomers like me tend to struggle with the Millennial generation and their unique work habits. Based on stories and classes, I am convinced my days of minimal oversight are drawing to a close. However, by the same token, I am somewhat eager to equip and pay forward to a new generation of aspiring credit professionals.

As I was soaking in the education and enjoying the networking at this year's Credit Congress, I started to take note of the attendees' ages. Given I had been absent from Credit Congress for over a decade, I expected there to be many more young credit professionals in their late 20s to early 30s in attendance. Instead, one presenter shared that most credit managers are over 50 with an anticipated third able to retire by 2022. The good news is that forging a career in credit is so rewarding that many Boomers are staying on past retirement age. When talking to peers, I found they rarely, if ever, dread going to the office. So if this is a common inner feeling, why is there not a noticeable infusion of youth?

The fact is each and every credit professional has taken their own individualistic path that was devoid of a college degree in credit management. Over the last 20 years, society has dictated more and more the need to

obtain an undergraduate degree in order to compete and thrive. Given graduating college students are not aware of our amazing profession and this is highly regarded as the new workforce path, it would seem this lack of awareness is a major factor.

Upon returning from Credit Congress, I was able to sit down with the provost of Wichita State University. He was extremely intrigued and somewhat stunned the credit management profession even existed. Given WSU is known for innovation, he quickly understood how partnering with NACM and further equipping graduating business, accounting and finance seniors with a CBA or CCRA certification would offer a defined career path and competitive advantage upon graduating.

The new generation is accustomed and tends to be attracted to educational opportunities. With this strength of the new generation, it would only make sense these young professionals would seek to establish their personal roadmap and strive to achieve greater certifications with the guidance of NACM and local CFDD chapters. Who knows, when it comes time for me to fill an open position, I may receive a resume from a newly graduating student with Principles of Business Credit training and a CBA certification to prove it.

Chris Birdwell is the Credit Strategies Manager at Pioneer Balloon Company in Wichita, Kansas. He serves as Area Director for the Kansas City and Wichita Chapters and is a member of the Wichita Chapter.

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Whether sitting on a plane, waiting in a reception room or relaxing at home, the new, **FREE Business Credit** app makes keeping up to date with the latest news about commercial credit a breeze.

The Business Credit app is available to everyone at your membership location. Stay informed with all of NACM's and FCIB's editorial content in one place. That's *Business Credit* magazine, *eNews*, FCIB's Week in Review, NACM's blog and the daily *Strategic Global Intelligence Briefs* by NACM Economist Chris Kuehl, Ph.D., all right there at your fingertips!

Download the app today so you can start enjoying free access to all of NACM's content right away. Android users can get it on Google Play, while those with Apple products can download it from the App Store.

Download the **presentation** from the **Members Only** area.

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Michael Miller

Life After Debt

"A sale is not a sale until the debt is paid."

This cliché couldn't be closer to the truth especially in the credit industry. This was the main takeaway in NACM's recent Life After Debt webinar presented by D'Ann Johnson, CCE, credit manager with Roofers Supply Inc., in Utah. The webinar focused on a credit manager's life before, during and after the "sale," or when their customer becomes indebted to them.

Filling out a credit application is usually the first step after most sale inquiries begin. "The best defense is having a great credit application," said Johnson, referring to potential legal action down the line.

This initial form is a great way to gather as much information as possible about the potential customer and sale. It must require a signature by the appropriate parties and include a clause for legal action, should the contract go that far. "I'm surprised how many credit applications don't have a legal and collection fees clause," noted Johnson. This insert allows the creditor to select the venue and the state laws that will govern any legal actions.

Another item to consider for credit applications is protection against purchase order override, which does exactly what it says:

makes the credit application the law of the land and doesn't get creditors involved in a battle of the forms. It is important to remember a credit application is a legally, binding contract, so "do not allow terms and conditions to be changed without discussion or negotiation," cautioned Johnson.

Don't have a credit application? All is not lost.

Boilerplate language on an invoice can also cover terms and conditions for creditors. The invoice should also be signed, and Johnson said it is important to have the signer print their name clearly. The sale of goods under the Uniform Commercial Code (UCC) is also a protection mechanism for creditors waiting for payment after the sale. Under Article 2 of the UCC, "an action for breach of any contract for sale must be commenced within four years after the right of action has accrued ..."

Johnson also discussed verbal contracts and implied contracts. Implied contracts would need to show a history of customers purchasing and paying in the normal course of business. Unfortunately, with the good comes the bad, which is what this webinar zeroed in on—making sure the credit department and company get paid after the sale.

As a creditor, it is important to know why you haven't been paid. Among the reasons given are not receiving the invoice or product, receiving the wrong product or having a pricing error. Customers are reluctant to bring the reasons to the credit department's attention, so they just don't send payment. It is up to the creditor to make first contact with the nonpaying customer.

The first step is to establish a line of communication and try not to play phone or email tag. Emails and text messages will show a better history (time stamp), so it's vital to keep a log of all phone calls. Also, make sure emails and texts are saved and not automatically deleted or trashed. The reason to build communication is to find out why the customer is not paying. If it's not a simple oversight or a quick fix, further steps can be taken to help move payment from the customer to the credit department.

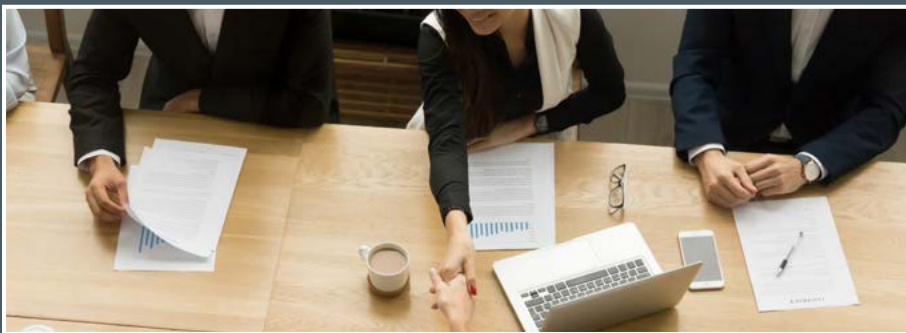
Five- and 10-day demand letters are another effective tool for creditors waiting for payment. Make sure the letter can be tracked using certified mail or another carrier service. Johnson said she'll typically send a demand letter after 60 days. Other options to spark payment are the intent to pursue small claims if the balance of the account isn't paid by a specified date or using 1099Cs to report the unpaid debt as customer income.

You never know what will be the hot button to get the customer to pay the debt, so working any angle may be to your benefit. Sending a demand letter, while simple, can be enough to scare the customer into payment and avoid the courtroom. Using statutory requirements, such as lien and bond claims in the construction industry, are another way to become secured; however, "all collection activities start with a great credit application," said Johnson.

Michael Miller, NACM managing editor

Check Out This CFDD National Educational Program

Perfect for a Chapter Presentation Topic



Business Etiquette

You only get one chance to make a first impression. By implementing the business etiquette tips provided in this program, you will learn how to put your best foot forward by the way you dress, how you communicate and the manner in which you conduct yourself in business social settings. International business etiquette is also discussed in this program available for CFDD meetings.

Download the [presentation](#) from the [Members Only](#) area.



Brenda Weaver, CCE

I would like to say that CFDD has furnished me personally with many great friends, memories to last a lifetime and a growing experience that cannot be matched by anything. It has provided me with mentors galore and education that cannot be surpassed by anything you get out of a book. I know that Alabama is known for their national championship football team. So, "ROLL TIDE" and for my Auburn friends, "WAR EAGLE."

Brenda Weaver, CCE, Credit Manager at Kirkpatrick Concrete, Inc. in Birmingham, Alabama, and President of the Birmingham Chapter.

What CFDD Means to Me



Sam Harrison

I was introduced to CFDD back in 2006 by a colleague who was in a trade group where I was a member. After a few months of urging me to attend, I finally relented and attended my first CFDD meeting. I went in with open ears and no expectations. I was pleasantly surprised by how different it was from the trade group I had attended for years. The meeting atmosphere was intimate, genuine and encouraged networking. That was 12 years ago, and I have been a member ever since.

There are numerous benefits of joining CFDD. I cannot list them all, but I will touch on three:

- **Networking:** In both the Raleigh/Durham and Charlotte Chapters, there are members who have worked together at different companies. When someone was looking for a new position, all they had to do was inform the group. In many cases, positions were found and filled before being offered to the general public. This has occurred on many occasions. The

other part of networking is the roundtable discussions we have twice a year. The information shared in those sessions is invaluable.

- **Charitable Contributions:** A few years ago, the Raleigh Chapter decided to try something different to raise money to donate during the holiday season. We sponsored a golf tournament and raised over \$7,000 that we donated to five different organizations. The best part was working together toward one common goal and having fun while doing it.
- **Education:** We have many professional speakers at the monthly meetings. My favorite this year was presented by the North Carolina attorney general's office. The topic was identity theft and how to protect your company and your personal information. When our chapter was targeted by a SCAM earlier this year, we knew exactly what to do. I also shared this information with family and friends. Both chapters encourage education. We support and push each other toward obtaining our certifications by forming study groups and attending seminars and conferences.

Sam Harrison, Credit Manager for the Carolina Container Company in Highpoint, North Carolina, Area Director for the Raleigh/Durham and Charlotte Chapters and member of the Raleigh Chapter.

Recent Chapter Program Topics

Elevating the Credit Profession Through Knowledge

Title	Program	Speaker	Chapter
Initiate Your Happiness at Work and in Life	The way you think can directly impact your happiness at work and in life. Did you know that you can train your brain toward the positive by doing specific activities? Research shows that when employees are happy, business outcomes, professional relationships and productivity are improved. Happy people are more productive, healthier and have more positive social interaction. There are things you can do every day to improve the quality of your life, your happiness at work and your happiness in life. The presentation focused on themes such as teamwork, communication, positive thinking, meditation and random acts of kindness as ways to improve your happiness.	HR Manager	Minneapolis/St. Paul
Liens: A Collection Tool With Teeth	Discussing liens in general, as well as specifically the use of mechanic's liens in construction projects and judgment liens.	Attorney	Minneapolis/St. Paul
Sales Tax Tips & Tricks	This program will outline the standards and procedures required for sales tax rules and regulations. It includes a brief history, some requirements on exemption certifications and information on taxing by location. For credit professionals that need to understand billing and proper customer file management, this is a perfect addition to their toolbox.	CPA	Portland
Credit Applications	Initial Considerations: <ul style="list-style-type: none"> • Length: Lawyers would have a book, sales wants one page—credit manager is referee • What terms and conditions are critical in your industry? • What terms and conditions are important to your specific business? • What terms and conditions do the lawyers think are critical? • How do you link your documents (application, invoice, statement)? • Is your business in a single state or multiple states? • Do you use trade names? • What are “red flag” issues and how do you deal with those? • Signatures: Electronic, wet ink • Guarantors: Who, why? • Credit Analysis: What is the purpose of the information you will gather? • How much analysis will you do? Credit Application (first page) Information: <ul style="list-style-type: none"> • Date of contract, legal name, legal status, federal tax ID, how long in operation, license number, if any, invoice address, shipping address, principals information, references, Fair Credit Reporting Act disclosure statement • Are purchase orders required? • Who is authorized to order on account? • How much does customer anticipate ordering per month? • Has either the entity or any principal filed bankruptcy? • Where do signatures go? Why initial other pages? 	Attorney	Raleigh/Durham
Credit Roundtable	What would I tell a younger career me? What would you do differently? What is one piece of advice you would give? Constitutional Amendments	Attorney	Raleigh/Durham
State of Washington Legislative Update	Legislative activities in Olympia this past and upcoming session will have direct impact on businesses in the state—primarily in relation to concerns for NACM and CFDD members. Speaker will share his vast knowledge in representing concerns in Olympia and how credit managers can make a difference in the interest of their firms.	Government Affairs Consultant	Tacoma

NACM's Credit Managers' Index

Since its inception, the Credit Managers' Index (CMI) has been a startlingly accurate economic predictor, proving its worth most notably during the recession. The more participants we get, the stronger the CMI will be.



- Earn 0.1 roadmap points each month
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CMI TIMELINE	SURVEY OPENS	SURVEY CLOSES
October	Mon., October 15	Fri., October 19
November	Mon., November 12	Fri., November 16 noon
December	Mon., December 10	Fri., December 14

Read more about the CMI [here](#).

UPCOMING WEBINARS	
October 15	Structuring the Credit Department in a Small to Medium Company
October 16	Doing Business in India
October 18	Doing Business in Turkey
October 24	Effective Demand Letters: Securing Payment & Avoiding Liability
October 25	Leadership Series: Your Personal Brand
November 6-7	Developing an International Credit Policy (2-Part Webinar)
November 27	Credit Risk Models and Solutions
November 29	Leadership Series: Tier Networking: Call-Send-Call

Chapter News

Want to see your chapter highlighted?

Send news about members, meetings, special events and photos to: DeLinda Goodman, CCE
delindaw@juno.com



The **Mission** of the NACM Credit and Financial Development Division is to develop tomorrow's business leaders through core offerings.

Our **Vision** is to be a leading provider of professional development opportunities through learning, coaching, networking and individual enrichment.