

Credit and Financial Development Division



NEWSLETTER

The Official Publication of the NACM Credit and Financial Development Division

September 2003

Letter From...

Carol Fowle, CCE
CFDD National Chairman

For those of you who were unable to attend the Credit Congress in Orlando, I am printing excerpts from my speech as I was installed as your National Chairman at the CFDD Annual Awards and Installation Luncheon.



"I think that it is fair to state that very few children, if any, say that they want to follow a career in credit management when they grow up. I was no different. While in school, I landed my first job as a billing clerk for a wholesale distributor of printing paper. It was just a temporary situation until I completed school, and then I would go out into the great world and apply my newly learned skills in business management. Three short weeks later, the A/R Coordinator resigned. I was asked to move into that position, and so my career in commercial credit management had begun.

Early on, I was introduced to CFDD. My boss was an Area Director on the National Board and was a Past President of the Phoenix Chapter. She saw that I was eager to learn more, and she took me to some meetings when she felt they would be of interest to me.

Well, my career progressed. I was promoted and transferred to the position of Credit Manager in the San Francisco Bay area. I was new to management, and I had much more responsibility than I had ever had before. I had a lot to learn, and I knew I needed help. Because of her involvement in CFDD and attendance at regional conferences, my boss in Phoenix gave me the names of a few contacts in the San Francisco Chapter with whom I could get in touch.

Within the month, I was walking in the door of a CFDD meeting in San Francisco as a prospective member. A long-time member of the chapter took me under her wing and she made it a point to introduce me to many people that evening (she was Finance Chairman and selling raffle tickets for the door prize so I met most of the people in the room). Shortly thereafter, I completed my membership application and joined CFDD. I volunteered to serve on a committee for the regional conference that the chapter was hosting a few months later, and I began to develop relationships with other members of the chapter and from around the country.

That was the beginning of my 23-year membership in CFDD.

Since that time, my connection with CFDD has reaped many rewards for me. First, and foremost, is the education that I have received through the monthly meetings, seminars and regional conferences. Where else could I have received the education on a variety of topics so pertinent to my success? I was exposed to information that I needed on a day-to-day basis as well as subjects that I did not need until much later in my career.

Secondly, I have been able to sharpen my skills over the years by keeping up to date with changing technology, laws and practices. We do not live in a static world and without my connection with CFDD, I would still be doing things as they were taught to me nearly a quarter of a century ago. (I am not fond of the phrase "that's the way we have always done it," and the old way is not always the best or most efficient way of doing business.)

Inside...

- P.1** Letter From
- P.6** National Award Winners 2003
- P.7** Member Viewpoints
- P.8** Reasons For Writing Off Small Deductions
- P.9** Awards & Achievements
- P.10** Program Picks
- P.11** Tracking the Economy Using the NACM Credit Manager's Index

Awards & Installation Luncheon

The third reward is that CFDD has connected me with an abundance of resources upon which I can call when needed. None of us can be expected to be an expert on everything. The networking opportunities within CFDD have introduced me to many experts in a variety of matters. With the knowledge that I have gained by attending meetings and seminars and through conversations with members in my chapter, I am able to find solutions for most situations that I face on any given day.

Lastly, my participation in CFDD has increased my value to my employers. Last year, as I was interviewing for the job I currently have, I discussed my responsibilities on the National Board, my commitment to this organization and the requirements of my duties. My new employer was impressed. Two of the key characteristics he was looking for were leadership and professionalism. My connection with CFDD showed that I had both.

My theme this year is "CFDD: Make the Connection". I challenge each and every member to "Make the Connection" with CFDD. "Make the Connection" with an overwhelming number of opportunities to learn, to develop skills, to expand your network of peers, to support your chapter, to mentor others or to be mentored, and to strengthen our organization and our profession. Think of the many ways that your career has been influenced by your connection with CFDD. I ask you to share that experience with other credit professionals so that they can take advantage of the benefits, as well, and they too, can "Make the Connection".

One of the privileges that I have as your new Chairman is to appoint two active members to serve as Members-at-Large to represent you on the Executive Committee. It is my pleasure to introduce Kathy Hibdon, CCE, from Louisville, KY and Roy Stout from San Lorenzo, CA, who will serve in this capacity.

In closing, my sincere thanks and appreciation goes to those CFDD members, who have helped me through the years. I wish to thank the members of the San Francisco Chapter, where I spent many years with CFDD. Special thanks go to members Dorman Wood, a former boss and mentor, and to Maxine Wood, who recruited me to serve on the board of that chapter so many years ago. Also, I wish to thank the members of the Dallas/Fort Worth Chapter that accepted me when I relocated there several years ago. A special thank you goes to LeeAnn Garrington, whom I called when I was planning a relocation trip to Dallas. She invited me to a meeting and introduced me to the chapter I now call home.

I hope to see many of you at the regional conferences during the coming year. Let's "Make the Connection" and make CFDD a better and stronger organization. I appreciate this opportunity to serve you, the members, this year.



2003 Credit Congress

Letter From...

Ralph J. Rimualdo, CCE

CFDD! Wow!

When it comes to spirit, enthusiasm, dedication and a passion for excellence, you only need to look to one place—and that place is NACM's CFDD. Each year, the CFDD Annual Awards and Installation Luncheon at the Credit Congress always impresses me because of all the excitement that pours out of each and every member in attendance. In these troubled economic times, it is nice to see that kind of enthusiasm and high-spirit. As NACM-National Chairman, I look forward to working with CFDD to help it and the entire NACM organization grow.



Several months ago, I read an article about brainstorming. The article went on to explain how one particular company has been successful at developing ideas for other companies. Even though the "idea" company has only been in existence for about 20 years, it is responsible for many new products that we use on a day-to-day basis. The article went on to say that when this company works on a new product, they not only use the ideas of engineers and specialists, but they also make it a practice to include many other people from within and outside their company who have no technical background. Their goal is to gather as much unbiased feedback as possible. This varied combination of people have come up with the many successful ideas and product development simply because of the comprehensive way that "growing" a product from infancy is handled.

It's the concept of seeking out and taking to heart varied and diverse input and feedback and then distilling the information into new ideas for products that really sparked my interest—not to mention how following through on this simple concept led a company to success. Just as the "idea" company used a diverse group to work to develop or improve products, NACM needs your ideas, your participation and your spirit to improve its current reach. High spirit and commitment, the kind I witness around the CFDD organization, can go a long way towards attracting new members. We need to spread the word that NACM—all of its divisions, departments and affiliates—are here to educate and improve the credit and financial management profession. The passion translates to value, and value translates to pride.

NACM's CFDD members have long had a passion, a passion for education and a passion toward professional excellence. There is no better place than NACM to meet that passion. Whether it's working toward earning a professional designation, or expanding upon a base of professional knowledge, it's the desire to learn that drives all of us to succeed and to excel in our careers.

It was truly inspirational to watch the proceedings at the Annual CFDD Business and Awards luncheon. I was inspired by each individual's quest for continued education, by the dedication to lifelong learning and improvement. Many NACM members have "learned the ropes of the profession" thanks to both NACM and CFDD. They will continue to rely on us as they need support and education over the years.

We will continue to rely upon the feedback and ideas generated through the membership network to ensure that your organization continues to deliver value and quality. Continue the momentum and keep the great spirit and passion for our organization alive!

Ralph J. Rimualdo, CCE is vice president of Case Supply, Inc. in Syracuse, New York.

Charting Your Way to Success CFDD Conference East



October 16-18, 2003
Holiday Inn Select
Bloomington, MN

For information Contact:
Lois Bell at 952.933.5094 or
lmbell@mn.rr.com OR
Faye Wolff at 612.671.1570 or
faye.e.wolff@aexp.com

Letter From...

Dennis W. Thomassie, CCE Vice Chairman Educational/Program and Chairman Elect



It was again a rewarding experience for me to attend the NACM Credit Congress and to have the opportunity to renew old acquaintances and make new friends. Our CFDD Awards and Installation Luncheon proved to be a great success and one of the best attended of those held at the Congress. With the enthusiasm present in the room that day, it was easy for me to be reminded of why I am so proud to be a part of an organization that is dedicated to promoting an active interest in the credit and financial profession. When you have people who are anxious to be a part of a group that allows its members to maintain a competitive advantage in today's market, that organization can only continue to flourish.

Our Chairman Carol Fowle, CCE has chosen as her theme this year "CFDD: Make the Connection". By being involved at whatever level works best for you, not only do you gain and grow as a credit professional you also gain by helping your chapter to be more responsive to its members' needs. And in helping those members achieve professional certification, job knowledge, mentoring aid and all of the other aspects that make CFDD the place to go for professional growth. That involvement is evident in the 57 scholarships totaling \$16,275 awarded by CFDD National in 2002-2003. It is evident in the 177 scholarships totaling \$55,264 awarded by CFDD chapters in 2002-2003. And it is evident in the 5,605 scholarships totaling \$1,108,681 awarded by CFDD National and local chapters since May 1990. Where else can you find that kind of commitment nationally and locally to your well-being? If you have not already applied for a local or national scholarship—to attend a regional conference or National Credit Congress—to aid in the cost of certification or recertification or to apply for an NACM

self-study course, do so this year. The forms are available on our national web site www.cfdd.org. Gain from your commitment.

What can you do to "Make the Connection"? Attend CFDD meetings and seminars. Our chapters continually provide outstanding programs to educate you in the many ways to better perform your job and to do it more productively. Volunteer to help put these meetings and seminars together. Not only will you gain experience and knowledge in how to organize an event, you also gain valuable road map points to help in your quest for professional certification. For those with their certification, are you helping others on that road by forming and participating in a study group? Become a mentor and give back to your profession your wealth of knowledge and ideas.

Nationally, we are continuing to assist you in your efforts to achieve professional growth and excellence. This year we are getting your input into what kind of educational programs you would like to see us develop and add to the list of exceptional national programs currently available to you. We are also revising and updating, as needed, those programs currently offered. Available to you on our national web site is a synopsis of all those national programs. And we can provide you with the tools needed to market them to your membership. Are you making use of them? Are you applying for CEU's for all of your programs and seminars of at least one hour in length? If not, why not? The national programs are already certified by NACM for CEU's. What a great marketing tool for those members working on their certification. It helps to demonstrate your chapter's commitment to its members and to their development. As your Vice Chairman Education/Program, I am firmly committed to making sure that we provide you with the best array of programs to help you in putting on the most effective educational opportunities for your members. As I attend the upcoming regional conferences, please let me hear from you on what we can do and what we can offer to make your growth as a credit professional an exciting and easier one. Or e-mail me at dthomassie@rsrcorp.com and let me learn from you. I welcome ideas from all sources that will help us to continue to grow and succeed.

Regional Conferences/Testing

September 18-20, 2003

NACM/CFDD Pacific Northwest Conference

Eugene, OR

For more information contact:

Robin Ashburn, CBF at 541.747.4289

October 16-18, 2003

CFDD Conference East

Bloomington, MN

For more information contact:

Lois Bell at 952.933.5094

February 19-21, 2004

CFDD Conference West

San Diego, CA

For more information contact:

Pam Foreman, CCE at 858.566.6700

November 3, 2003

Designation Testing: CBA, CBF, CCE

Application and paperwork due
on or before September 22, 2003

Letter From...

Pam Foreman, CCE Vice Chairman Member Services



The marvels of today's electronics never cease to amaze me. The fact is, all of you are reading this via a medium that didn't widely exist just a few years ago. How appropriate that Chairman Fowle's motto this year is "Make the Connection". There is simply no excuse anymore not to!

We hope you are all receptive to our use of e-mail to send you our national newsletter. Many of the chapters have been using e-mail for their newsletters for some time now. Over the last couple of years, we have had to look for sponsors and ask for donations to keep our national newsletter going. By using electronic transmission, we are saving hundreds of dollars. I'd like to ask each chapter's publicity chairman to please print the newsletter and make copies available at your monthly meetings for anyone who may not have access to e-mail.

I have certainly enjoyed receiving your chapters' newsletters and have shared many with my local chapter. I was so pleased to receive the newly revived newsletter from Louisville. Apparently, it was because others shared theirs with them that helped motivate them to start publishing one again. If you are willing to share your publication with other chapters or if your chapter would like to receive other newsletters, please e-mail me at pforeman@missionjanitorial.com and I'll make it happen!

At our organizational board meeting in Orlando, Chairman Fowle presented each member of her board with a very lovely gift—a letter opener with the CFDD logo. We all liked it so much we decided to make it available to all members. This is a perfect gift item for a speaker—or yourself! We have quite a number of CFDD logo items available. Non-dues income has become a necessity in meeting our annual budget, and we appreciate all the support we receive from you and your chapters. We hope each chapter will meet the challenge of purchasing at least \$100.00 per year in CFDD logo items and/or national education programs.

The economy is hitting us all hard and it's showing in the decline of our membership. But it's in this time of layoffs and downsizing that it becomes even more important to maintain your membership in this wonderful organization. The support, education and networking are unparalleled. I hope you are all working on retaining membership as well as conducting campaigns to get new members. Please share with me what your chapter is doing in this area and let me know what works and what doesn't.

Let's all work hard this year to "Make the Connection". Connect with your local members with quality educational programs. Connect with the National CFDD office by getting your reports in as required. Connect with your regions by attending a CFDD conference. Connect with the other chapters, from San Diego to Rochester, from Portland to Orlando, from Dallas to Minneapolis and all in between. Share your newsletters; share your ideas; share your failures and successes. If we all connect in these areas, we can't help but grow stronger and more valuable to our members.

ON THE WAY UP

Chapter/Member	Company	Promotion/Position
Dallas Vickie Luck	TD Industries	Credit Manager
Eugene/Springfield Rebecca Jarrett	Levi Strauss & Co.	General Accountant
Kansas City Richard Reed Bruce Mead Jeannie Robinson, CBA	The Cooperative Finance Assoc. The Cooperative Finance Assoc. Premium Standard Farms	Vice President Director of Lending Services Sr. Credit Analyst
Salem-Albany Lori Kimball, CBA	NORPAC Foods, Inc.	Credit Manager

National Award Winners 2003

SCHOOL REGISTRATION

Mid Career

Tamara McCourt, CCE Tacoma

CAP Class Registration

Shannon Gillespie Dallas/Fort Worth

Shawn Ismert, CBA Kansas City

CERTIFICATION PROGRAM FEES

Megan Conser Portland

Ann Jessup Birmingham

William Kinman, CBA Evansville

Heidi Lindgren-Boyce, CCE Seattle

James Maule, CCE Tacoma

Jeannie Robinson, CBA Kansas City

Donna Watson, CCE Dayton

SELF-STUDY COURSES

Merlyn Coble Dallas/Fort Worth

Barbara Klosterman, CCE Dayton

Nancy Reiter Evansville

Delores Schroeder Wichita

Sandra Szymanski, CBA Buffalo

CFDD REGIONAL

CONFERENCE REGISTRATION

Sue Ballard, CBA Evansville

Andree Canosa Tampa

Lori Clark, CCE Kansas City

Barbara Condit, CCE Minneapolis/St. Paul

Pam Foreman, CCE San Diego

Larry Glenn, CBA Kansas City

Maggie Grisom, CCE Dallas/Fort Worth

Brett Hanft, CBA Portland

Kathy Hicks, CBA Tacoma

Nancy Hoffman Denver

Debra Hollins, CCE Kansas City

Sheli Irwin, CBF Kansas City

Karen Johnson Kansas City

Mollie McDowell Richmond

Michael Meyer Evansville

Jeffrey O'Bannion, CCE Portland

Kym Price, CBA Los Angeles

Lucille Rivas Albuquerque

Nancy Scheneman, CBA Grand Rapids

Kelly Simon, CBF Seattle

Constance Smialek Denver

Philip Streetman, CCE Orlando

Barbara Trammell Tacoma

Mark Tuniewicz, CCE Direct Member

Paula Warthen Los Angeles

CREDIT CONGRESS/LEGISLATIVE

CONFERENCE REGISTRATION

Lee Ballantini Kansas City

Shelly Hart Wichita

Rebecca Harvey, CCE Dallas/Fort Worth

Kathy Hibdon, CCE Louisville

Don Jeffers, CBF Houston

Kim Lancaster, CCE Dallas/Fort Worth

Kathleen Mannara, CCE Rochester

Wanda McPhillips, CCE Dayton

Adrienne Murphy, CCE Los Angeles

William Riat, CCE Evansville

Janis Rowe, CCE Dallas/Fort Worth

David Sayre, CCE Charlotte

Phyllis Truitt, CCE Evansville

Carolyn VanKrevelen, CBF Minneapolis/St. Paul

Nancy Watson-Pistole, CCE Kansas City

Brenda Weaver, CCE Birmingham

Maxine Wood, CCE Denver

DMA (Distinguished Member Achievement)

AWARD WINNERS

Class A Kim Lancaster, CCE Dallas/Fort Worth

Class B Nancy Hoffman Denver

Class C William Kinman, CBA Evansville

MEMBERSHIP AWARDS

Class A Kansas City Chapter

Class B Denver Chapter

Class C Louisville Chapter

ASSOCIATION MEMBERSHIP AWARDS

Houston Chapter Largest Number

Salem/Albany Chapter Largest Percentage

PROGRAM AWARDS

Regular Monthly Meeting

Class A Seattle Chapter

Class B Salem/Albany Chapter

Class C (Tie) Mt. Vernon Chapter

Buffalo Chapter

Seminar

Class A Kansas City Chapter

Class B Salem/Albany Chapter

Class C Mt. Vernon Chapter

PUBLICITY AWARDS

Class A (Tie) Kansas City Chapter

Seattle Chapter

Class B Salem/Albany Chapter

Class C Mt. Vernon Chapter



Chairman Bette Luff, CCE presents the Class A - Excellence in Regular Monthly Meeting Category Award to Bob Lucas of the Seattle Chapter.



Lori Kimball accepts the Meritorious Membership Award for the Salem/Albany Chapter from NACM-National Chairman, Ralph Rimualdo, CCE and Chairman Bette Luff, CCE.

Federal Consumer Laws Are Good Guidelines for Business Credit Professionals

I recently had the pleasure of leading a presentation to the CFDD-Portland Chapter regarding the federal consumer protection laws. The title of the program was "Alphabet Soup: What Do All Those Legal Acronyms Mean to the Credit Professional."

FDCPA, TILA, ECOA, FCBA, FCRA...looks like alphabet soup, doesn't it? To the trained and knowledgeable credit professional, these acronyms are extremely important as we do our day-to-day work. The program discussed in detail each Federal Act and what needs to be done, if anything, to stay in compliance with them: the Fair Debt Collection Practices Act, Truth In Lending Act, Equal Credit Opportunity Act, Fair Credit Billing Act and the Fair Credit Reporting Act.

While the majority of these Acts are aimed solely at the consumer credit arena, they all offer excellent guidelines for the business credit professional to follow when establishing (or updating) company and/or departmental credit and collection policies and procedures. For many firms, the line quite often becomes dangerously narrow between consumer and business credit as our companies cultivate customers or make sales. In researching this program topic one thing became perfectly clear. The great bulk of the guidelines in each of the Acts just make common sense.

Common sense tells us that it just isn't nice, appropriate or good business, to harass customers, threaten them, lie to them, send out inaccurate billings, not recognize disputes, discriminate in credit matters or not disclose what your credit/finance terms are. It's obvious that major abuses in these areas are what prompted the enactment of the consumer credit protection laws in the 60s and 70s that we still live under today.

As Congress reviews credit laws, which it tends to do in difficult economic times, and ponders proposed legislation to widen their coverage, it, no doubt, will revisit the consumer versus business credit question. By continuing to use common sense, utilizing self-policing of our procedures and practices and through the education and information efforts of NACM-National and its Affiliates, that question will have its answer. The abuses of the consumer credit past are not welcome in the present (or future) world of business credit.

Jeffrey L. O'Banion, CCE
Business Consultants Northwest
Portland, Oregon
jeffcce@aol.com

Without the professional development opportunities...

I was a Collections Officer, Collections Department Supervisor, Senior Financial Analyst and Corporate Credit Manager with NORPAC Foods in Stayton, Oregon for almost nine years prior to my retirement in June 2003. I joined Salem-Albany CFDD while working in the collections department. Through my membership with CFDD, I developed a professional network, attended numerous educational seminars and classes, attended regional credit conferences, and served as Vice President and President of the Salem-Albany CFDD as well as being active on CFDD committees—all of which gave me the edge to be selected to fill the Credit Manager position.

When considering retirement two years ago, I began working with my Credit Assistant Lori Kimball to see if she had the aptitude, dedication and commitment to prepare herself to replace me. Lori worked on her education and became active with CFDD. She completed all requirements for the CBA designation and passed the CBA exam in March 2003. She has served as Treasurer and Vice President, and is currently President of Salem-Albany CFDD. As a result of her hard work and involvement with CFDD, she was able to qualify herself to be selected to replace me...moving from a "clerical position" to a core management position several grades higher.

Without the professional development opportunities provided by CFDD and NACM, neither of us would have been considered qualified for this important and respected position within the company. Both Lori and I can thank CFDD for providing us an opportunity to serve as Corporate Credit Managers of a company with almost \$400 million in annual sales.

John L. Peel
Retired Credit Professional
JP Consultants, Sandy, Oregon
Salem-Albany CFDD

Reasons For Writing Off Small Deductions

By Michael C. Dennis, MBA, CBF

According to a recent survey, the overwhelming majority of companies already have a policy in place under which small-dollar "nuisance" deductions are written off by cash application rather than being charged back. The reason for having such a policy is that in a cost/benefit analysis, creditors are often far better off writing off small deductions than taking the time to research and resolve them. There are a number of reasons why this is true, including:

- The fact that statistically more than half the time deductions are taken the customer is correct or partially correct
- The costs inherent in charging back a deduction which include:
 1. The time taken by accounts payable to generate the chargeback
 2. The cost to print the chargeback, and to match it with the customer's supporting documentation
 3. The time and cost of requesting supporting documentation when it is not sent with the deduction
 4. The cost of researching the deduction to determine if it must be repaid or should be credited
 5. The cost to generate the credit and offset the chargeback against the credit
 6. The time and cost to document the reason why the deduction should be repaid
 7. The time and cost of following up with the customer to ensure that a deduction taken in error is scheduled for payment and is paid
 8. The opportunity/cost of having a collector or a deduction specialist working to collect a relatively small amount when they could be working on higher dollar volume invoices or deductions

Other factors to consider when trying to decide if writing off deductions is appropriate include:

- The current backlog of outstanding deductions/chargebacks
- The time it currently takes before deductions can be addressed
- The credit department's current staffing level
- The amount of cooperation you receive from other departments in researching deductions to determine whether your records are correct or the customer's records are correct

Once all of these factors have been evaluated, the credit manager should be able to make a recommendation to senior management relating to the question of whether writing off deductions can be justified. Of the companies that write off nuisance deductions, the median write off allowed is between \$30 and \$40. This dollar range is not right for every company, but some dollar amount is right for most companies. One final note: some creditors do not apply the same rules to unearned cash discounts as apply to write offs of other types of deductions, and this makes sense. Why? Because creditors want to make sure that prompt payment discounts are earned. If they are not earned discounts, the program may cease to be an effective incentive for customers to pay the creditor's invoices promptly.

Michael C. Dennis is a business consultant and the author of "Credit and Collection Handbook" available at www.aspenpublishers.com. If you have questions or comments, please contact him at mcdennis@coveringcredit.com.

**Sail Your Way to Success
CFDD Conference West**

February 19-21, 2004
San Diego, CA
Sheraton Suites Hotel

For information Contact:
Pam Foreman, CCE
pforeman@missionjanitorial.com
858.566.6700 ext. 204

Awards & Achievements

<u>Chapter/Member</u>	<u>Company</u>	<u>Award/Achievement</u>
Birmingham		
Diane Kemp, CBA Marilyn Poremba, CBA	Air Engineers, LLC Mayer Electric Co.	CBA Designation CBA Designation
Dallas/Ft. Worth		
David Welch, CCE Wendy Emminezer, CBA	WESCO Distribution TD Industries	CCE Designation CBA Designation
Detroit		
Dawn Wallace-Cook, CCE Phyllis Truitt, CCE		Chair-Elect, NACM-National Director, Central Region, NACM-National
Eugene/Springfield		
Mary Adamo Lynda Hendrick Cindy Severson	Levi Strauss & Co. Shamrock Building Material Jerry's Home Improvem't Centers	Credit Technician Certificate Credit Technician Certificate Credit Technician Certificate
Grand Rapids		
Nancy J. Scheneman, CBA Chantall Holloway Gay Meekhof, CCA Barb Weersing, CCA	Webb Electric RL Flomaster Sevens Paint Rapids Supply & Sales, Inc.	Elected Chairman of the Board, Grand Rapids, Inc. NACM Western MI NACM Board of Directors NACM Board of Directors Counselor of NACM
Kansas City		
Peggy Heike, CCE Lee Ballantini Chris Marchewka, CCE Jeannie Robinson, CBA Nancy Watson-Pistole, CCE	Haldex Marley Premium Standard Farms Premium Standard Farms	CCE Designation Local Scholarship Local Scholarship Distinguished New Member Award Credit Professional of the Year
Los Angeles		
Adrienne Murphy, CCE	Sandberg Furniture	CMA Credit Executive of the Year - 2003
Omaha/Lincoln		
Cindy Pallas	Kel-Welco, A White Cap Co.	CFDD Credit Professional of the Year
San Diego		
Noemi Marchesano, CBA	Vycera Communications	Credit Law Certificate
Seattle		
Tracy White Kenneth Coole Joan Daley, CBA Kelly Simon, CBF Kevin O'Claire, CBF Dana Lantz, CCE Rughanne Shay, CCE Mary McConnell, CBF Kevin O'Claire, CBF Kelly Simon, CBF Sherry Woods, CCE Leslie Reedy, CCE Sue Huff Nikki Stedman, CBA Kelly Simon, CBF	Plywood Supply, Inc. Ford Graphics Unisource Worldwide Cutter & Buck Cutter & Buck PSC Millwork, Inc. Plywood Supply Cutter & Buck Cutter & Buck Cutter & Buck West Coast Paper Glacier Northwest, Inc. Brady International Levy von Beck & Assoc., PS Cutter & Buck	Level 1 Credit Apprentice Level 2 Credit Steward Level 3 Credit Specialist Level 4 Credit Administrator Level 4 Credit Administrator Level 6 Credit Executive Level 6 Credit Executive CBF Certification CBF Certification CBF Certification Sr. Vice Chairman, NACM Western Region Director, NACM Western Region Director, NACM Local Affiliate Director, NACM Local Affiliate State Regional Director, NACM Washington

<u>Chapter/Member</u>	<u>Company</u>	<u>Award/Achievement</u>
Tacoma		
Martha Skomski	Charlie's Produce	Local NACM Accreditation Level 1
Kristy Warner	Brady Int'l/Lumber Prod.	Local NACM Accreditation Level 2
LeAnne Durham, CCE	Weyerhaeuser	Local NACM Accreditation Level 3
Mike Hobby, CBA	Oak Harbor Freight	Local NACM Accreditation Level 3
Wendy Larsen, CBA	Xpedx	Local NACM Accreditation Level 3
Lori Morrison, CBF	Weyerhaeuser Co.	Local NACM Accreditation Level 3
James Maule, CCE	Hughes Supply	Local NACM Accreditation Level 5
Cheryl Hammond, CCE	Xpedx	Local NACM Accreditation Level 6
Tamara McCourt, CCE	The Virtual Credit Manager	Local NACM Accreditation Level 6
Mike Hobby, CBA	Oak Harbor Freight	CBA Certification
Carolyn Yadon, CBA	Hytek Finishes Company	CBA Certification
Lori Morrison, CBF	Weyerhaeuser Co.	CBF Certification
Laurie Farvour, CBF	Gensco/Albina	Nat'l CBF Designation of Excellence
Tamara McCourt, CCE	The Virtual Credit Manager	Local CFDD Scholarship

PROGRAM PICKS

Topic

Personal Guaranties: Worth the Paper They Are Printed On?
 Financial Statements: There Is More Than Meets the Eye
 The Better Business Bureau and You
 Simplify Your Work
 Public Speaking
 Graham Leach Bliley Act
 Bankruptcy
 Creditors' Rights/Debtor's Rights
 Roadmap Meeting
 Letters of Credit
 Contract Law
 Reading the Notes to an Annual Report
 Dealing with Difficult People
 UCC & Liens
 Identity Theft
 How to Get Information from the Bank
 Case Studies: To Extend Credit or Not to Extend Credit
 Mediation
 The Right Credit Report for Whom, and When to Use Them
 Alphabet Soup: What Do Those Legal Acronyms Mean?
 Export Credit: Keys to International Financial Management
 Collection Techniques
 Effective Credit Applications
 Productivity & Chaos
 Down & Dirty Financial Analysis
 Nothing But the Whole Truth
 Extending Business Credit without Financials
 Credit Congress Highlights & Planning for our Chapter's Future

Speaker

Attorney
 CPA
 VP/Program Manager, BBB
 Professional Organizer
 CCE & Toastmaster
 CCE
 Bankruptcy Trustee
 Attorney
 CCE
 L/C Specialist
 CCE
 Chapter Member
 Professional Speaker
 Corp. Attorney
 Former FBI Agent
 Banker
 CCE
 Attorney
 D&B Rep.
 CCE
 VP Finance & Admin.
 Round Table
 Credit Manager
 Professional Organizer
 Accountant
 Detective
 Finance Manager
 Credit Professionals

Tracking the Economy Using the NACM Credit Manager's Index

The NACM Credit Manager's Index (CMI) is a monthly survey of the business economy from a credit and collections standpoint. The CMI survey asks credit managers from among 500 manufacturing and service companies around the country to rate favorable and unfavorable factors in their monthly business cycle. Favorable factors include sales, new credit applications, dollar collections, and amount of credit extended. Unfavorable factors include rejections of credit applications, accounts placed for collections, dollar amounts of receivables beyond terms, and filings for bankruptcies.

The index was created with the guidance of Arizona State University's George W. Gallinger, Ph.D. "It's very timely data," he said. "We're capturing real-time cash flows and financial-distress problems that companies are seeing with their customers."

The index is calculated using a diffusion index methodology. Panel members are asked to respond to each question, as to whether performance this month is (a) better, (b) worse, or (c) the same as last month. Responses are totaled for each of (a) through (c). The diffusion index is calculated as:

$$\frac{[\text{total for better} + 1/2 \text{ of the same}]}{[\text{sum of better} + \text{worse} + \text{same}]}$$

The resulting number is a percentage. Whenever the result exceeds 50 (or 50%), the overall conclusion is favorable. For example, the CMI for February 2003 was 50.5 or 50.5%. This means there was growth in the economy, albeit very modest and almost neutral. Lower scores in the unfavorable category are unfavorable. Calculations are made separately for the manufacturing sector and then the services sector, and then tallied together. The data is collected in the last 10 days of the month, and the survey is released on the first business day of each month.

The survey was developed to provide businesses a benchmarking and forecasting tool that looks at the entire cycle of commercial business transactions. Dow

Jones newswires, Bank of Tokyo-Mitsubishi, Barron's and several business journals have all run articles on the new CMI. Dow Jones states: "Economists said an index like the CMI is welcome, given the importance of borrowing activities to the economy and the difficulty of finding timely information about the total health of the credit sector. Analysts believe the Federal Reserve is also paying more attention to conditions in the market for private corporate borrowing as a potential harbinger of future economic growth." Additionally, Bloomberg has requested permission to post a copy of each month's CMI in the member section of their web site, at member's request, so clearly there are those in the financial community that believe this is an indicator to track regularly.

According to Dow Jones, economists say that the state of borrowing is always an important economic indicator, but in the current business cycle, credit has remained readily available even when overall economic activity was at its low point. However, consumers have continued to purchase new houses and new autos, while the cost of credit in the corporate bond market has also become cheaper—reflecting a greater appetite for risk. Said Mark Vitner, economist with Wachovia in Charlotte, N.C., "If credit were being tightened, it would be a real eye opener." He said that information about credit conditions across the whole economy can sometimes be difficult to come by and hard to properly interpret. He believes that the CMI could, in time, improve economists understanding of credit developments.

Your participation in this survey is both welcome and encouraged, and takes less than 10 minutes each month! However, it is an ongoing monthly commitment. To sign up, go to www.nacm.org and click the *Survey Signup* button.