Val Hardesty, CBA, CICP  
CFDD Vice Chairman Education, Programs and Chairman-Elect

I am so pleased to serve the CFDD membership as your National Vice Chairman, Education, Programs and Chair-Elect for this year! I’m excited to share some thoughts about the power of **education** and **networking**, two of the foundations of CFDD.

**Education.** Education comes in all shapes and sizes. Some of us have pursued higher education by earning a two- or four-year degree at a college or university. Some attended college straight out of high school, while others joined the workforce early, returning to complete a college degree at a more opportune time. Many people realize the value of education, but found that a traditional route of obtaining a degree did not fit into their lives at the time. Those folks seek out educational opportunities as often as possible—corporate training, seminars, webinars, self-study courses—you name it! For the credit professional, membership in CFDD offers all of the above! Just take a moment to look at the CFDD website for yourself, specifically the NACM Career Roadmap. It’s to your benefit to review this important document, especially if it’s been a while. NACM's professional designation programs are a great place to start your credit education. You may be surprised at how accessible the designation of CCE (Certified Credit Executive) is—your roadmap points add up quickly! You are awarded points for participating in NACM formal programs, attending seminars/conferences/meetings, your years of credit and finance work experience, serving as a mentor/panelist/speaker, service to volunteer/community organizations, and serving on your local or National NACM affiliate and CFDD boards. These are just a FEW ways you can earn valuable career roadmap points! Let me know how I can help you achieve your education goals.

**Networking.** This is my personal story of how networking had such a positive and dramatic impact in my life. After working for multiple companies as a credit professional, I always felt like it was just a “job.” Never had I uttered the word “career.” I was invited by an acquaintance (who is now my very good friend), Marlene Groh, CCE, ICCE, to attend a CFDD meeting in Charlotte. Fast forward about five years, I was still working a credit “job” at a company where I did not feel like I was growing my skill set and was certainly not feeling valued. While I was attending our monthly CFDD meeting, another CFDD member told me he was retiring and encouraged me to apply for his job. Well, the rest is history. … Because of that networking experience within my local CFDD chapter, I am no longer working a “job”—I am truly enjoying my “career” at the most wonderful company. And it’s not just my story. I know many others who have benefited from connecting with someone else in their CFDD chapter, and then made a positive career move. It happens a lot, folks. It just takes some engagement, commitment and regular attendance at your local meetings. If you need financial assistance to do this, please apply for a local or a national scholarship. Make your career goals a reality.

I hope to see you all in Omaha, Nebraska, at the CFDD National Conference where ongoing CEUs are available and necessary for roadmap points or recertification. The Omaha chapter hosts are ready to welcome us, so get ready for an unforgettable experience! Come join us, September 20-22, 2017. Again, I thank you for giving me the opportunity to give back to this organization. I will see you in Omaha!
Joint Ventures

A joint venture may be described as a business arrangement in which two or more entities join forces for a specific purpose (e.g., a discrete project) and, usually, for a finite period of time. After the completion of the undertaking or the passage of the agreed time frame, the joint venture terminates. Another way to view a joint venture is as a short-term, less formal partnership. Like a legal partnership, joint ventures can involve any type of business transaction and the “persons” involved can be individuals, groups of individuals, companies, or corporations between two or more individuals, groups of companies or corporations.

While the definition is similar to that of a partnership (“an association of two or more persons carrying on a business for profit”), a joint venture may be more loosely organized in the sense that the venture itself, unlike a partnership, need not be a separate legal entity. However, the constituent entities forming a joint venture can choose to structure the arrangement as a separate entity, including, for example, a general partnership, a limited partnership, or a corporation, with its advantages and disadvantages. The governing laws for joint ventures depend on the scope of the parties’ relationship and the specific type of structure established to conduct business.

Joint ventures are frequently used by companies hoping to gain entrance into foreign markets. For example, a U.S.-based company may form a joint venture with one or more companies domestic to the foreign market the U.S.-based company would like to enter. The U.S.-based company may bring capital, new business practices, and/or advanced technology to the joint venture, while the domestic company in the foreign country may have established relationships (both at the governmental and client levels) as well as requisite permits and clearances within the target country. In addition, many countries will not allow foreign companies to have majority ownership in foreign operations or require foreign investors to have a domestic partner to do business at all, thus mandating some type of partnership, whether formal or informal.

The Joint Venture Agreement

Since a joint venture need not be a separate legal entity, the agreement between joint venturers is critical as it will determine how the parties split revenues, expenses and control of the business. In addition to establishing the financial and managerial structure and providing for the dissolution of the business arrangement, a joint venture agreement generally outlines the purpose of the joint venture as the partnership is formed to meet a specific business objective.

The distinction between joint ventures and partnerships can be very difficult to discern. As with the “fuzziness” potentially surrounding all general partnerships, if the parties do not make absolutely clear whether they intend to form a partnership or a joint venture, they could “accidentally” find themselves participating in a general partnership. This potential oversight could have significant legal and tax ramifications. Parties intending to create a joint venture and not a partnership are most likely to be successful in doing so by maintaining clearly distinct legal boundaries. Some of the ways to accomplish this include:

1. Drafting a written joint venture agreement clearly documenting the parties’ intent to enter into a joint venture and not to form a partnership, thus limiting the ability of one party to bind another;
2. Segregating funds and maintaining accurate books and records; and
3. Having each party retain ownership of the property which it contributes to the venture.

Reminder to All CFDD Chapters

As CFDD chapters elect new boards of directors, please keep CFDD National in the loop! Please send an email to National (cfdd@naom.org) with contact information for all newly installed board members. We appreciate your help in this matter.
Credit Considerations

Clearly, if a joint venture is structured as a separate legal entity, the laws of the jurisdiction under which such entity is organized will control formation and operation of the partnership itself. For example, a joint venture formed in Delaware and structured as a limited partnership will apply and be controlled by Delaware statutes dealing with Delaware limited partnerships. Absent a formal entity, however, and for the purpose of the extension of credit, a joint venture should be analyzed in a manner similar to a partnership, bearing in mind that a creditor may not have the benefits of clearly defined and relatively uniform state laws, as is the case with partnerships.

Unless a credit grantor is willing to accept credit risk or is otherwise comfortable that the assets of a joint venture (or their individual venturers) are able to satisfy indebtedness, it is critically important to secure a written guarantee by each party that is the subject of the joint venture. Likewise, it is important to conduct due diligence with respect to the creditworthiness of each party to the joint venture before granting credit to the joint venture. Otherwise, a creditor risks that there will be no responsible individual person or entity able to deal with payment problems that may develop in the future. While releasing one venturer from its obligations may discharge all associated joint venturers from liability in some jurisdictions, a well-drafted credit agreement may serve to contract around this contingency.

Excerpted from the NACM Manual of Credit and Commercial Laws, Volume I, General Business Law, Related Statutes and Collections, Chapter 1, Partnerships and Joint Ventures: Their Legal Obligations and How to Deal with Them. For the full text of this chapter or information on contracts, escheatment, letters of credit, secured transactions, credit applications, negotiable instruments, bankruptcy, antitrust, SOX and many other relevant topics, please consult the manual. The current edition of all four volumes of the Manual of Credit and Commercial Laws is available at the NACM Bookstore.

Member Viewpoint: Rewrite

Another Credit Congress has come and gone and once again I came back excited, recharged and motivated. I really look forward to reading the session descriptions in Business Credit magazine and trying to decide which sessions I will attend. The variety of topics always amazes me!

One that caught my attention was How to Have an Honest Conversation by Eric Papp, Agape Leadership LLC. The topic was very interesting to me, and I knew I could benefit from learning more.

The first thing mentioned was “all progress starts by telling the truth!” What an accurate statement. We all know this because, as kids, this was drilled into us by our parents and teachers. Here are a few significant points that were brought up:

• At the beginning of that tough conversation, let the person know that you may be honest—but there is a difference between being gently honest vs. brutally honest.
• You should be more concerned in being self-expressed than being right. Eric stated you should express your concerns as opposed to keeping them in your head.
• Conversations we don’t have can serve as a continual source of frustration for us.

There is a three-step process to having a tough conversation:

1. Decide on one conversation you want to have.
2. Identify commitments and uncover concerns.
3. Schedule the conversation.

Having a tough conversation is not about the outcome; it’s about feeling fully expressed and being honest, which requires courage and patience. Engaging in “straight talk” with ourselves and others can only improve our relationships and performance and reduce communication problems.

Submitted by Shawn Ismert, CBA, CFDD Area Director, member of Kansas City Chapter and AR Manager/Traditional Accounts at Sioux Chief Manufacturing.

Program Picks

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<th>CHAPTER</th>
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<tr>
<td>Portland</td>
<td>Rights and Remedies Under Article 2 of the Uniform Commercial Code (UCC)</td>
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<td></td>
<td>Antitrust</td>
<td>Attorney</td>
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<td></td>
<td>What Your Business Needs to Know About UCC Security Interests</td>
<td>Attorney</td>
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<td>Salem/Albany</td>
<td>SOX</td>
<td>Chapter President</td>
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<td>Ethics: It’s a Matter of Choice (CFDD National Program)</td>
<td>Chapter President</td>
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<td></td>
<td>Excel: Shortcuts, Tips, Merging, Functions, Formulas, Pivot Tables…</td>
<td>Chapter President</td>
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CFDD Louisville

At the Credit and Finance Development Division’s annual luncheon at Credit Congress, the Louisville Chapter was presented with the National Membership Award given to the chapter with the greatest percentage net increase in Class B chapter membership—they had a 17% increase. It was also announced that Sam Clemons, Jr., was elected to a two-year term on the CFDD National Board as an Area Director overseeing the Albuquerque and Phoenix chapters. DeLinda Goodman, CCE, is continuing her two-year term as a National Board member and Area Director.

Congratulations to Susie Secuskie, CBA, a member of CFDD Louisville since 1993. She is celebrating her 50th Anniversary with the Graft-Pelle Company.

The Louisville Chapter has added nine new members since Jan. 1. Louisville is excited about welcoming their new members. The chapter will be having elections for the new board and officers at the November meeting. Candidates will be announced at the Sept. 28 meeting.

Credit Congress Experiences

The Metal Sales Manufacturing Corporation’s credit team of Dana Gillis; Jeanette Stoddard, CBA; Renae McConnaha; Bradley Dearing, CBF; Betty Sinclair, CBF; and Sam Clemons, Jr. spent four days together learning and networking with other credit, collections and finance professionals at this year’s NACM Credit Congress in Dallas, TX.

Here are some thoughts from co-workers at Metal Sales about Credit Congress 2017.

Renae McConnaha said: “Very informative seminars; the speakers were very good. From what they were saying, the Metal Sales credit team is already following their guidelines. I feel it helped refresh the credit team with the full credit process.”

Dana Gillis said: “Great conference! Continued education is important in the credit field and NACM provides numerous avenues to assist with this. Informative, current and entertaining would best describe the overall conference experience.”

Betty Sinclair said: “I found the seminars on construction credit and credit applications extremely helpful. I particularly enjoyed the question-and-answer period, and the feedback between the panel and attendees.”

Bradley Dearing, who just successfully achieved his CBF certification, said: “Credit Congress offers 60 educational opportunities related to the field of credit, 12 of which are specific to the construction industry. The construction-specific classes are a great way to ensure the Metal Sales credit team is using ‘best in class’ processes and procedures.”

The Metal Sales credit team is located in Louisville, KY (corporate offices), Jacksonville, FL, Rock Island, IL, and Rogers, MN. Credit Congress “brings the team together for four days to learn and grow as a unit,” said Clemmons.

CFDD National’s Educational Programs

Now available, CFDD National’s programs free of charge! Program topics include:

• Credit Policies and Procedures
• Effective Relationships
• Financial Ratios—What Do They Mean?
• Leadership
• Mentor Training Workshop
• Sales and Credit: United We Stand

These programs can be conveniently downloaded from the CFDD Members Only Area of the CFDD National website. Please check out these timely resources!

CFDD Newsletters

Did you know that you can access not only the National CFDD newsletters, but also other chapter newsletters from the National CFDD website? Need a fresh topic for an upcoming meeting or a new fundraiser idea? Is your chapter ready to launch its newsletter, but needs some direction? Check out what other chapters are doing by logging onto the CFDD Members Only Area and clicking on Chapter Newsletters from the menu on the right.
Member Spotlight

**Mentor Strength Shines in Portland**
**Marilyn Rea Redefines the Role of Mentor**

By definition, a mentor is: “an experienced and trusted advisor.” While most of us don’t methodically intend to step into the role of serving as a mentor, many seasoned members find themselves willing to share their own knowledge and experience with fellow CFDD members. We naturally encourage our newer members to become active CFDD participants in an effort to facilitate their personal and professional growth in the credit profession.

One CFDD member, in particular, has dedicated years of service to help redefine what it means to serve as a mentor.

Marilyn Rea, CCE, is a longtime CFDD Portland Chapter member and Credit Manager at Pacific Arch Wood Products Inc. in Portland, OR. Through her pursuit of professional growth and success from achieving her CBA, CBF and CCE designations, Marilyn has become a true champion in the area of mentor achievement. During the past 14 years, Marilyn developed program criteria and instructed 42 class sessions on completing the Certification Roadmap to help “demystify the [roadmap] process.” Additionally, Marilyn has been instrumental in creating course materials that have been used extensively for CBA, CBF and CCE study group sessions as members prepare for certification exams. Just in the past four years, 15 NACM Northwest and CFDD members have successfully passed certification exams and achieved 26 various levels of National designations. This level of service and commitment to our membership is truly immeasurable, especially when you look at the number of successful National designations/certifications earned with Marilyn’s guidance and assistance as a mentor.

For Marilyn’s numerous contributions as a CFDD mentor, she was recognized as this year’s CFDD National Mentor Achievement Award recipient. Special recognition and the presentation of her award certificate took place during the August monthly Portland Chapter meeting. In 2015, she was recognized as the NACM National Mentor of the Year.

Marilyn leads by example and epitomizes the definition of being a consummate credit professional. Anyone who expresses interest in certification is always provided with a helping hand and all the assistance they need from this remarkable mentor “ambassador.” Kudos to you, Marilyn, for your tireless dedication in the role of mentorship and for the many members you’ve assisted to help them achieve their professional designations!

Submitted by Brett M. Hanft, CBA, CFDD Vice Chairman of Member Services and Publicity, member of Louisville Chapter and Credit Manager at American International Forest Products LLC.

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**Social Media in the Workplace**

How/When do you use social media in the workplace?
What social media resources do you use/access?
LinkedIn  Twitter   Instagram

Most common business/workforce uses of social media?

Please share your thoughts, ideas, successes and challenges at the upcoming CFDD National Conference OR contact a CFDD National Board member to provide input. We want to hear from YOU!!! A committee will summarize the results and plans to move forward with much more information on the business uses of social media in our October National Newsletter.

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“Do more than belong: participate.
Do more than care: help.
Do more than believe: practice.
Do more than be fair: be kind.
Do more than forgive: forget.
Do more than dream: work.”

— William Arthur Ward
CFDD National is pleased to announce that the 2017 CFDD National Conference will be held in Omaha, Nebraska.

Join us September 21-22 at the Embassy Suites by Hilton Omaha—Downtown/Old Market for informative education sessions and productive, entertaining networking opportunities. Add us to your calendar today.

SILENT AUCTION

CFDD National is excited to again host a Silent Auction at our National Conference. All proceeds go to our scholarship fund ... which, in turn, benefits YOU! Let's make this a great event and aid in awarding more scholarships to our members.

HOTEL

The special conference room rate is $149 a night for single/double occupancy. Please call 1-800-Embassy and request the CFDD National Conference rate. Or, make reservations online. The hotel deadline is September 5, based upon availability.

Refund Policy: All cancellations and requests for refunds must be made in writing to conventions_info@nacm.org. Due to financial obligations, no refunds will be issued for cancellations received after Aug. 25; however, substitutions may be made at any time.
Conference Schedule

**Wednesday, September 20**
3:00-6:00pm  CFDD Board Meeting
7:00pm  Meet & Greet

**Thursday, September 21**
8:00-8:45am  Continental Breakfast
8:45-9:00am  Conference Welcome, Ellen Wodiuk, CCE, ICCE
9:00-10:30am  Leaders vs. Managers
   This interactive session will involve the entire audience and is designed to help participants discover if they have better manager or leadership skills. It will provide different perspectives on ways to handle complex and everyday workplace situations. We’ll also help members become more comfortable presenting in front of their peers and develop their leadership skills through small-group interaction and role play. Marlene Groh, CCE, ICCE and Val Hardesty, CBA, CICP
10:30-10:45am  Break
10:45am-12:00pm  Predicting the 2018 Economic Future: Risky Business
   Yogi Berra said that “it’s tough to make predictions, especially about the future.” In this session, we will attempt to paint the economic outlook for the rest of 2017 and all of 2018, and give participants a few key things to watch. We may (time permitting) even get bold and look at some possible “Black Swan Events” that are starting to stir! Keith Prather
12:00-1:00pm  Lunch
1:15-2:45pm  Financial Ratios: What Do They Mean?
   This critical session will give an overview of why financial statements are used and what purpose each type serves. Program highlights include: balance sheet basics and ratios, income statement basics, profitability/efficiency ratios basics, statement of cash flow (direct vs. indirect methods), collections KPIs and more! Lori Jones, CCE
2:45-3:00pm  Break
3:00-4:30pm  Adapting to Change through Mergers and Acquisitions
   Mergers and acquisitions are happening all around us. If you have not experienced this yet, you may in the future! We’ll learn first hand about the many changes that can occur, along with some tips and tools to successfully adapt to those changes. Discussion will center on how cultures merge (credit policy, calculations, collections); personal issues (wages, education, training); customers’ pain (name changes, systems); and contracts and membership (professional organizations, agencies) … come ready to share your experiences! Mary Moore, CBA and Dave Beckel, CCE
4:30-5:00pm  Recap of “Best Tip of the Day,” Ellen Wodiuk, CCE, ICCE
5:30-7:30pm  Networking Social and Silent Auction
Friday, September 22
8:00-9:00am            Continental Breakfast
9:00-10:15am           Business Meeting
10:15-10:30am          Break
10:30am-12:00pm        Strategically Unveiling Potential Revenue Streams for Your Company’s Bottom Line
                        Customer “Pushback Terms” are becoming more atrocious with their delayed payment tactics and are being forced down our company’s proverbial throats more frequently. How much do these delayed payments affect your bottom line? How do you renegotiate so that your credit team doesn’t have to strain B2B relations and impact sales? What about third-party finance companies offering descending early pay options—are these viable in exchange for waiting 90 or 120 days for funds? Does your company offer volume “rebates” or early pay “discount” programs? Do your customers abuse the programs by taking unauthorized deductions? We will review the latest “pushback” terms and discuss the actual costs of accepting those terms and how to use these bottom line costs to get your upper management’s attention. We’ll also dissect the real costs of rebate programs versus cash discounting by sharing an innovative early pay program that promotes sales, increases cash flow and transforms your credit department into a revenue center. Chris Birdwell and Heidi Lindgren-Boyce, CCE
12:00-1:00pm           Lunch
1:15-2:45pm            Customer First!
                        This is an entertaining and interactive session on how to utilize a Customer First Initiative to maximize profits, minimize risk and accelerate cash flow. This is an adaptable initiative/approach that will positively impact your A/R performance and relationships to position you and your department for continual success. Bob Karau
2:45-3:00pm            Break
3:00-4:45pm            Best Practices Roundtable
                        A conference favorite! Join this open peer exchange as your most difficult challenges are brought forth and solutions are discussed. Delegates are encouraged to participate by posing questions, adding insights, sharing experiences and proposing solutions. A moderator will help keep the conversation flowing and productive to maximize the time available. Wendy Mode, CCE, CICP
4:45-5:00pm            Closing Comments, Ellen Wodiuk, CCE, ICCE
6:00pm                 Networking Dinner and Dessert Auction
You are invited to participate in the monthly Credit Managers' Index (CMI) survey of U.S. credit and collection professionals. Each time you take the survey, you receive 0.1 point toward your NACM Career Roadmap. Contribute to the CMI and have your experience count.

The results from the survey are processed and presented each month in NACM’s eNews and Business Credit magazine and at www.nacm.org. Since its inception, the CMI has been a startlingly accurate economic predictor, most notably proving its worth during the recession.

The survey asks participants to rate whether factors in their monthly business cycle—such as sales, new credit applications, accounts placed for collections, dollar amount beyond terms—are higher than, lower than or the same as the previous month. The results reflect the entire cycle of commercial business transactions, providing an accurate, predictive benchmarking tool.

All credit and collections professionals are invited to take the survey each month during the time frames listed below. NACM membership is not required.

_read more about the CMI here._

### Upcoming Survey Dates

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<tr>
<th>CMI Timeline</th>
<th>Survey Opens</th>
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<td>September</td>
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<td>November</td>
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### Awards & Achievements

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<tr>
<td>Charlotte</td>
<td>Glen Crow</td>
<td>MANN+HUMMEL Filtration Technology</td>
<td>CCE</td>
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<td>Sherri Parker</td>
<td>ProBuild Company LLC</td>
<td>CCE</td>
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<td></td>
<td>Henley Rowe-Anderson, CICP</td>
<td>Carrier Enterprise LLC</td>
<td>CCE</td>
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<td>Dallas/Ft. Worth</td>
<td>Nicole Ovalle</td>
<td>ROMCO Inc.</td>
<td>CBA</td>
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<td>Evansville</td>
<td>Jonathon Hickman</td>
<td>Brake Supply Co.</td>
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<td>Louisville</td>
<td>Bradley Dearing</td>
<td>Metal Sales Manufacturing Corporation</td>
<td>CBF</td>
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Searching for that perfect gift that combines practicality, value and pride? Look no further than CFDD’s extensive selection of logo items! From pens to mugs, CFDD logo items can satisfy even the most discerning recipient. They also make great gifts for speakers and special guests. Don’t delay! Browse the CFDD logo item web pages, part of the online NACM Bookstore, and purchase merchandise that reflects your investment in the CFDD professional credit community!

**CFDD logo items currently available:**

Can Holder ($2)

New Item

Cell Phone Power Bank ($18)

Luggage Grip ($2)

Stylus Twist Metal Pen ($10)

Translucent Blue Pen ($1)

Travel Mug with Handle ($10)

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**CFDD Mission Statement**

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

**CFDD Vision Statement**

To be a leading provider of professional development opportunities through learning, coaching, networking and individual enrichment.