



# Credit and Financial Development Division NEWSLETTER

The Official Publication of the NACM Credit and Financial Development Division

December 2015

## Letter from...

### Charlene Gothard, CBF CFDD National Chairman



As we move into the holiday season, I wish you all the very best and a very Happy New Year. I would also like to thank all who attended the NACM Western Region and CFDD National Conference held in Portland this October. It was a great conference and as always, a great time to connect with everyone. To those who contributed to the CFDD National Scholarship Fund, a very big "Thank you."

Since this is the time of year for reflection, I would like to thank you for your membership and participation locally and for your support of CFDD National. I look forward to the New Year and working with everyone to continue the family of CFDD and the traditions of supporting one another in our professional development.

Please take time to complete a scholarship application for the coming year, and remember there are now three applications on the website. The deadline is March 15, 2016. If you have any questions please feel free to email me or anyone on the board. You can also use your local chapter recipients as a resource for completing the application.



I hope you have a wonderful Holiday Season and I wish you the best New Year. Be happy, safe and well.

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## SAVE THE DATE

Mark your calendar now and plan to join us on Tuesday, June 14, for the Annual CFDD Luncheon at the 2016 Credit Congress. You can register for the luncheon when you fill out your Credit Congress [registration form](#).

For more information, please contact CFDD National at [cfdd@nacm.org](mailto:cfdd@nacm.org).

# 10 Ways to Inspire Your Organization

**THE BIG IDEA:** 10 reminders of what you're likely doing when you're performing at your best and inspiring your organization to greatness.

## **1. Watch your own behavior ... carefully.**

Your people watch what you do more than what you say. If you want to inspire positive change, follow Gandhi's advice and be that change.

## **2. Serve your people with humility.**

Your people will do more for you and the organization when they know you care about them. Take other people's perspectives. Ask questions. Focus on their needs. It creates a bridge to others and strengthens your relationships.

## **3. Reveal your vulnerability.**

This is difficult for anyone in a leadership position. But as researcher Brene Brown illuminated, there is great power in being vulnerable. We are all vulnerable. It's not a weakness. It is part of being human. Dropping your defenses and showing vulnerability demonstrates your self-acceptance and inner strength. It also helps foster trust and respect with your teammates.

## **4. Bring your ideas to life with stories, images and symbols.**

Stories, not facts, are what move us. We learn best from stories, not data. Stories that evoke vivid images and emotions work magic. Leaders throughout history have used symbols and metaphors to move people to action.

## **5. Smile ... often.**

It's the most powerful and underutilized way of inspiring your people. Smiles are contagious. They relax people's defenses. They promote a clear mind and an improved mood. Try it right now: smile and notice how you feel. Watch how it brings you back to the present.

## **6. Bring play and humor to the office.**

Don't make it all about business. Play, research shows, is fundamental for positive mental health and creativity. Instead of making business the opposite of play, find ways of integrating play into your workplace. Humor improves employee performance, increases innovation and drives profitability.

## **7. Embrace the role of the coach.**

Growth is a higher human need that all of us share. A coach helps us clearly see where we are now and determines where we want to go in the future. A good coach challenges us to perform at our best, capitalizing on strengths and paying attention to weaknesses. Leaders that adopt a coaching style of leadership, when appropriate, create more loyal, higher-producing, self-actualizing employees.

## **8. Connect to a greater sense of meaning and contribution.**

When the main motivation to come to work each day is a paycheck, all is lost. Inspired organizations create environments where people want to come to work. Core values can be a powerful tool to set the tone for any corporate culture. You can foster an environment that is distinct, meaningful and empowering to the men and women that come to work each day. These values must connect with the hearts and minds of your people—and yours too.

## **9. Lead with vision.**


One of the most essential roles of a leader is to stay connected to an inspiring vision and to continuously find ways to give that vision life within their organization. This isn't just accomplished through corporate presentations or memos, but in daily meetings and one-on-one exchanges around the office. Having one or two wildly important goals helps keep your team focused on what matters most.

## **10. Focus on your customers.**

Your employees are real people. Your customers are real people too. Reminding your employees that their purpose is to serve real people does two important things: it connects them with your organization's purpose and it provides a greater sense of meaning to their work. And, don't generalize your customers into demographics. Get to know them—especially your best customers, the critical few that can change the course of your business.

Now let's get out there and inspire one another!

*By co-authors BJ Bueno and Scott Jeffrey from The Cult Branding Company, a specialized consulting firm that delivers penetrating insights and strategies that help you build stronger relationships with your customers and within your corporate culture.*



**CFDD is a leader in providing scholarship opportunities for our members.**

**On the Chapter Level for 2014-2015 for the six chapters reporting:**

- 24 scholarships were awarded
- Scholarships totalled \$8,410

**On the National Level for 2014-2015 :**

- 54 scholarships were awarded
- Scholarships totalled \$24,350

**Combined Chapter and National Totals Since 1990:**

- More than 7,693 scholarships awarded
- Scholarships now total over \$1.7 million

**SCHOLARSHIP  
DEADLINE IS  
APPROACHING!**

Scholarships are offered in the following categories:

- CFDD National Conference Fees
- NACM Credit Congress Registration
- Designation Application Fees
- School Registration Fees
- Self-Study Courses
- NACM Credit Learning Center Designation Exam Review Package

Scholarship applications are available on the CFDD [website](#).

- Application must be typed or computer-generated
- Scholarships are valid for 12 months following the award date
- Applications must be signed by the member
- Deadline is Tuesday, March 15, 2016

Contact the national office, your National CFDD Board Members or your chapter president for additional information or assistance.  
We are here to serve you!

**INVEST IN YOURSELF!**

CFDD remains committed to aiding credit professionals in their career development. Take advantage of the scholarships available to you. Let CFDD help you make 2016 a banner year for lifelong learning and leadership development.

# Antitrust and Trade Regulation for Credit Groups and Grantors

## ANTITRUST STATUTES

### Sherman Antitrust Act of 1890

The Sherman Antitrust Act of 1890 prohibits monopolies and any combination in the form of trust or otherwise that was in restraint of trade or commerce among the several states, or with foreign nations. Any person (a “person” can be an individual, partnership, corporation, association or other legal entity) who combines, contracts or conspires with another or others to restrain trade or commerce in interstate commerce or with foreign nations, shall be guilty of a felony.

### Clayton Act of 1914

The Clayton Act of 1914 makes it unlawful to enter into (a) price discrimination, which is the sale of the same product to comparably situated buyers at different prices; (b) tying and exclusive dealing contracts, which are the sale of products on condition that the buyer stop dealing with the seller’s competitors; (c) corporate mergers, the acquisition of competing companies by one company; and (d) interlocking directorates, the members of which are common members on the boards of directors of competing companies. Nonprofit organizations are exempt from the Act’s provisions relating to price discrimination.

### Robinson-Patman Act

The Robinson-Patman Act of 1936 makes it unlawful for any person engaged in commerce to “discriminate in price between different purchasers of commodities of like grade and quality...where the effect of such discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them.” It is important to note that the Act applies only to the sale of goods, not services.

What to avoid: different prices charged to different purchasers; differences in terms and conditions of sale; and preferential credit terms.

### Federal Trade Commission Act of 1914

The Federal Trade Commission Act of 1914 prohibits all “unfair methods of competition in or affecting commerce, and unfair or deceptive acts or practices in or affecting commerce.” Its coverage includes acquisitions, mergers, monopolies, unfair trade practices, unfair arrangements between suppliers and dealers, deceptive sales approaches, discrimination in price, services or facilities. Its prohibitions cover false advertising of foods, drugs, devices and cosmetics, and any other practice which is designed to deceive the public.

### Antitrust Procedure and Penalties Act

The Antitrust Procedure and Penalties Act, codified in 1976, increased penalties for violation of the Sherman Antitrust Act, changed consent decree procedures and revised the provisions for appellate review of antitrust cases.

### 1976 Antitrust Act

The 1976 Antitrust Act gave the federal government new disclosure powers in antitrust litigation, permits a state attorney general to sue for damages on behalf of a particular state’s citizens and requires companies of a certain size to file premerger notices.

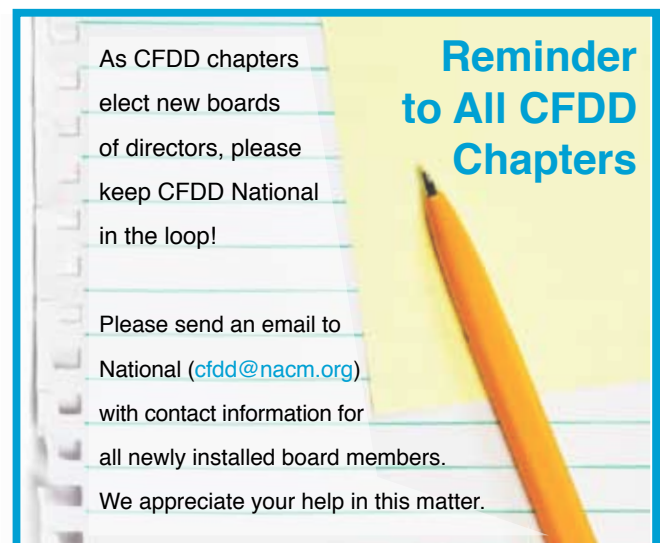
### State Antitrust Statutes

Almost every state has independent laws prohibiting monopolies, contracts, conspiracies and combinations in restraint of trade which include fair trade or resale price maintenance laws, and prohibitions against price discrimination and sales below cost.

### International Antitrust Laws

When foreign transactions have a substantial and foreseeable effect on U.S. commerce, such transactions are subject to U.S. law, regardless of where they take place. The treaty establishing the European Economic Community (1957) contains the “antitrust” law within the European Economic Community (EEC).

(continued)



Prohibited activities: (1) directly or indirectly fix purchase or selling prices or any other trading conditions; (2) limit or control production, markets, technical development or investment; (3) share markets or sources of supply; (4) apply dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage; (5) make the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

## GOVERNANCE OF ANTITRUST LAWS

Violations of antitrust statutes may subject the violator to either criminal prosecution, civil prosecution or both. The credit grantor must be warned that certain antitrust violations can result in criminal prosecution against the individual who violates the antitrust laws, while the Department of Justice simultaneously pursues the offending company.

### Refusal to Deal with Particular Supplier or Customer

The courts have held that a manufacturer has “the right to deal or refuse to deal with a particular distributor as long as it does so unilaterally” Additionally, it is legal to “deal or refuse to deal...as long as it does so independently; unilateral refusal to deal does not constitute illegal contract, combination or conspiracy...”

### Illegal Business Practices

The website for the Antitrust Division of the Department of Justice ([www.justice.gov/atr](http://www.justice.gov/atr)) provides a concise summary of what types of behavior and communication can lead to an antitrust violation putting the company at grave risk for civil and criminal penalties. They include:

**Horizontal agreements among competitors.** Agreements among parties in a competing relationship can raise antitrust suspicions. Competitors may be agreeing to restrict competition among themselves. Antitrust authorities must investigate the effect and purpose of an agreement to determine its legality.

**Agreements on price.** Agreements about price or price-related matters such as credit terms potentially are the most serious.

**Agreements to restrict output.** An agreement to restrict production or output is illegal because reducing the supply of a product or service inevitably drives up its price.

**Boycotts.** A group boycott—an agreement among competitors not to deal with another person or business—violates the law if it is used to force another party to pay higher prices.

**Market division.** Agreements among competitors to divide sales territories or allocate customers—essentially agreements not to compete—are presumed to be illegal.

**Agreements to restrict advertising.** Restrictions on price advertising can be illegal if they deprive consumers of important information. Restrictions on non-price advertising may also be illegal if the evidence shows the restrictions have anticompetitive effects and lack reasonable business justification.

**Codes of ethics.** A professional code of ethics may be unlawful if it unreasonably restricts the ways professionals may compete.

*(continued)*

### 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.

## 2016 CFDD Conference

In the fall of 2016, CFDD will once again host its annual conference. To assist you in preparing your budget for 2016, we have put together the following estimate of expenses:

Conference registration	\$350-\$400
Hotel accommodations and meals	\$150-\$200 per day
Airfare	\$300-\$500

Airfare and travel expenses will vary according to location. Some meals are included in the registration fee.

Conference location to be announced soon!



## EXCHANGE OF CREDIT INFORMATION AND THE ANTITRUST LAWS

The objectives and purposes of creditors exchanging credit information and, more importantly, NACM credit groups, are clearly within the scope of this lawful conduct. However, since members of credit groups or creditors who exchange information are generally in competition with one another, the exchange of other information, whether by group meetings or otherwise, appear to provide a ready opportunity for a claim of a violation of the antitrust laws. It is very important that group meetings be held only under the auspices and with the presence of trained NACM personnel and, in many instances, outside counsel to ensure that there is neither the perception nor the reality of a violation of the laws.

### Burden of Defense

For the protection of credit grantors, as well as NACM credit groups, an important factor in an antitrust situation must be understood—the burden and the cost of a defense of any claim will fall upon those being charged with a violation.

Should a credit group be subject to an investigation by the federal trade commission or the antitrust division of the U.S. Department of Justice, or should such entities investigate individual creditors, the investigators will look to those involved to explain the activities and defend their legality.

None of the above is intended to dissuade credit professionals from the legitimate exchange of credit information, either individually or through a credit group. Indeed, since both statute and case law clearly permit such an exchange of information, it should be fully utilized in today's complicated business environment in order to assist the credit grantor in making credit decisions. However, because of the potential danger involved in any such activity, careful attention must be paid to strict compliance with appropriate legal and business standards.

*Excerpted from the NACM Manual of Credit and Commercial Laws, Volume I, General Business Law, Chapter 8, Antitrust and Trade Regulation for Credit Groups and Grantors. For the full text of this chapter or information on contracts, letters of credit, secured transactions, credit applications, negotiable instruments, bankruptcy, escheatment, 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](#).*

# AWARDS & ACHIEVEMENTS

CHAPTER	MEMBER	COMPANY	AWARD/ACHIEVEMENTS
Birmingham	Kevin Hodges	Coca-Cola Bottling Company United Inc.	CCE
Dallas/Ft. Worth	Crystal Ewing	Vermeer Texas-Louisiana	CBF
Omaha/Lincoln	Brett Bartling, CICP	Warren Distribution, Inc.	CCE
Phoenix	Julie Cromwell	Desert Ready Mix, LLC	CBA
Salem/Albany and Portland	Teresa Silva	Truitt Bros., Inc.	CCE

# Chapter News

## CFDD Phoenix

CFDD Phoenix is pleased to welcome two new members to the chapter: Lori Forconi, Credit Manager at Carlson Systems, LLC and Jeri Joachim, CBA, Credit Manager at Cemex USA.

## CFDD Wichita

### **The Best Election News You'll Hear This Season!**

CFDD Wichita held their annual elections in November. As one member said, "It strikes me how amusingly different our group's election process is from our nation's." As political commentator Charles Krauthammer put it, "Every two years the American politics industry fills the airwaves with the most virulent, scurrilous, wall-to-wall character assassination of nearly every political practitioner in the country—and then declares itself puzzled that America has lost trust in its politicians."

Refreshingly, CFDD elections are always a time of lifting up and encouraging others to step outside their comfort zones. Even new members can take up a mantle of leadership that is not only greatly appreciated by the other members of the group, but helps them take steps forward on a career path as they build their professional network. CFDD provides a safe place to grow comfortable with speaking to a group, being trusted with responsibility and passing the torch through mentoring. Elections set the stage for the next season of growth. Wichita has many talented people in their group. They look forward to seeing what new challenges and insights these personalities bring to the table in 2016.

*Submitted by Stephanie Hill, Publicity Chair, CFDD Wichita and Credit Analyst at Bunting Magnetics Co.*

## Area Director Responsibilities

CFDD National Board Elections are held each year at Credit Congress. To be eligible to run for a CFDD National Director position, candidates must be employed by a firm holding membership in NACM, be actively engaged in the credit or financial field and be an active member of a CFDD chapter or a Direct National Member. Area Director responsibilities include:

- Acting as liaison to assigned chapters and members and also as a liaison to the NACM National Board.
- Offering assistance and guidance to officers and members of your assigned chapters. Maintaining contact throughout the year with chapter presidents and submitting quarterly reports on chapters to CFDD National.
- Communicating any news from CFDD National to chapters. Reminding chapter presidents of upcoming deadlines for national scholarship and award applications, national newsletter submissions, etc. Offering assistance with completion of national scholarship and award applications.
- Attending Credit Congress, including the CFDD Board Meeting, CFDD Awards and Installation Luncheon and the CFDD Board Organizational Meeting.
- Attending the CFDD National Conference and CFDD Board Meeting.
- If possible, attending at least one meeting of each chapter per year.
- Helping your chapters set and meet goals for membership.

- Offering educational program suggestions for meetings and seminars.

Members interested in serving as an Area Director on the CFDD National Board are asked to submit their applications for Area Director by April 1. Candidates will have an opportunity to be interviewed by the Nominating Committee during the CFDD Board Meeting at Credit Congress on Sunday, June 12, 2016. If a candidate is unable to attend Credit Congress, the Chairman of the Nominating Committee will make arrangements for an interview by conference call. For more information, contact any CFDD Board member or CFDD National at [cfdd@nacm.org](mailto:cfdd@nacm.org).

### **CFDD NATIONAL'S EDUCATIONAL PROGRAMS**

Now available, CFDD National's Programs free of charge! Program topics include:

- Antitrust and You
- Ethics—It's a Matter of Choice
- Business Etiquette
- Mediation—An Alternative to Dispute Resolution
- Selling Marginal Accounts—Are the Rewards Worth the Risk?

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

# CFDD National Fundraiser



## 2016 NACM Credit Congress Registration

Caesars Palace, Las Vegas

June 12-15, 2016

\$10/each

Tickets will be distributed to all chapters by the end of December to sell locally to members of CFDD and NACM.

Please contact your Chapter President to purchase a ticket today!

**Tickets on sale until February 19, 2016**

Drawing to be held at NACM-National Headquarters

Winner will be notified immediately following the drawing and will be announced in the April issue of the CFDD-National Newsletter

All proceeds will support the CFDD National Scholarship Fund

Open to all members of CFDD and NACM

Opportunity for chapters to award a local scholarship!





IT IS THE LARGEST GATHERING OF BUSINESS CREDIT PROFESSIONALS IN THE COUNTRY—WHERE THE FOCUS IS ON EDUCATION, NETWORKING, AND GROWING THE UNITY AND INFLUENCE OF THE CREDIT COMMUNITY. YOU'LL BE INSPIRED BY THE BEST CREDIT EXPERTS IN THE COUNTRY. COME CELEBRATE ALL THIS AND MORE WITH US THIS COMING JUNE!



## NACM'S 120TH ANNUAL CREDIT CONGRESS & EXPO

JUNE 12-15, 2016

CAESARS PALACE • LAS VEGAS

### Hotel info:

Caesars Palace

### Special Conference Room Rate

**\$169 a night** - single/double occupancy room, plus applicable taxes (based on availability)

- 📞 Make reservations directly with the hotel at **866-227-5944**.
- 🌐 Visit the **Credit Congress Hotel [web page](#)** to access our special housing reservation link. Identify yourself as part of the **NACM Credit Congress** to secure the conference rate.

Attend the **CFDD Luncheon** on June 14!

# CHECK OUT NACM'S LINEUP OF PROGRAMS AND EVENTS

- Jan 11 **NACM Webinar:** Using Data to Monitor Collector Performance
- Jan 13 **NACM Teleconference:** 2016 Economic Outlook
- Jan 20 **NACM Webinar:** How Much Credit Should You Grant Your Customers?
- Feb 3 **NACM Webinar:** How to Find, Hire and Manage a Lawyer: 10 Questions You Must Ask
- Feb 8 **NACM Teleconference:** Avoiding Commercially Useful Function Investigations and Doing Business with Disadvantaged Business Enterprises
- Feb 10 **NACM Webinar:** Bankruptcy Rumbblings: How to Best Position Your Company in Advance of Customer Bankruptcy
- Feb 17 **NACM Webinar:** Essential Skills for Credit Leadership
- Feb 24 **NACM Webinar:** Fraudulent Transfers—Understanding the Players, Tracing Assets and Getting Paid
- Mar 7 **NACM Webinar:** Creating an Advantageous Partnership for Both Credit and Sales
- Mar 9 **NACM Webinar:** Credit Applications—Getting It Right from the Start so You Can Get Paid!
- Mar 10 **FCIB Webinar:** Credit Policy
- Mar 14 **NACM Webinar:** Legal Options for Dealing with Delinquent Customers
- Mar 15 **FCIB Webinar:** The Legal Credit & Collection Environments in Brazil, Mexico and Venezuela
- Mar 23 **NACM Webinar:** The Importance of Generating Cash Flow
- Mar 24 **FCIB Webinar:** Know Your Customer

## Monthly Credit Survey

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*, *Business Credit* magazine and at [www.nacm.org](http://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 timeframes listed below. NACM membership is not required.

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

### Upcoming Survey Dates

CMI Timeline	Survey Opens	Survey Closes
January	Mon, January 18	Fri, January 22
February	Mon, February 15	Fri, February 19
March	Mon, March 14	Fri, March 18

## 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.

# CFDD Logo Items



Searching for that perfect gift that combines practicality, value and pride? Look no further than CFDD's extensive selection of logo items! From mouse pads to flashlights, 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:

- Acrylic Desk Tray (\$10)
- Aluminum Card Case (\$8)
- Business Card Album (\$15)
- Can Holder (\$2)
- Cork Mouse Pad (\$5)
- Flashlight (\$15)
- Luggage Grip (\$2)
- Mesh Bag (\$10)
- Robotic Book Light (\$5)
- Stylus Twist Metal Pen (\$10)

