

THE PYX POST

SPRING 2009



Cassandra Consiglio on News 1130 business news

Financing is always a hot topic in the business community, and factoring is of interest as companies stretch out deadlines for paying their invoices. CKWX Radio in Vancouver is a 24-hours news station whose business editor, Russ Byth, caught up with Pyx President Cassandra Consiglio recently for an interview on factoring and alternative sources of financing. Listen to the interviews on the Pyx website at www.pyxfinancial.com.

Are Your Customers Taking Longer To Pay Their Invoices?

How the International Credit Crisis Affects Even Solid Businesses

By Cassandra Consiglio

President, Pyx Financial Group

Even solid companies are feeling the pressure, and the headline in the March 9 issue of *Business Week* said it all: "Getting tough with customers — A surge in unpaid bills is forcing companies to demand cash up front. Collection agencies are busier, too."

You might be noticing that customers are slower to pay these days, or are not paying at all; this is what we're noticing with our clients. For example, even blue chip customers like the State of California have stopped paying many bills because of its ongoing fiscal crisis. Here in B.C., one company was surprised to have a local government pay an unexpectedly small downpayment on a large contract, throwing a major wrench into the company's cash-flow management strategies.

As customers "elongate" their payment plans up to 90 days and beyond, we're seeing a major increase in inquiries for our accounts receivable financing and consulting services. There's also an expanded use of collection agencies. The surge of unpaid bills is forcing companies to demand cash up front.

One problem with the international "credit" crisis is that it's misnamed. It's actually a crisis of "cash flow," in which solid, profitable businesses are hitting the wall because their customers are suddenly delaying payment, not paying at all or going bankrupt. People see scary headlines and think, we'd better

conserve cash, so they start stretching out payments to their suppliers. These days, big companies and little ones alike are holding back or paying only small deposits, finding all sorts of reasons to hoard cash.

For businesses today, the old adage "cash is king" has now become "cash flow is king." What to do? Suddenly, getting cash in the door and managing accounts receivables has taken on strategic importance. These days, "spray and pray" — whereby you simply send out your invoices and hope something comes back in the mail — is no longer enough. A more professional and targeted accounts receivable approach is now critical to your firm's financial health. In addition, you may have need for our factoring accounts receivable financing that pays cash for your invoices immediately. This enables your company to continue growing and doing business in these challenging economic times.

For a free white paper explaining factoring and how Pyx can help your business, email info@pyxfinancial.com.

CONTACT US

Cassandra Consiglio
cdc@pyxfinancial.com

Vancouver	(604) 984-7334
Calgary	(403) 263-3838
Toll-free	(877) 904-7334
Fax	(604) 984-7734

pyx

more than the money

Give us a call today!