

## **Business Leader Predicts a Long Year Ahead Customers Taking Longer to Pay Could be "A Potent Killer for Small Businesses in all Areas."**

*By Cassandra Consiglio  
President, Pyx Financial Group*

If it's going to be "a long year," is your business prepared to ride out the storm? The old adage has now become "cash flow is king." What to do? Suddenly, getting cash in the door and managing accounts receivable have 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. You may have a need for our accounts receivable financing, also called factoring, which pays cash for your outstanding invoices immediately. This will enable your company to continue growing and doing business in these challenging economic times.

Hopefully, these extreme cash-flow problems won't last a long time, but now is the time to prepare to ride out what could be "a long year."

The recent article in Business in Vancouver on how customers delaying payments are causing greater cash flow problems and is threatening to sink even healthy companies has provoked some great dialogue. One, from Jim Mickey, President of Coastal Xpress Inc., CPX Transportation is particularly telling: "It is a big surprise to me that the situation you correctly identify as a potent killer for small businesses in all areas has not been more widely raised as an issue.

I agree with you that the situation is bleak for many businesses and will be the end of a significant number of them soon. It is a direct consequence of restricted access not only to traditional sources of funding but compounded by the simultaneous slowing of receivable collections. If a business has no large stick with its customer, it is literally life or death as the cash gets scarce." Mickey, whose trucking firm is one of the largest in BC and has been selected as one of the best companies in BC to work for, goes on to say that today's situation of extremely slow payments is now "an everyday situation that was never in evidence a year ago.

I have had to redeploy two people just to collect the same A/R due to the increased need to turn every 35-day account into a confrontation. It is exhausting, and a nonproductive use of a scarce resource." He concludes by predicting that "it will be all a memory in a year, but it will be a long year."

For a free white paper explaining factoring and how Pyx can help your business or another business you advise, email [cdc@pyxfinancial.com](mailto:cdc@pyxfinancial.com).

## **About the Pyx Financial Group Inc.**

The Pyx Financial Group Inc. was founded in 1993 for the purpose of helping small companies grow rapidly by providing immediate funds to growing businesses based on their accounts receivables. We provide businesses with the cash and the expertise to find solutions to their business problems. This in turn allows them to capitalize on new opportunities.

Today, currently with 14 employees in our North Vancouver offices, Pyx works closely with companies in both Canada and the United States. If your company or any other you know of could benefit from our cash and counsel, give us a call.

## **Contact Us**

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