

# **FACTORING**

## **A Guide for Freelance Brokers**

*Learn How to Earn Life-of-Account  
Residual Commission Income as an  
Industry Freelance Factoring Broker*

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# *Preface*

Welcome to Factoring! The business opportunity you are about to explore, that of *factoring broker*, is exceptional by any measure. Whether your ultimate goal in purchasing this study guide is to enter the industry as a full time career professional or you are simply seeking to expand your industry knowledge to supplement the income from a current profession, you will find the factoring and alternative commercial finance industries offer a unique opportunity to earn an exceptional income while also enjoying a high degree of prestige and vocational respectability. For all who successfully enter, it is a career which can be both personally and financially rewarding.

*Accounts receivable factoring* and the many other products termed “alternative commercial finance” are popular and powerful business finance resources utilized throughout the world by capital-seeking entrepreneurs. Those making the decision to enter the world of the entrepreneur and start their own enterprise are faced with many challenges and hurdles to be overcome. Most new business operators initially struggle to accumulate the *seed capital* to buy equipment, inventory, and finally open their doors, only to then find themselves faced with an even greater challenge, the need for ready *working capital* once the business becomes operational. Historically, such *working capital* has been provided through community banks. But as everyone in business today is well aware, banks simply aren't lending to early stage business owners and that is a statistic which is very unlikely to change in the foreseeable future.

Successfully entering the factoring industry as a freelance independent consultant or “factoring broker” means you will be performing a valuable financial service to small and mid-size business owners by assisting with the sourcing of ready financial alternatives to traditional bank loans and lines of credit. Factoring industry brokers are true *financial consultants* in every sense of the word. They earn attractive fee and commission income based upon their in-depth knowledge and understanding of the various forms of factoring and alternative types of commercial finance which can be brought to bear to solve a particular capital problem affecting a small business. And just as important, they have developed the important marketing skills to convey that knowledge to small business entrepreneurs in need.

Entering the factoring industry as a freelance broker represents an exceptional business opportunity and career path for those individuals who can describe themselves as entrepreneurial *self-starters* or *mobile creatives*. Though a well practiced vocation in Europe, this unique area of consulting continues to remain well under-the-radar in the U.S. It is a very specialized area in small business finance and for the most part, you will find competition to be very light in most communities, if it exists at all.

Do not, however, look at this opportunity as the latest highly promoted get rich quick scheme. Many do, only to find that this unique area of consulting, like almost all others, will take much hard work, patience, and determination for success.

It is very true that the fee and commission compensation paid to industry freelance brokers by factors and related lenders for referrals is extraordinary by any measure. Commissions in factoring are typically paid on a *residual* basis, month after month, and almost always paid for the *life-of-the-account*. This often leads to income streams that can be collected by freelance consultants for many years, often 3, 5, 7, even 10 or more. It allows creative entrepreneurs to build solid, resilient, recession resistant businesses over time.

To participate in this industry and earn such compensation, however, you will need to acquire a reasonably high level of product knowledge and probably also need to develop certain marketing, networking, and sales skills you likely do not currently possess. As you may already be aware, however, locating sources of truly affordable training for this career path has been historically difficult and often quite expensive. But, that has changed. with the publishing of this highly affordable training guide. *Factoring: A Freelance Broker's Guide*, along with it's complimentary, related online support areas at Campus IACFB, is designed to provide you with all the basic industry knowledge you will require to enter this unique vocation and exceptional area of specialized consulting both successfully and profitably at a truly minimal cost.

# About This Guide

*Factoring: A Guide for Freelance Brokers* is provided through the *International Association of Commercial Finance Brokers (IACFB)* and its purpose is to assist those interested in entering the factoring and alternative commercial finance industries with learning the business, it's many products, and subsequently entering successfully. Building a comprehensive working knowledge of factoring, the asset-based finance industry, and its many niches and facets is essential to success. Absorbing this guide's contents will expand your capabilities and help you to enter this unique industry.

This training guide presents the industry from an independent freelance consultant's prospective. Because you will be earning your income from client referrals, it naturally focuses heavily on business development rather than factoring's rather complex operational side. To accomplish your sales tasks as an industry broker, however, you will need to know a few operational characteristics of factoring as well and these are provide for you as required. Additionally, a good industry broker can often be a factor's first line of defense against fraud. Knowing a bit about the normal day-to-day operational side of factoring will dramatically increase your ability to detect fraudulent client applications, activities, and expand your value as a broker to the factors and lenders you choose to work with.

## The Freelance Factoring Broker Program at IACFB

*Factoring: A Freelance Broker's Guide* is an introductory component of the expansive factoring training campus at IACFB (International Association of Commercial Finance Brokers). As a purchaser of this introductory training guide, you will be additionally supported by have free access to...

- IACFB's e-learning training center at Campus IACFB
- Free access to the *Factoring Broker Forums*, IACFB's Online Broker Community
- Free access to IACFB's magazine, *Commercial Finance Consultants*
- Free access to Campus IACFB's "Business-in-a-Box" marketing aids such as templates for brochures, postcards, flyers and mail stuffers as well as dozens of sample case studies, telephone scripts. Elevator pitches and more.
- Low cost, professionally designed WordPress factoring consultant websites complete with blog, form fields, and drag and drop design / editing feature providing you with the ability to edit and modify your site as needed.

Your free access to Campus IACFB e-learning training areas provide a great deal of business startup support and especially for those without the required skills (or time) to design, author, format, and research the marketing and lead-generation tools and aids necessary to start and launch their consultancy. Additional information on the Campus Annex and current subscription information can be found in the back of this text and also at the IACFB's public website at <http://www.iacfb.com>.

### **The Factoring Broker Forums**

Additional support for new industry brokers can be found at the *IACFB's Factoring Broker Forums*. These forums were specifically created to support IACFB training programs provide you with an easily accessible online venue where you can ask questions about the guide's contents, the factoring business, and the industry. The *Factoring Broker Forums* also act as a "training hub" where login provides access to the many informative classes and lessons found within the e-learning center at *Campus IACFB*. You will also meet lenders in the forums seeking to create relationships with well-trained industry brokers.

### **Commercial Finance Consultant Magazine**

IACFB's free online broker magazine containing a wealth of industry knowledge and startup information for those exploring a career as a freelance consultant. *CFC Magazine* can be viewed online at [www.commercialfinanceconsultants.com](http://www.commercialfinanceconsultants.com). As a purchaser of this guide, you will also have free access to the archived articles at the magazine.

### **The Factoring 101 Proficiency / Certification Exam**

One of the greatest fears common to all new brokers is that they do not know enough to comfortably network with loan officers, accountants and other local professionals effectively. In short, they fear they will be exposed as a novice. Naturally, one of your goals as an industry broker / consultant is to be looked upon as a small business finance expert in your local community so you can benefit from professional referrals.

The *Factoring Broker's Proficiency Exams* are designed to give you the confidence you will need when networking and building relationships with local sources of business referral. Put simply, if you can score 80% or higher on the proficiency exams, you are ready to launch your business, network with anyone, and be assured that they respect your level of industry expertise. The exam is free for guide purchasers and provided through *Class Marker*. When you feel you are ready to test your skills after studying and absorbing the materials in this text and the online e-learning center, there is a direct link to the exam in the *Campus*.



# FACTORING 101: INTRODUCTION



## Welcome to Factoring

Congratulations on your decision to explore an exciting new career path, that of brokering commercial factoring transactions as a freelance factoring consultant. As you may already know, this very unique area of small business consulting is a specialized field of endeavor and one where a successful industry entry will provide you with the...

- **flexibility to reside and earn a living from virtually anywhere or anyplace.**
- **personal freedom to custom tailor your operating hours and to work as much or as little as you desire.**
- **ability to enjoy a highly regarded professional status within your community and by all you meet.**

What is most important, a career as an industry consultant will provide you with the opportunity to earn the near-legendary fee and commission income that has made the factoring industry famous.



**HIGHLY REGARDED  
PROFESSIONAL  
STATUS**



Your earnings as an industry broker will only be limited by the:

- **product knowledge you acquire**
- **hours you devote weekly to developing business**
- **networking opportunities you engage in**
- **direct marketing skills you develop**

## Industry Opportunities

### OPPORTUNITY OF A LIFETIME

Before you throw yourself head first into what you may have heard is the “opportunity of a lifetime”, you should probably develop a little better understanding of just what this business is all about and how you, as an independent freelance consultant, fit into it.



First of all, this is a large industry brimming with opportunity and excitement. It is a tailor-made career path for certain types of individuals we will refer to as “entrepreneurial self-starters”. In fact, worldwide, *asset-based finance* is such an enormous industry you may come to wonder just how you knew so little about it and the many

lucrative income-generating opportunities it offers to almost anyone willing to do a little research and exploration. And, though you may currently know very little about the industry's various inner workings and intricacies, we can assure you that learning more about this career path is very much worth the time and effort you will put forth to gain a little industry working knowledge.

For you, the reader and soon to be factoring broker, this career path is all about being an industry “middleman” whose business involves first prospecting, then educating, and finally referring cash-strapped small business owners in need of financing to an appropriate industry lender. In doing so, you will earn a referral commission or fee paid by that lender. Does it sound simple? Well, believe it or not, it actually is. But an important part of that conversation is that very few people are aware of just how lucrative that fee and commission income can be. And, though you may have heard the business simply referred to as one of “brokering”, there is really quite a bit more to that story.





From a truly professional, career-oriented viewpoint, you are entering a high profile, freelance consulting business that will require you to develop a significant level of industry product knowledge as well as to cultivate certain *soft skills* needed for developing business. Consulting, as a profession, is one of the most rapidly expanding areas of opportunity in today's job marketplace. This particular area of consulting, *factoring broker*, with its focus on small business finance alternatives, represents one of the highest levels of "specialty" consultant opportunity.



## So What Are You?

Accounts receivable factoring is just one of many specialized forms or types of alternative commercial finance (alternative to traditional bank financing) found throughout the world and as mentioned, it is provided by members of the asset-based finance community of lenders. This highly regarded group of financiers is comprised of many unique, and sometimes unconventional, capital providers and may even include several institutions right in your local community.

**ALTERNATIVE TO  
BANK FINANCING**

Well, get ready! After absorbing the contents of this guide, the online e-learning training at Campus IACFB and then completing our proficiency exams, you will be poised to join this prestigious community as a member of its most important component, the *business development* area. You will become a commissioned agent or what is more commonly termed by those in the industry, a *freelance factoring broker*, a profession of exceptional opportunity, practiced by only a few, and well under-the-radar when it comes to measuring serious competition.

**AN INDEPENDENT  
FACTURING BROKER**

## Serving Two Clients

As an independent factoring broker, you are a commissioned "lead generator". You are a transactional middleman and will actually serve two specific clients. These are the:

- **Business Owner**...where you will act as a knowledgeable and valued business finance consultant.
- **Factor**...where you will act as a commissioned freelance independent contractor for business development.

**FREELANCE  
INDEPENDENT  
CONTRACTOR**



## Types of Consultants

*Consultants*, from the Latin *consultare* meaning "to discuss", are professionals who provide expert advice based upon their above average experience or knowledge regarding some specialized field, process, or product. Operationally, consultants can either be:

- **Internal:** someone on permanent staff and available for consultation with others on a daily basis, or...
- **External:** an independent contractor whose expertise is usually employed only on a temporary basis and as it is periodically required.

There are many types of consultants found in the world today and certainly one of the driving forces behind the dramatic growth of consulting as a career is that of "out sourcing". For management, common sense dictates there is no reason to pay an employee a full time wage when the employee's area of expertise is only required occasionally. It is much more cost effective to call in a specialty consultant or a "problem solver" only when his or her particular expert advice is required.



A *freelancer*, is a bit different than a consultant. A *freelancer* is simply a person who works independently in a specialized field by the hour, day, or job and most often for not one but multiple employers. Whereas many consultants, such as computer programmers, may often work at their employer's business address, a *freelancer* will usually work from home or a private office.

In the factoring industry, firms will typically employ several in-house *business development officers* termed in the industry as "BDOs". In fact, large factoring firms may have many such BDOs located in dozens of large cities nationwide. These in-demand individuals are usually paid through a salary / bonus arrangement based on their productivity and are true employees of the factoring firm. They do not broker or send business anywhere else unless it is pre-approved by their full time factor / employer.

### HOME-BASED FREELANCERS

### BUSINESS DEVELOPMENT OFFICERS

So in the business of factoring, what are you? Well, you are a consultant to your client, the small business owner, who requires your expert sage advice on how to finance his or her business. But to your factor, you are a valued freelancer or independent broker who will be compensated for referrals on a deal-by-deal basis through a very, very attractive commission fee arrangement.



## NOTES

**VERY  
ATTRACTIVE  
COMMISSION  
ARRANGEMENT**

## Commercial Finance Consultants

The term "factoring broker" is exactly what the name implies. It includes those brokers that practice primarily in the factoring side of the industry and provide expert referral services when business owners require assistance in accessing some form of accounts receivable finance. Most often, the need for such expert referral service comes into play when a small business owner is turned down for a bank loan and simply does not know where else to turn for a ready financing alternative.

In some cases, solving this problem just encompasses a simple referral by the broker to a more accommodative bank. More often than not, however, it will probably involve arranging some form of alternative commercial finance solution such as factoring or asset-based lending. And here, of course, is where a knowledgeable broker / consultant is often needed, since such financing options, and how to access their providers, are quite often little known to the average small business owner / entrepreneur.

**LITTLE KNOWN  
TO THE AVERAGE  
BUSINESS OWNER**

For some successful industry freelancers, the factoring product is simply not enough. This special group of brokers will expand their areas of financing knowledge and product expertise to the point where they are true small business financing experts. They are a very highly prized and select group of independent freelance individuals providing small business owners with a cornucopia of financial services over an expansive array of product areas. Such professionals, referred to as CFCs or *commercial finance consultants*, will be able to provide ready sources of finance for accounts receivable, inventory, purchase orders, equipment, and virtually every other type of business asset which requires periodic financing. In some cases, they may even delve into the very difficult and mysterious areas of angel investing and professional venture capital.

**COMMERCIAL  
FINANCE  
CONSULTANTS**



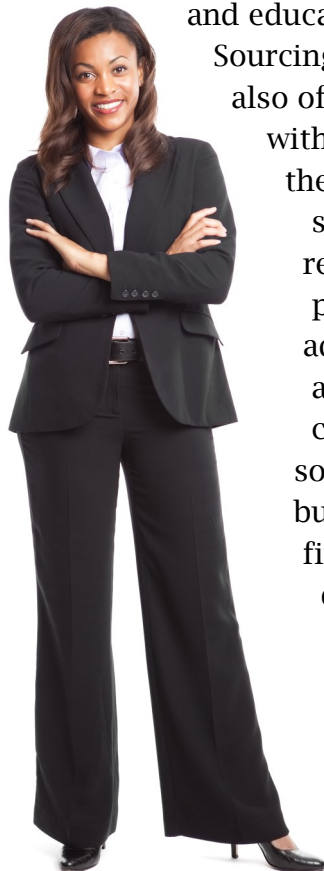
So on one end of the group or spectrum of industry freelancers, you have factoring brokers who will focus their practice predominantly in one product area, commercial accounts receivable factoring. On the other end, you will find some career industry participants who have developed a level of expertise much more expansive and diverse. It will include asset-based lending, equipment leasing, merchant cash advances, SBA lending, ACH term loans, export trade finance, and the many other niche areas of business finance found throughout the asset-based finance industry.

It is important to note that in most instances, industry CFCs initially launch their career with a primary focus on the factoring product. Over time, they slowly build on that factoring expertise and expand their product lines to include the many other methods of business finance found in the asset-based finance community of lenders.

## AUGMENTING THE INCOME FROM A CURRENT PROFESSION

### Augmenting a Current Profession

So as you now know, factoring brokers have many opportunities to expand their businesses by gaining additional product knowledge and education. But there is also another industry group. Sourcing factoring solutions to small business owners also offers many professional services practitioners with a perfect opportunity to augment and subsidize the income they receive from a current vocation simply by adding a powerful new earnings resource. For example, bookkeepers, tax preparers, and other accounting professionals can add factoring as a new service area designed to assist their struggling small business accounting clients in need of cash flow or working capital solutions. Attorneys, practicing in the area of business law, can add the power of factoring as a financing method for assisting clients in need of quick working capital prior to or shortly after a reorganization bankruptcy filing (known as DIP financing). Savvy business brokers who learn of the power of factoring, can use this financial tool to solve problems related to accounts receivable value when a small business is sold to new owner.



## Areas of Expanded Knowledge

For those individuals in search of an exciting new full-time career or even a part-time home-based business, the brokering of factoring related transactions, as well as the many other types of industry commercial finance products, provides an extraordinary opportunity to enter a truly unique vocation with earnings potential gauged very exceptional by any measure.

As an industry broker / consultant, your in-demand small business financial services help provide entrepreneurs with the ready capital they require to operate and grow their businesses successfully, while at the same time, earning you attractive fee and commission income. And as mentioned, though such “brokering” of factoring solutions is well practiced in Europe, this is a consulting career path which is relatively unknown in the U.S. and where the only real competition you will experience is from the lenders themselves.

Don't, however, take the decision to enter the industry lightly. Success as a broker in factoring and alternative commercial finance is far from guaranteed. To enjoy the exceptional income and many other benefits associated with this area of financial consulting, you will need to study, learn, and engulf the considerable factoring product knowledge required to perform your services.

Other than factoring, there are also several additional product areas which should be immediately recognized as “core products” for freelance brokers. These are products you will also need to quickly develop a working knowledge of. They include:

- **ASSET-BASED LENDING:** a facility created to provide a working capital loan (usually structured as a revolving line of credit) based on the value of accounts receivable, inventory, and equipment.
- **PURCHASE ORDER FINANCE:** financing, usually in the form of a letter of credit, utilized to purchase or manufacture goods required to fill a valid, large order from a creditworthy customer.
- **MERCHANT CASH and ACH ADVANCE:** an advance of lump sum cash to a business based on receiving a percentage of future credit card or over the counter sales receipts.



### NOTES

**EXCEPTIONAL  
EARNINGS  
POTENTIAL**

**ADDITIONAL CORE  
PRODUCT AREAS**





### **Millie Stubblefield**

Factoring Broker

Millie Stubblefield was a receptionist at a local bank in Lake Mount City, KY. As a bank employee she belonged to the local *Chamber of Commerce* and would periodically recruit those she met socially at the *Chamber* to the bank for loans and other services.

One day, she was pleasantly surprised to see a new *Chamber* acquaintance walk in the bank to apply for a business loan. The business owner had previously told her that his company, a condominium maintenance provider, was having some cash flow trouble and unless he could get a loan, he might have to lay off some employees and downsize a bit. Millie told him to stop by the bank and they would see what they could do.

Millie introduced the business owner to one of the bank's loan officers but unfortunately, there was little help the bank could provide. The business owner had poor credit and no collateral for a loan. The problem he was having was one of cash flow caused by his slow paying customers (management companies) which were taking 60 days or longer to pay for his services. As the business owner was leaving, Millie stopped him and gave him a phone number to call. It was the number of a local factor who had made a factoring presentation to the bank's employees earlier in the year. Millie thought factoring just might be the solution for this business.

Later that day the business owner placed a call to the factor who immediately set up an appointment. It was clear that the business owner's cash flow problem was being caused by the slow paying management companies and that factoring would provide a ready solution. Each week, the factor would purchase the maintenance company's invoices with an up-front 80% cash advance. The factor would then wait to get paid in 60 days. Once paid, the factor would remit the remaining 20% less a 5% fee for its factoring services.

With over a 40% profit margin, the maintenance company's owner could easily absorb the factoring costs. He would now receive payment within hours of completing his work and his customers could still enjoy their 60 day payment terms...all because of factoring.

For Millie, there was an added bonus. Although she did nothing more than provide a phone number that resulted in a new client being added to the factor's portfolio, she was now the *broker of record* for that referral and would be entitled to a monthly commission check. The maintenance company was generating about \$100,000 in billings each month. As the broker of record Millie would receive 15% of the factoring fees earned on financing those billings or about \$750 per month. Additionally, she would receive those checks for the life of the account which is typically 5 years or longer. This could represent a total income package of over \$45,000...FOR ONE REFERRAL!



## NOTES

Broker commissions paid in the factoring industry are *residual*, meaning they will be paid month after month, year after year, so long as the company referred continues to utilize the services of the factor. It is not unusual for a typical client / factor relationship to last 4 years, 5 years, 6 years or even longer. In the previous case study, a five year relationship yielded roughly \$45,000 in total commission payments to Millie, the *broker of record*.

So if you're still asking yourself the question, "*can I do this business?*", the answer is still, "*I don't know!*" But after seeing the previous example of how a single brokered factoring transaction, one which was simply the result of being in the right place, at the right time, armed with the right knowledge, and which resulted in total earnings of \$45,000 to the referring broker over time, the NEW question is, or at least should be:

*Can I afford NOT to invest the time in acquiring this kind of "RIGHT KNOWLEDGE"?*

RIGHT PLACE  
RIGHT TIME  
RIGHT KNOWLEDGE

## Factoring Consultant Characteristics

Factoring brokers come in a wide range of styles and flavors. This is a very flexible industry that can accommodate part-time occasional practitioners, full-time careers seekers, and everything in between. But as we said before, almost no one entering the industry's brokering community actually comes fully equipped from day one to excel. The vast majority choosing to embark on this journey will need to acquire industry specific product knowledge, develop or hone certain marketing skills, and most probably both.

EXCEPTIONAL  
REWARD

Regardless of the amount of preparation required, the reward for doing such personal "upgrading" is exceptional. Those with the intention of participating only occasionally and sending their referrals to a factor just once or twice a year, can probably do so by simply investing a little time in learning a bit more about the factoring process. In fact, most can easily acquire the necessary product knowledge just by reading this guide. After doing so, they will be able to speak intelligently about how factoring works and get an occasional client. The requirements to enter the industry with full-time career intentions, however, are quite a bit different.



Career factoring brokers and commercial finance consultants tend to be derived from the determined “opportunist” style of today's entrepreneurs. They are “mobile creatives”, drawn to those business opportunities where *residual* and *renewable* income is a feature. Although they may not initially have the required skillsets to successfully commence a particular venture, they are very willing to devote the time to develop and learn skills to achieve success.



Career oriented industry entrants will find this enterprise to be very much a suit and tie business. Many will have to embark on a journey of personal upgrading to slightly “remanufacture” themselves as true consulting professionals.

**A SUIT AND TIE  
BUSINESS**

Normal days for career brokers will be spent networking with local sources of referral such as loan officers, accounting professionals, and others. There will be meetings with business owners, workshops to hold, speaking engagements, and luncheons and club meetings where knowledge can be shared. Career brokers will create lead-generating marketing campaigns, implement those campaigns, and then prospect the leads generated through telephone follow up. They will create and distribute informative small business newsletters, may hold periodic guest speaker teleconferences, develop irresistible offers, manage a consultant website, and create and nurture prospect databases.



So as you now may be realizing, full-time participation in this business is just not that simple. It is a career for self-starting, hard workers and one to be taken very seriously. This is professional, “hard core” consulting at it’s finest and those viewing the industry as the next get rich quick and easy scheme, characterized by minimal work, are in for quite a rude awakening.

**FOR SELF-STARTING  
HARD WORKERS**

Productive brokers who can generate quality clients are always in great demand by industry factors since they represent a valuable productivity resource which gets compensated only on performance. In fact, virtually every factor’s website contains some page or area strictly devoted to soliciting business from freelance independent brokers. Don’t believe it? Just try this.



With the help of your favorite search engine, take a moment to visit any factor's website. They are very easy to find. In your browser's search bar, simply type in "factoring services" followed by the name of a large metropolitan area near you such as...

## FACTORING SERVICES ATLANTA

You will find a large list of factors displayed. Click on any link to visit that factor's website. Somewhere on the site, within easy access, you will see a link to an area or page entitled *Brokers*, *Referrals*, *Partners*, or something similar. Those pages will explain that particular factor's broker program, commission payout arrangements, and often much more. Industry statistics reveal over one half of all new factoring clients generated each year are the result of a referral and many of those referrals are sourced from successful independent industry factoring brokers. All factors eagerly solicit independent brokers and especially those with proven track records when it comes to generating quality leads.

**EXPLORE LINKS FOR  
BROKERS, REFERERS  
PARTNERS, ETC.**

## Getting Started

*Factoring: A Freelance Broker's Guide* is a very comprehensive "how-to" manual for new industry entrants and will likely provide you with all the training you will require to start your journey and begin earning industry commission income. Below are a few "helps and hints" to make sure you get the most from this training guide.

**COVER-TO-COVER TWICE**

- Read this training guide cover-to-cover at least twice. Avoid using it solely as a reference.
- Answer the questions at the end of each chapter. We have placed the answers to all questions at the back of the guide.
- Take the *IACFB Proficiency Exam* located in the e-learning *Campus* after completing the training. One of the greatest fears new consultants have is that they DO NOT KNOW ENOUGH and will be embarrassed or exposed as a novice. If you can score a 80% or higher on our *Proficiency Exam*, you have learned more than what you need to launch your new business.

**TAKE THE PROFICIENCY  
EXAM**

## Chapter 1 Quiz

1. Nearly \_\_\_\_\_ million Americans have left the American labor force as of this writing.
  - A. 35
  - B. 52
  - C. 95
  - D. 106
  
2. A factoring broker is someone who periodically refers a business owner to a factor or lender and \_\_\_\_\_
  - A. earns a commission
  - B. becomes broker of record
  - C. is an independent contractor
  - D. all of the above
  
3. Most factors will have inside \_\_\_\_\_ for business development.
  - A. account executives
  - B. business development officers
  - C. BDOs
  - D. both B & C
  
4. A “CORE” product used by small business to finance accounts receivable, inventory, and equipment is \_\_\_\_\_
  - A. merchant cash advance
  - B. factoring
  - C. purchase order finance
  - D. asset-based lending
  
5. As the “*Broker of Record*” on a referred factoring client, you will normally earn \_\_\_\_\_ percent of the factoring fees for the life of the account.
  - A. 5
  - B. 10
  - C. 15
  - D. 25



**TAKE THE QUIZ**

**ANSWERS TO  
THESE AND OTHER  
QUESTIONS CAN  
BE FOUND IN THE  
BACK OF THE GUIDE**

