

# CONCLUSIONS



## Opportunity Awaits



Now that you've finished reading this *Consultant's Guide*, you may be starting to wonder why you didn't discover this unique home business opportunity 10 or 20 years ago. And, now that you have discovered it, how long will it take to get up and operational? When you are going to officially enter the industry?

For some, entry will be quick and easy. For others it will take some preparation and maybe even some personal upgrading. But for most, it may be just a matter of jumping in and getting operational. To do so, you really only need three things:

- **KNOWLEDGE:** Take the *Proficiency Exam* located in the IACFB Learning Lab. Take it as many times as necessary until you can score 80% or higher.
- **WEBSITE:** Either build a professional *WordPress* website yourself or engage a designer to do it for you. IACFB also offers exceptional low cost websites for new brokers which you can view in the Campus. Your website is a "virtual office" and an absolute necessity when you are first starting out.
- **BUSINESS CARDS:** Have 500-1,000 business cards printed with contact info including your web domain.

**YOUR WEBSITE:  
A VIRTUAL OFFICE**



# Getting Part-Time Operational

One of the most appealing characteristics of brokering factoring transactions is the ability for the consultant to work as much or as little they like. Minimal part-time, maximum full-time, and everything in between. Though we discussed in detail what it takes to enter the industry on a truly professional basis in Chapter 5... *Getting Ready for Business*, many brokers, probably 50% or more, begin their careers in factoring on what we could call an "occasional" basis. They test the waters based upon their current skills.

From an outbound marketing standpoint, they may place an occasional classified ad, but that's all. From an inbound marketing standpoint, they network a bit, but only at venues where they currently already belong. They invest very little in their business other than time, until they feel comfortable doing so. In short, they approach the business as minimalists or "referrers". And for those seeking to enter the industry in such a way, there is good news!

### OPERATING AS A "MINIMALIST"

## Operating as a "Referrer"

Consulting is just one of those great professions perfect for part-time participation. There is no need for inventory or a retail counter because your product (knowledge) is in your head. To deliver your product to those in need, you require just two marketing tools. You will need a virtual office (website) and some business cards.

Your costs of operation are staggeringly low. Consider that once your website is built, your costs to operate as a broker on a "referrer" basis include:

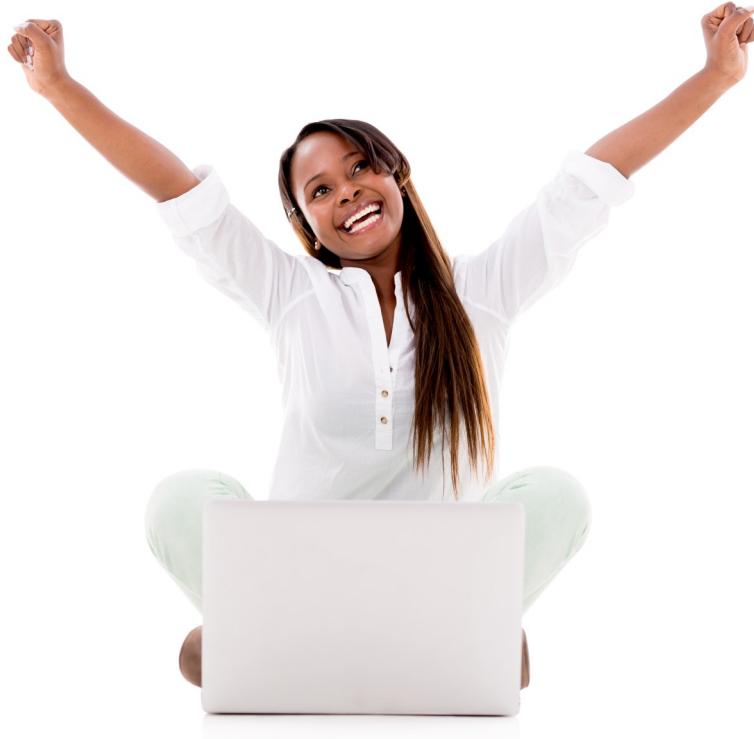
- **Monthly website hosting fees and annual domain renewal**
- **Replacement business cards**

So once set up, your cost of operation can be just a few dollars each month. When you consider the potential commission income from just one or two clients generated "accidentally" each year by simply being in the right place at the right time, there are very few (if any) part-time businesses that can compare to brokering factoring transactions.

## Excitement: Getting Your First Deal

There is little to compare with landing your first brokered deal in factoring. As an industry "newbie", you will likely:

- Grab your calculator and estimate your monthly broker fees (trying hard not to embellish them).
- Multiply that fee by 12 to estimate your annual income from the single deal.
- Divide \$100,000 by that figure to determine how many similar deals you'll need to break the \$100,000 mark.
- Start planning an exotic vacation.
- Call your mother.
- Call your father.
- Call your ex-wife or ex-husband...the one who told you that you'd never amount to anything.
- Call anyone else you think will listen.
- Ask yourself exactly why you're saddled with \$50,000 in student loans for a "puppy farm" education that taught you absolutely nothing about really making money.





# One-Way Street. No Turning Back!

So you may now be beginning to understand, whether you just dabble a bit in freelance brokering or dive into the industry with career intentions, once you land your first brokered deals you'll be hooked. You now have the knowledge necessary to make BIG money and there's no way to unlearn it. In some form or fashion, from this point on, you'll be a factoring broker for life.

You may even begin to enjoy the attention and status that comes with being a high-profile business finance expert. The professionals you're now mingling with accept you as an equal. They respect you and your unique area of knowledge. The money is there too, for the making. So it is now completely up to you. How long it takes you to begin earning it and truly enjoying the many benefits of this exceptional profession is all on your shoulders.

### ONE WAY STREET NO TURNING BACK

Whether you practice on a full-time basis or look at brokering as simply something to do in your spare time, it won't matter one bit. You will now always carry your business cards with you and always maintain a virtual office on the web. You now understand that learning to broker factoring transactions is strictly a one-way street. Once you have the knowledge, there's no turning back.



# The Campus IACFB Factoring Forums



Our IACFB forum on LinkedIn Groups was created to provide a place for readers of the *Factoring Consultant's Training Guide* to ask questions and join in the IACFB Community. The *Campus IACFB Factoring Group* on LinkedIn utilizes a LinkedIn business group platform and are very easy to use. The IACFB Group is located at <https://www.linkedin.com/groups/9075224/> and a new magazine subscriber we highly recommend joining our group/forum.

LinkedIn represents a vast network of opportunity for new factoring brokers to connect with prospective clients but also to connect with and build a productive referral network of lending officers, accounting professionals, and others that can send new business your way. Consider this...

- LinkedIn is responsible for 80% of all B2B leads generated on social media making LinkedIn the leading platform for lead generation and far ahead of other social media such as Facebook and Twitter.
- LinkedIn has over 900 million members globally and with more than 61 million senior-level influencers. Even more critical to your business as a broker, LinkedIn has over 40 million decision-makers as users.
- LinkedIn boasts a conversion rate of 2.74% for B2B businesses which is much higher than both Facebook (0.77 %) and Twitter with only 0.69%
- A staggering 92% of B2B marketers use LinkedIn as part of their marketing mix and 50% of B2B buyers use LinkedIn when making purchase decisions.



## YOUR ACCESS TO THE LEARNING LAB

Learning the various "ins and outs" of navigating on any social media takes some time and effort but as you can see, becoming familiar with LinkedIn is an essential element to your marketing success as a professional in the business development-side if the factoring industry which is why IACFB chose to locate its business group on LinkedIn rather than on one of the standard forum software options available.



# Accessing the E-Learning Training Campus

As a user of this guide and subscriber of Commercial Finance Consultants Magazine, you have access to the expansive number of articles available to you. You may also consider, however, subscribing to IACFB Academy online content for...

- Updates and additions made to the *Consultant's Training Guide* between printings.
- Informative training classes, lessons, and articles on factoring and other forms of asset-based finance archived to provide a level of continuing education.
- Links to member-only articles found in the support pages at IACFB's *Commercial Finance Consultant Magazine*.
- Special "Free Trial Links" to recommended software such as *Pipedrive CRM*
- *IACFB's Business-in-a-Box* marketing support aids and materials such as brochure, flyer, mail stuffer, postcard templates, cover letters, telephone scripts, and more

**Campus IACFB**

**International Association of Commercial Finance Brokers**

Build Your Future and Career. Become a Professional Freelance Broker / Consultant in the Exciting and Rewarding Factoring and Alternative Commercial Finance Industry.

**Explore**   **Get Started**   **Login**

**Factorland**  
An Introductory Guide to Accounts Receivable Factoring for Freelance Factoring Consultants

Now the Text Can Suit Your Style. The Factoring Industry Has Evolved. Let's Educate Yourself Accordingly.

**IACFB UNIVERSITY**

**Registration**

Play the Video

**Comprehensive Business Finance Broker Training Programs**

IACFB provides comprehensive training for those seeking to learn more about the business of alternative commercial finance including commercial factoring, asset based lending, purchase order financing, export trade finance, merchant cash advance and much, much more. IACFB provides comprehensive programs, classes and lessons designed specifically to develop our rapidly expanding network of IACFB sponsored agents, freelance brokers, and certified consultants nationwide. Register as a "Guest" or and explore and learn more.

## Business-in-a-Box

The *Factoring Broker's Training Guide* you have just read is the cornerstone training manual for IACFB's *Factoring Broker Development Program*. Though many new industry entrants will come equipped with the special skills required to create the professional marketing materials needed to launch their business, others will not. For those in need of some assistance, we have created **Business-in-a-Box** at the IACFB Campus.

**Business-in-a-Box** is all about marketing and provides new industry brokers with virtually all the tools they need to be up, running, and marketing in just a matter of days. **Business-in-a-Box** at the Campus includes:

- **WEBSITE:** a templated professionally designed factoring broker WordPress website complete with (squeeze) page and integrated blog. (hosting required)
- **OFFERS:** booklets and documents included with your website
- **COLD CALL SCRIPTS:** telephone scripts for every occasion
- **EMAIL:** business email (POP3 / IMAP)
- **BROCHURES, FLYERS, POSTCARDS:** brochure, postcard, mail stuffer, and flyer templates
- **CRM:** CRM recommendations and special setup instructions
- **EMAIL MANAGERS:** recommendations and setup instructions
- **CASE STUDIES:** downloadable PDF Case Studies
- **MORE:** much more

Business-in-a-Box is located in Factoring 202's ANNEX area and for Academy subscribers, it is a wealth of marketing tools that will assist in generating leads and prospects.





COMMERCIAL  
FINANCE  
CONSULTANT  
TRAINING

# Commercial Finance Consultant Magazine

IACFB offers an expansive array of support for new industry entrants and one of the most important is IACFB's *Commercial Finance Consultant Magazine*. This unique, one-of-a-kind, online magazine contains a wealth of information to assist new startups. Article categories on the magazine include:

- **STARTUP & CAREER:** Articles devoted to those exploring the industry or in the early startup phase of operation
- **BUSINESS DEVELOPMENT & PRODUCTIVITY:** Articles and important information about lead-generation, productivity, and business management
- **PRODUCTS & NICHES FOR BROKERS:** Articles devoted to showcasing products and niches of interest to the IACFB community of freelance brokers
- **IACFB MEMBER RELATED:** Articles about IACFB programs and special support areas for *Factoring 101 Program* subscribers
- **POPULAR ARTICLES:** A collection of our most commented upon articles

[www.commercialfinanceconsultants.com](http://www.commercialfinanceconsultants.com)



## Additional IACFB Support Areas

Below are additional support features at IACFB.

- **PIPEDRIVE CRM FREE TRIAL:** All those intending to enter the industry on a full-time, professional basis will require a CRM. After much research, IACFB staff has chosen the Pipedrive System due to its ease of use and low cost. You can request a FREE 30 day trial of Pipedrive by visiting [www.iacfb.org/pipedrive.htm](http://www.iacfb.org/pipedrive.htm).
- **IACFB WHOLESALE OPERATIONS:** Deal placement and pre-underwriting assistance using IACFB staff. Includes IACFB's "Reimbursement Program" for training and setup costs (up to \$100) upon submission and acceptance of your first referral. Get more information at [iacfb.com](http://iacfb.com)
- **LENDERS DIRECTORIES:** *The Directory of American Factors and Lenders*, an online directory with over 500 broker-friendly factors and lenders and available through the IACFB broker training campus
- **DMS WEBHOST:** Low cost WordPress websites, web hosting and web domains for those entering the factoring industry through IACFB. See current pricing and links at [www.iacfb.com](http://www.iacfb.com).
- **FACTORING BROKER FORUMS:** Access to the forums is complimentary with your purchase of this guide. Additional information and instructions for forums access is available at [www.iacfb.com](http://www.iacfb.com).

## A

account 16  
account debtor 16, 21  
accounts assignment schedule 62  
accounts collection schedule 62  
accounts receivable aging report 102  
ACH advance, 67  
advance 16, 44, 84, 107  
*Advance Factoring* 34, 35  
alternative commercial finance 3,  
American Colonies 52  
amortized fixed loan 61  
analytics, 127  
appearance 134  
asset-based finance 2, 15, 16, 60  
asset-based lending 7, 60, 61  
assignment 17  
authoring 126, 133, 180, 181  
automatic stay 86

## B

B2B 22, 23  
backlinking, 126  
benefits (factoring) 168  
*Blackwell Hall* 51  
blanket lien 99  
blogs 182  
borrowing base 62  
borrowing base certificate 62  
brochures, 130  
Broker's Agreement 103  
business cards 122  
business development officer 4, 102  
business email 117  
business name (broker) 114  
business name generator 115

## C

*California Factoring* 34  
*California Finance Lenders License* 139  
call-to-action 125  
case studies 183  
cash collateral account 63  
classified ads 161, 163  
client 17, 18  
clubs 136  
collateral 16, 37, 39  
collections 49, 108  
commercial finance consultants 5  
commissions 10, 66, 108, 109, 147, 149  
commission advance 81, 82  
*Company Profile* 97-100, 102  
compiled lists 153

consignment 21

consulting 3, 4  
construction factoring 44  
contact relationship manager 128, 129, 151, 152  
contingent invoices 24  
construction receivables 44, 72  
contract finance 64, 101  
contras 21  
CORE products 59  
cost / benefit analysis 149  
credit card rates 48, 169  
credit insurance 92, 93  
CRM 128, 129, 151, 152  
customer 17

## D

databank lists 153  
debtor-in-possession 85, 86  
delinquent debt 21  
DIP Financing 85, 86  
direct mail 145, 171, 172-174  
disaster funding 172  
discount 17, 18, 22, 59  
DMOZ 12  
domains (website) 116, 117

## E

Economic Development Corporations 69, 166

## Email

business 117  
e-lists 153  
marketing 128, 158  
executive suites 121  
EXIM bank 93

## F

*FACA Laws* 80

## Factoring (Factors)

advance of funds 16, 44  
*Advance Factoring* 34, 35  
and American Colonies 52  
and asset-based finance 15  
and B2B 18  
and contract finance 64  
and credit cards 22  
and freight bills 83  
and lending 22  
and real estate commissions 81, 82  
and staffing  
and structured settlements 22  
benefits of (168)  
businesses employing 154  
*California* 34, 35

construction 44, 72  
 defined 17, 18  
 fee 17, 45, 45, 47, 48, 169  
 history of, 50  
 international 90  
*Maturity* 33  
 micro 88  
 niche 58  
 objections to 168  
*Old Line*  
 parties involved 18  
 referrals to 12  
 spot 32, 87  
*Traditional* 33  
*Factors Chain International* 91

**Factoring broker**  
 characteristics of 2, 3, 5, 10, 11  
 forums 12  
 fraud 37, 38  
 factoring fees 17, 45, 45, 47, 48, 169  
 factor's reserve, 45  
*Factors Chain International* 92  
*Factors Walk* 52  
**Federal Assignment of Claims Act** 80  
 field examinations 63  
 financial statement loans 60, 61  
 flat fee plus interest (fee) 47  
 flyers 130  
 forfaiting 60  
 freight bill factoring 83  
 fuel cards 83

**G**  
*General Rules of International Factoring* 91  
 goals (broker) 113, 146, 147  
 government receivables 24, 80, 81  
*GRIF* 91  
 groups 151  
 guest speakerships 166

**H**  
 hard offers 159  
 healthcare receivables 84

**I**  
 inbound marketing 143-145  
 inheritance advance 59  
 insurance 139  
 international factoring 90, 91  
*International Factoring Group* 92  
 international sales risk 90  
 inventory 61, 63

**Invoice (s)**  
 consignment 24  
 contingent 24  
 foreign 26  
 government 24  
 pre-ship 25, 26  
 quality of 37

**J**

**K**

**L**  
*Laws of Hammurabi* 50  
 lead generation 141  
 legal advances 59  
*Learning Lab* 12  
 letter of credit 65, 66, 90, 92  
 licensing 136, 139  
 lien (first priority) 30  
 lien search 41  
 lists 128  
 list building 153  
 lockbox 63, 108

**M**

**Marketing**  
 defined 142, 143  
 plan 148  
 styles 143  
 target groups 151  
 tools 150, 156  
*Master Purchase and Sales Agreement* 46, 104  
 maturity factoring 33  
 MCA 67, 68  
 mechanic's lien 73, 74, 75  
 merchant cash advance 7, 67, 68  
 medical receivables 84  
 micro-factoring 88  
 microloans 68  
*Microsoft*  
 PowerPoint® 131  
 Word® 131  
 misdirected payment 42  
 mobilization funds 64, 100, 101

**N**  
 networking 133, 136, 160  
 newsletter 125, 128, 158, 171  
 niche factoring 58  
 non-recourse 17, 35, 36  
 non-notification 63  
 notice to owner 75  
 notification of assignment 17, 31, 42, 43, 80, 105

# Index

---

## O

objections (factoring) 168

Offers 125, 159, 160

## Office

location of 118

commercial space 120-122

home 119

*Old Line Factoring* 33

OPM (other people's credit) 24

opt-in lists 128

outbound marketing 143, 144

## P

PACA Laws 79

PASA Laws 89

*Packer and Stockyards Act* 89

paid-as-paid 75

performance bonds 77

*Perishable and Agricultural Commodities Act* 79

PowerPoint® 131

priming 24, 31, 79, 89

productivity 118, 123

Proficiency Exam 12, 133, 136, 139

progress billing 75

progress payment 75

public speaking 132, 133

purchase and sale 24

purchase order finance 7, 64, 65, 66

## Q

query letters 181

## R

real estate 16

real estate commissions 81

rebate 17, 44, 45

recourse 17, 35, 36

relationship building 144

reserve 17, 45

reserve distribution 17

response lists 153

retainage 44, 73

revolving line of credit 61

rights to setoff 73

*Rolodex Cards* 173

## S

secured lending 39

search engine optimization 126

simultaneous submissions 100

Small Business Administration 69

Small Business Development Companies 69

social media 136, 145

soft offers 159

soft skills 8, 132

speaking skills 132, 133

special assets officer 71

sponsorships 177-179

spot factoring, 32, 87

squeeze page 124, 125, 127

staffing companies 78

structured settlements 22, 59

subordination 31, 41

## T

tax liens 31, 32, 99

teleconferences 176

term loan 61

*Terms and Conditions Agreement* 104

terms of payment 22, 23, 24

*Toastmasters Clubs* 170

tracking software 45, 49

*Traditional Factoring* 33

trucking receivables 83

## U

*UCC-1* 40, 105

*UCC-3* 42

*UCC Lien Search* 41, 43, 99, 105

uncollected reserve 45

*Uniform Commercial Code* 40

underwriting 104

URL 116, 117

usury laws 67

## V

verification 37, 38, 63, 73, 74

## W

waiver of setoff 74

**Website** 116, 117, 123, 124,

and analytics 127

and backlinking 126

and squeeze page 125

white board 156, 157

windows (fees) 46

Word® 131

workshops 164-167, 170

writing skills, 133

## X

## Y

## Z

**CHAPTER 1 QUIZ PAGE 13**

1. C
2. D
3. D
4. D
5. C

**CHAPTER 2 QUIZ PAGE 54**

1. A
2. D
3. B
4. B
5. D
6. D
7. C
8. A
9. D
10. D
11. D
12. A

**CHAPTER 3 QUIZ PAGE 94**

1. B
2. B
3. B
4. A
5. D
6. C
7. C
8. B
9. B
10. A

**CHAPTER 4 QUIZ PAGE 110**

1. A
2. B
3. C
4. B
5. B
6. C
7. C
8. B
9. D
10. C