

## ADVERTISING SPECIALTIES

The advertising specialties market is ripe with sales opportunities for NCS representatives. With a significant number of these businesses in most every NCS marketing area, the advertising specialties industry is a prime example of a vertical market which can pay off tremendously for determined NCS reps.

What are advertising specialties? Examples include coffee mugs; refrigerator magnets, golf balls; key tags, luggage tags, hats, visors, T-shirts, pens, pencils, pocket calculators, paper clip dispensers, and much more. Just about any commonly used item which has the ability to keep a company's name in front of their potential customers can be marketed as an advertising specialty.

Specialty items are distributed to potential customers of the company whose name and/or logo appears on the item. These pieces are passed out, usually free of charge, at conventions, trade shows, or any event where product/name exposure is desired to last well after the event is concluded. A refrigerator magnet is a perfect example. The potential customer puts the magnet in a prominent place and the product/name recognition stays in the forefront of their mind.

Advertising specialty items are marketed by sales representatives who act as brokers for their customers. Working directly with the manufacturers, these sales reps may have sample items, or glossy catalogs with crisp pictures showing the items in use. Upon qualifying and filling the customer's need, an order is placed with a manufacturer. Advertising specialty brokers are billed at the manufacturer's prices, then charge their customer the approved price which includes sales commission and profit. Business is great when customers pay their bills on time, but when payments are slow in coming, a broker's cash flow can be seriously affected.

NCS has been exemplary in rectifying these slow-paying situations. On accounts with balances averaging \$3,100, NCS's advertising specialty clients are receiving an average 68 percent recovery.

In the advertising specialties market, the customer base is usually of high quality. Their demographic makeup is not like a public utility or mail order company, where little or no control exists over qualifying the customer. An advertising specialties sales representative will typically make more than one in-person visit with the buyer and a genuine business relationship can be formed.

Usually a company purchasing advertising specialties is not on the verge bankruptcy, nor planning to go out of business. They are frequently laying the groundwork for a convention, trade show, or other upcoming promotions. They fully intend to be in business for some time, or they would not have invested in custom products with their firm's name, logo, and maybe even a phone number on them. These positive market qualities all contribute to NCS's exceptional recovery rate in the industry.

The decision maker in this market will either be the chief financial officer or controller. Always focus appointment setting efforts on the highest ranking position in the company, then if referred down to another, the referral will carry added weight.

Individuals holding positions in the advertising specialties field are in the communication business. It is their objective to effectively communicate ideas and prompt the recipients to action. Much in the same manner as an expertly given NCS presentation, advertising specialties people also relay their ideas to their customers. They are well-grounded in presentation skills, so be fully prepared to mirror their professionalism. Always wear freshly pressed clothing and project the best professional image. Half of the advertising business is image, and the other half is quality.

#### ADVERTISING SPECIALTIES MARKET REPORT

Average age of accounts submitted:	60 days
Average balance:	\$3,100
Average NCS recovery:	68%
Major problems and concerns:	slow-paying accounts non-paying accounts diplomacy lost invoices
Typical internal collection procedure:	past due statements, phone calls
Key individual to contact for decision:	chief financial, officer controller
Key individual to get ARA numbers:	same as above

## AMBULANCE COMPANIES

Ambulance services represent a need many Americans take for granted. Most people do not plan ahead, nor do they set aside money to be used specifically for an ambulance. Contrary to popular belief, many times ambulance care is not covered by common medical policies and must be paid in full by the individual who receives it.

NCS Systems is specifically designed to bring overdue accounts of this nature to the patient's immediate attention. Regardless of the reasons for nonpayment, NCS influences debtors to become current or make contact with the ambulance company to work out arrangements.

Many people are under the mistaken impression that ambulances operate in emergency situations only. This impression just is not true. Over 75 percent of their business is transporting disabled patients who are unable to drive themselves. A vehicle to transport a wheelchair bound patient costs about \$540, while full ambulance care is \$420 to \$480. In trauma situations, there may also be an additional charge for treatment received from a paramedic. Generally, patients require ambulance service on a one-time basis only, so multiple accounts being assigned to NCS are not normally a problem.

### Problem Account Types

- Self-Pay -- patient with no insurance coverage
- Third Party Reimbursement -- patient has no coverage under either Medicaid, Medicare, or a commercial insurance company

The contact person and decision maker for an ambulance company will most always be the owner. Husband and wife teams are very common in this market. With a multitude of family operations such as these, quite often their approach to collections is rather unsophisticated. The same person who performs as dispatcher may also be the bookkeeper. Many of these business owners are working hard to make ends meet. Use your abilities as a consultant to show them how NCS can improve cash flow, handle slow-paying insurance companies, and ease the burden that a lengthy A/R listing can create for them.

To increase cash flow you may want to recommend a faster billing cycle. Traditionally; statements are sent to patients at 30-day intervals. To speed up payments, suggest that the company's billing statements be sent at 15, 30, and 45 days after service has been rendered. People who normally pay their bills upon receiving the first statement will now do so at 15 days as opposed to 30. The same is true for those who require two notices before satisfying an account. With a faster cycle such as this, the business will not only receive their money more rapidly, but unresponsive accounts will be identified at a much earlier age. Following this cycle, unresponsive accounts should be assigned to NCS at 60 days.

## AMBULANCE COMPANIES MARKET REPORT

Average age of accounts submitted:	60 days
Average balance:	\$480.
Average NCS recovery:	40%
Major problems and concerns:	Collection agencies are often viewed as a last ditch effort to collect long overdue accounts Most patients are accepted on credit not enough patient information obtained at time of service Ambulance companies commonly use an unsophisticated approach toward collections
Typical internal collection procedures:	monthly statements, periodic phone calls
Terminology:	chair car --- vehicle used to transport wheelchair-bound patients patient -- individual who receives ambulance service
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

## AMUSEMENT & THEME PARKS

Long the focal point of so many family vacations or school outings, amusement parks and theme parks provide an environment for a full day of fun and excitement. Roller coasters and other thrill rides, live performance shows, exhibits, games, and food concessions make up the typical amusement park, providing an array of entertainment for nearly everyone. Many theme parks, especially those with live animal exhibits and/or shows, also boast themselves as an educational resource.

These parks can also be a boon for the communities in which they are located. As vacation destinations, these sites will serve as prime locales for hotels and motels, campgrounds, restaurants, and other tourist-related industries. Even as most operate on a seasonal basis, particularly those in the Midwest and on the East coast, they further help local economies by providing part or full time employment opportunities. Amusement and theme parks not only help put their immediate city in consideration as a recreational destination, but the surrounding municipalities as well.

Naturally, the more desirable such parks are as a family or organizational destination, the more successful they will be, and the healthier their bottom line financially must be. Behind all the fun and thrills is a business enterprise relying on profits from operations to continue offering the latest and greatest in such entertainment. Acquiring new attractions and building new rides of this scale and facilities requires a smooth, dependable cash flow. The sinking feeling caused by NSF checks, credit card charge-backs, and slow / non-paying accounts is quickly felt by park operators as amounts tend to dip into revenue that adversely affect aforementioned upgrades.

What a fit for the services of NCS/ACM! Beginning right at the admission gate, NCS can start making a positive impact on the recovery of these accounts. Personal checks are often accepted for admission, although not typically in the park at gift shops, concession stands, games, or special events requiring separate, admission. Admission tickets alone can require a hefty sum, with prices ranging anywhere between \$45 and \$120 just to get through the gate. (Consider it: a family of four may be passing a check of \$480 just to enter the park. Of course the thought regarding such prices is that a park visit is a full day affair, with rides and exhibits receiving unlimited visits. The design behind taking checks at the gate and not in the park is that guests (what customers are typically referred to as) will not have the cash to spend in the park if a considerable chunk goes toward entry. Food and drink items, souvenirs, and games are where the park's profit margin is greatest.

Amusement and theme parks will often extend discounted rates to large groups, organizations, schools, or businesses. This may be in the way of lower-priced admission tickets or reservation of the park (or an area therein) for special events. Parks may also have an affiliated hotel or campground / overnight parking facility for guests planning an expanded stay. These costs are worth discovering, as NCS can aid in greater dollar recovery in these areas as well.

Parks will often attempt to collect on accounts through in-house methods that include past-due statements and letters or phone call. These collections are tough, because the event has passed and it is unlikely the guests) will rake another visit anytime soon (so refusing admission is not a likely motivation for reconciliation). Slow pays can be found on open accounts with schools and organizations. Diplomatic, third-party intervention will make a considerable difference in these instances. NCS can be implemented into whatever in house procedures exist and make an instant impact.

While, as mentioned before, guests most likely will not be returning that season, parks want to ensure favorable relations for future attendance and references to family and friends. Alienating schools and other community groups can be detrimental to a park's reputation. However, considerable balances may require additional attention in which NCS can effectively step up recovery efforts with direct telephone contact during Phase 1.

**AMUSEMENT & THEME PARKS MARKET REPORT**

Average age of accounts submitted:	90 days
Average balance:	\$560
Major problems and concerns:	NSF checks credit card charge-backs open accounts diplomacy community image
Typical internal collection procedures:	past-due statements, letters phone calls
Key individuals to contact for decision:	controller / director of finance
Key individuals to get ARA numbers:	same as above

## ANIMAL HOSPITALS

Seven out of 10 American families have one or more pet animals. Even dating back in history to the times of our forefathers, pets have been an integral part of the family unit.

Today, including veterinary services and nonfood pet items, the nation spends in excess of \$5 billion on pets annually. Like humans, these domesticated animals require periodic health care. Health related services for animals are strictly regulated by federal and state governments. Veterinarians commonly go through years of formal training prior to obtaining a license to practice.

As in other medical practices, veterinarians often experience difficulty when attempting to collect money owed to them. Many consumers place their personal physicians at the bottom of their payment schedule, and guess what happens to the dog's doctor. A vet is frequently the last on the list, if that:

Veterinarians usually work out-of animal hospitals with one or more other doctors: They concentrate on helping patients and when A/R problems grow extensive, the alternatives can be rather limited. The average account balance is \$240, which rules out most conventional agencies. These low balances tend to be skimmed by agencies that work strictly on a percentage of collections. NCS is the ultimate choice for vets who want their accounts worked quickly, systematically, and for a minimal flat fee.

When prospecting animal hospitals in your area, set an appointment with the veterinarian. It is not unusual far more than one vet to be in on the decision, so make sure that all interested parties are available far the meeting. Stress the diplomatic approach as vets are commonly quite empathetic toward the needs of sick animals. Even though it is not the pet, but its owner; who is being turned over for collection, veterinarians are still apprehensive.

When presenting NCS to veterinarians, be certain to show a genuine caring attitude. Try to emit the same level of care toward a vet's receivables that they show for their patients. With this mutual understanding, you will develop a long lasting and profitable relationship.

Upon installing the system, it is crucial to stress early assignments. The U.S. Department of Commerce reports the average delinquent account will depreciate 70 percent after 180 days. Veterinarians should be informed of this fact and told that by the nature of the business, their accounts may depreciate faster. Let them know that a satisfactory recovery rate with NCS hinges on the age of the accounts assigned.

In comparison with any other client; or maybe even more so, animal hospitals need to be super serviced. Do not be lulled into the false impression if they have not submitted any accounts lately, it is because they have not had any reaching 90 days. Be certain to call on these clients every month and try to have some new information to share on

cash flow. management. Your understanding attitude toward a client's. financial concerns is a credit to you as a NCS professional.

The animal hospitals in your area need NCS to eliminate unnecessary A/R problems. Introduce them to NCS and show them how The Cash Recovery System can help put some bark back into their business.

#### ANIMAL HOSPITAL MARKET REPORT

Average age of accounts, submitted:	100 days
Average balance:	\$240
Major problems and concerns:	delinquent accounts
Typical internal collection procedures:	Monthly statements
Key individual to contact for decision:	veterinarian
Key individual to get ARA numbers:	veterinarian

## ATHLETIC TEAMS: PROFESSIONAL, SEMI-PRO, & AMATEUR

There are many ways through which a city can build civic pride in its population. Communities are united with a shared esteem in the landmarks, history, commerce, and arts that give their city so much of its identity. These four considerations - can also be contained in one single entity -- a professional; semi-professional, or amateur athletic organization. While the highly-recognized teams of Major League Baseball, the National Basketball Association, the National Football League, and the National Hockey League command national attention, there are hundreds more minor league and semi-pro organizations which compete in smaller marketing areas.

With the advent of multiple cable channel access and satellite television, teams are no longer limited to audiences in their city or that of their opponents. Fan bases are worldwide as supporters can see nearly every game their favorite team plays simply by subscribing to a particular satellite or cable station. Currently, there are 205 countries in which Major League Baseball telecasts are available; recognition of cities through athletics is dramatic.

Thinking of this recognition, imagine the power of such a namedrop in your daily prospecting routine: The pride and association of such a reference can serve you on all levels; appointment setting, cold-calling ice-breaker, and again during your presentation. Obviously, the order must first be sold in order to establish this high-caliber reference. And much like the namedrop value of any major client, close contact must be maintained and respected with such a client to ensure their long-term satisfaction.

NCS is extremely useful in two particular areas: ticket sales and game media programs. Many teams have a bad check problem in their ticket sales department. Customers can often write a check for single game events as well as for season ticket applications. Electronic ticket service outlets may also be slow in payment to the club. Especially in the case of single-event purchases, which often have already taken place by the time a check is discovered to be NSF, an organization must take some kind of intensive action to effect payment rightfully due.

The team program and media guide are other areas hit with problem receivables. Local businesses are contacted by sales representatives of the team in an effort to sell advertising space. These ads are often set with a down payment and the balance due on a "bill me later" basis. Advertising revenue from these publications can be seriously constricted when full payment is slow in coming -- if it is coming at all.

The decision maker in this market will often be the person who leads the team's marketing efforts. Their title may be Director of Marketing, Vice President of Marketing, or something along a similar line. This individual is ultimately responsible for the overall profitability of marketing efforts. Recovering past-due accounts, generally falls into their area of concern. When shown how NCS can turn theirs into a profit-generating center, their attention will be turned to implementation of the program you offer.

When these accounts typically reach 60 to 90-days past NCS should be introduced. This is when in-house efforts drop dramatically: NCS should be presented as a streamlined extension of their own collection efforts. When working accounts with an average \$930 balance, NCS is bringing back an average 50 percent.

Emphasize throughout the presentation the associated benefits, especially internal savings, that NCS can provide. A higher profit will be a direct outcome with effective use of the Cash Recovery System, as opposed to continued losses and unrealized profit levels. Further share the fact that NCS is effective in the collection of bad check service fees as well. In accordance with the governing state law which stipulates the amount which may be added to a bad check, this fee alone can sometimes offset the cost of the NCS system purchase.

#### ATHLETIC TEAMS MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$930
Average NCS recovery:	50%
Major problems and concerns:	NSF checks past due advertising accounts: team program, media guides
Typical internal collection procedures:	in-house letters, phone calls
Key individual to contact for decision:	vice president or director of marketing
Key individual to get ARA numbers:	same as above

## ATTORNEYS. and LAW FIRMS

Believe it or not; just like the average businessperson, attorneys also frequently experience accounts receivable problems. Possessing extensive knowledge of the law and the limits of their abilities, more and more practicing attorneys are turning to NCS. Across the nation, attorneys and law firms alike are discovering that NCS Systems is the best method available to recover owed money.

Attorneys will typically experience problems in a couple of areas.. They often encounter accounts receivable problems with their own clients. After providing legal services to their clients; which may include representing them in court, attorneys will bill them accordingly. Most times attorneys are paid in a prompt manner.

However, a percentage of their legal clients frequently require additional motivation to satisfy their accounts. In these cases, NCS has been providing that much needed yet subtle motivation:

Whenever prospecting in the market, you will want to speak directly to the attorney. When you come across a law firm with more than one attorney, set an appointment with the managing director or senior partner. In firms; there are often boards of directors that must approve decisions of this nature. A managing director or senior partner's influence is very important as a board will usually back up their initial decision.

During the sales presentation to an attorney or law firm representative, stress NCS's cost effectiveness. NCS is not only easy to use, but allows attorneys another avenue to collect before conducting background research on each account.

Diplomacy is also a key issue in this market. Attorneys frequently deal with highly visible clients and do not want to be misunderstood when requesting payment for services rendered. The professional and courteous approach of NCS is straight to the point and virtually eliminates any risk of alienation.

NCS gives law firms and attorneys the third party clout they need to prompt their clients. Third party impact is one thing attorneys. Who act as third parties for their own client, cannot give themselves. With NCS; they receive this powerful motivation, and the other benefits, all for under 10 % of the account placed.

NCS's Thank You letter is another feature of particular interest. Once an account has been satisfied, system users have the option of sending this letter, at no extra cost. These thank you letters really do help mend any ill feelings and promote continued business relationships. Past business is important in the field of law, however, future business is what keeps a firm in operation.

After the sale, most attorneys will not want to be further involved in the system's use. They will usually delegate this responsibility and from that point on ail service calls will be made to the office administrator or manager. Even though attorneys tend to use

complete discretion in turning over their own clients for collection, sales reps should always remind system users that NCS achieves the best results on 90day old accounts.

Referrals are the last thing mentioned in this report, yet they should be among the first in the mind of a savvy NCS sales rep. Referrals are invaluable in the field of law. Attorneys and law firms have hundreds of clients' who could use NCS's accounts receivable management program. Just imagine the impact of an attorney's referral. "My name is John Smith from NCS Systems. Your attorney suggested that we meet."

Account balances, age, and recovery vary radically with respect to the type of account assigned. For these reasons, a summary sheet is not included in this report.

The field of law is ever-expanding as more and more attorneys pass their respective state bar exams. Introduce NCS to the attorneys and law firms in your area and help them discover the best collection program available today.

## AUDIOLOGISTS

The audiology market is perfectly suited for cold calling. Audiologists are usually in their offices during standard business hours, so be prepared for an on-the-spot presentation. Most times, however, the audiologist's physical presence allows for a mutually scheduled appointment to be made. This point, where the sales representative meets the decision maker prior to the formal presentation, can be crucial to the future sale. Display the utmost of professionalism when meeting decision makers in the medical field, making certain to be perceived as a highly confident consultant who can implement proven methods to increase cash flow.

### Problem Account Types

- Non-paying accounts - patients who have yet to satisfy any portion of amount owed
- Deficiency Balances on insurance Claims ---many insurance carriers commonly cover 50 percent up to \$2,000 - balance responsibility of patient
- Slow-paying Accounts - patients set up on term payments who fall behind in their monthly obligation

Patients set up on self-pay who have not agreed to any type of payment arrangement should be billed no more than two times. By the time an unresponsive account reaches Go days, NCS should be introduced to spur the overdue patient into action. Continuing to bill patients who refuse to contact the medical office to work out agreeable terms drives in-house costs up, and more importantly, consumes precious time. Time is one of the most critical elements to an account's recovery, and every effort should be made to assure that it is used wisely and economically.

Patients with deficiency balances should be introduced to NCS after a single billing. Usually, so much time elapses between the patient's treatment and the insurance company's payment that if the patient is unresponsive to one in-house statement, third party impact is required to bring the account's importance to light.

Patients set up on term payments who fall behind in their monthly obligation should be submitted to NCS at 30 days past due. The Cash recovery System's excellent follow-up programs including collection letters and telephone contact remind overdue patients that their monthly payments are important.

Accurate and complete patient information is essential to the collection process. Always ask to review the patient information form used in a medical office and assure that all pertinent information is requested. This includes home address and phone number, employer address and phone number, closest relative's phone number, social security number, and driver's license number. Not all of this information is required for NCS's Phase I service, but it can make the difference between success and failure.

Referrals are in a plentiful supply in the medical field. Audiologists understand the importance of referrals, as that is the method by which they receive the vast majority of

their patients. Be the complete professional and ask audiology clients to provide referrals so that others in the medical field can experience the many benefits of NCS.

## AUDIOLOGY MARKET REPORT

Average age of accounts submitted:	60 days
Average balance:	\$1,725.
Average NCS recovery:	58%
Major problems and concerns:	non-paying accounts, deficiency balances on insurance claims slow-paying accounts diplomacy/thank you letter insurance resolution
Typical internal collection procedure:	past due statements, phone calls
Key individual to contact for decision:	audiologist
Key individual to get ARA numbers:	audiologist, office manager

## AUTO PARTS STORES

Until the perfect, no maintenance, automobile is introduced to the public, all across America there will continue to be a demand for replaceable auto parts. Through regular use, various auto parts become worn and require periodic maintenance. Whether this maintenance is performed by vehicle owners themselves or by a professional mechanic, the auto parts involved must be acquired from a respective auto parts dealer.

Prevalent in every community, even small towns with limited services, an auto parts store is often one of them. Usually independently owned and operated, these businesses enable those interested in automobiles, but not necessarily the mechanical repair aspects of them, to be involved in the industry.

As previously mentioned, auto parts stores serve both consumers and auto repair shops. Consumers typically make purchases sporadically, whenever their vehicle equines service. Repair shops are another story. Open accounts are commonly offered at parts stores for repair shops. The routine work conducted day-in and day-out within a repair shop requires a steady supply of parts: Repair shop operators frequently do business with more than one auto parts store, keeping prices competitive and service up to an acceptable level.

Problem accounts in auto parts stores include NSF checks, slow-paying accounts, and non-paying accounts. The majority of NSF checks are personal, written by individual consumers, while repair shops comprise the balance of the problems associated with open accounts. These cash flow impediments right be viewed as simply a part of "doing business," but they are a part which these business operators must keep to a minimum in order to maintain maximum profit levels.

NCS is the most complete answer for businesses which have accounts receivable listings peppered with problem accounts. NCS provides for the introduction of a formal A/R policy, assuring that all problem accounts are handled properly and in the most effective fashion. The Cash Recovery System is so easy to follow and understand, once acclimated through a complete installation, the system user will have full knowledge of the many advantages offered by NCS's third party intervention.

Account balances can be separated into two groups: those averaging under \$1,000 and those over \$3,000. NCS is highly effective in recovering each. The higher balance accounts average \$4,175.

When prospecting auto parts stores, try stuffing them with a drop off-piece on Sunday when most of them are closed. Then stop by or phone call on Tuesday morning. Mondays tend to be busy in the store due to customers whose cars broke down over the weekend. Ask to speak with the owner and assume the store is independently owned until notified otherwise.

Maintaining steady cash flow from open accounts will usually be the business owner's primary concern. NSF checks represent more of a nuisance to the business, yet the owner may be emotionally affected that their customers would actually pay with a bad check.

NCS contact bad check writers with our special "bad check" text.

The businesses which auto parts stores deal with can also be suffering from cash flow problems. NCS can be the answer to every business' A/R troubles. Ask for referrals to specific business types and follow up with the clients who provide them. By showing your appreciation regardless of the outcome of a referral presentation, you will further gain your client's respect and they will be motivated to actively pursue more referrals.

#### AUTO PARTS STORE MARKET REPORT

Average age of accounts submitted:	90 days	
Average balance of accounts submitted	Small Balance: \$1,200	Large Balance: \$4,175
Average NCS recovery:	61 %	
Major problems and concerns:	slow-paying open accounts, non-paying accounts NSF checks customer alienation	
Typical internal collection procedures:	past due statements, phone calls	
Key individual to contact for decision:	owner	
Key individual to get ARA numbers:	owner or bookkeeper	

## AUTOMOBILE DEALERSHIPS

When starting with NCS as a new representative, discovering a market in which you are knowledgeable may seem difficult. Think about the basic businesses which supply consumer items to nearly everyone and chances are you will find a place to begin. .

Automobile dealerships are an excellent example of a market accessible to most people. Almost everyone in the U.S. owns a car, has bought one from a dealer, or has used the services of an auto dealer. If you already know a little about how the prospect conducts business, you will feel more comfortable approaching them.

Whenever prospecting for appointments, making certain you are securing an appointment with the proper person is a must. In the auto dealership market, the owner is usually the best bet. In the case of large dealerships, the controller or general manager may be a starting point. Often a general manager is paid on a commission schedule and the dealership's bottom line cash line greatly affects his salary. When speaking to the general manager, be sure to stress the cost efficiency and improved cash flow offered by NCS.

Before making that critical first contact, you should familiarize yourself with an auto dealer's typical delinquent account types.

- Parts Department - Open accounts are offered through the parts department to local repair shops. Occasionally these accounts become delinquent. Bad checks and credit card charge-backs are also experienced in this area as well as the service department.
- Department of Motor Vehicle Fees --- Department of Motor Vehicle fees are sometimes understated when filling out the registration paperwork on a vehicle. Although the dealer may be responsible for the error. NCS has been effective at recovering the amount owed.
- Trade-in Values - when more money is owed on the trade-in vehicle than expressed by the customer and the dealer representative proceeds without confirming the balance at the finance company, an additional bill is incurred.
- Promissory Notes -- Some buyers will write a postdated check or promissory note for the down payment. When the check is returned NSF, the amount is often written off.
- Deficiency Balances - A deficiency balance could be incurred when a vehicle is repossessed. If more money is owed than the vehicle is worth, that difference is a deficiency balance.

Although account balances fall within a wide range, they tend to average around \$1,800. When meeting with auto dealer prospects, ask about all their problem accounts and not just one area. Never undersell NCS. The system sizes in this market should be 100 to 500 accounts, or even in some cases as high as 1,000.

Obviously, these auto dealer prospects are salespeople themselves. Dress sharply to mirror the image they are projecting. Use an aggressive style as well. These prospects

will be impressed with an aggressive attitude, especially toward their collection problems. Advise them of the Cash Recovery Systems' intensive collection and follow-up procedures. For the most part, these business owners favor the intensive approach. It's common for auto dealers to use a check guarantee service, so be prepared to handle this objection. Tell them NCS is the most cost effective method to handle their NSF checks plus all their other delinquent accounts wrapped into one. (A check guarantee service costs around \$2,800 a month.)

Cold calling on auto dealers can also be very easy. Quite often dealerships are situated close together in an area of town sometimes called "auto row." Their close proximity to each other enables aspiring NCS reps the chance to cold call on many prospects in a short time. A smart rep will park his car at the end of auto row and work his way up one side of the street then back down the other. This method of canvassing has proven to be quite successful. When you make your first sale, be sure to make the other prospects know about it. They generally are curious as to what their competitors are doing and will be intrigued by a competitor's purchase.

#### AUTOMOBILE DEALERSHIP MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$1,800
Average NCS recovery:	65
Major problems and concerns:	parts department department of motor vehicle fees, promissory notes deficiency balances
Typical internal collection procedures:	past due statements, phone calls
Key individual to contact for decision:	owner or general manager
Key individual to get ARA numbers:	same as above

## AUTOMOBILE FULL SERVICE REPAIR STATIONS

Auto makers seem to outdo themselves with every new production year. Fuel efficiency, performance, style, comfort, and a number of other consumer selling points are improved upon with every changeover as manufacturers remain competitive in this worldwide industry. However, no matter how high-performing or luxurious a car or truck is, they all have these things in common: regular servicing, upkeep, and, of course, fueling. This takes us from the global market of automobile manufacturing and sales right on down to the local neighborhood full-service automobile stations. These shops are an excellent example of a market common to most people -- especially important to notice for the new or veteran ..NCS sales representative.

Almost everyone in the U.S. owns an automobile and uses the services provided by these facilities. From a tank of gas to an oil change to a tune-up and major mechanical body work, automobile service and repair stations provide services that have been needed since the advent of the first model of Henry Ford's assembly line - and will continue to be needed throughout the future

Since the early 1980s, there has been a noticeable shift toward more self-service gas stations. In fact, many convenience stores offer gas nonaffiliated with any large company such as Shell or Exxon. Likewise, "10-minute oil change" and other related services have popped up. Such shifts, however, only makes those that offer full automobile services more pronounced in their marketplace.

Stations that offer such a variety of services have a definite need for NCS. Companies and organizations with a fleet of vehicles commonly work within an agreement with a full-service station for fuel and maintenance. In addition to these corporate accounts, they may carry open accounts for businesses which utilize "gasoline only" services. These stations also conduct repair and maintenance work on individual consumer's vehicles.

Problem receivables include slow-paying open accounts, non-paying accounts, NSF checks, and credit card charge-backs. Although personal service is an earmark of the industry, the customer base in this type of business is quite broad. Swift attention is required of any account reaching a past due status.

Open accounts are normally set up on a monthly payment basis. When payment is not received by the second billing, 60 days, a different kind of contact must take place. NCS's third party intervention is perfectly suited to get the job done. For the low, flat fee cost, business owners receive the impact of a collection agency to spur slow payers to action. Responsible customers who make payment can be sent a thank you letter, while those who ignore NCS's demands identify themselves as hard-core accounts.

As is common in NSF check situations, the returned items should be assigned to NCS immediately upon the consumer's failure to cover the check. Resubmitting it to the bank a second time at the consumer's request is not suggested. This process can allow the

consumer another week or more without paying. And if they say, "the money is in the account now," the business owner can ask them to bring it down to the station in person. NCS is very effective at bringing writers of NSF checks to terms, assuring the business operator of having an effective system in place to manage any bank-returned items they will experience.

Clients have been experiencing an average 63 percent recovery on accounts with an average \$1,200 balance. The decision maker, most always the owner, is frequently on site. It is common for owners to make themselves available for an on-the-spot presentation. Of course, if they are too hurried to participate in a complete presentation, a more suitable time should be scheduled. Upon receiving a presentation, owners are generally quick to come to a decision on NCS. Since full service stations rely on regular clientele and referrals, owners are highly conscious of the image they project. When the facts are clearly presented, the evidence is on the desk, and the mood is right, another NCS sale is the only possible result.

#### AUTOMOBILE FULL SERVICE REPAIR STATION MARKET REPORT

Average age of account submitted:	60 days
Average balance:	\$1,200
Average NCS recovery:	63%
Major problems and concerns:	slow-paying accounts non-paying accounts NSF checks credit card charge-backs
Typical internal collection procedure:	past due statement phone calls
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner, bookkeeper

## BAIL BOND AGENTS

Among the many not-so-mainstream businesses that have a need for NCS are bail bond agents. Although stereotyped by some as business people preying on the misfortune of others, bail bond agents actually provide a much needed service to individuals who are happy to receive it.

An individual accused of a crime is offered bail in most every case, but not released unless he or she is able to deposit with the court either cash or surety in the form of a bond. The bond is often posted on their behalf by a bond agents, who charges a portion of the amount of the bond. The amount charged in a typical scenario is around 10 percent of the total bond required for release.

The bond acts as a guarantee that a defendant will appear in court on the designated date. If a defendant fails to make their scheduled appearance, the bond is forfeited to the court and an arrest warrant is issued.

The bond agent who issued it loses the amount of money that was required to free the accused on bail in cases where a bond is forfeited to the court. The bond agent then turns to the person who signed the bond to recover the money lost to the court.

The bond agent's debtor is oftentimes not the individual who was arrested; a relative or close friend is frequently involved in obtaining the bond.

Some sort of collateral must be offered up front in addition to the percentage fee. This collateral, typically in the form of real estate, may then be seized by the bond agent. Although the collateral represents a guarantee that the bond agent will not experience a loss of funds, converting the collateral to cash can be a lengthy and unpleasant process.

When used at the proper time, NCS can circumvent the traditional method of recovery. For a low fixed fee, bond agents can utilize the services of a third party to motivate their debtor to pay the balance due on a bond. NCS enables bond agents to try another avenue of recovery before going through the traditional foreclosure process without losing any rights of ownership to the account.

Usually located in close proximity to the area jailhouse, bail bond agents are ready to be of service to their customers. They often offer prompt 24-hour service. Their competitors can extend the same type of bond at the same price, so personal service to their customer is what differentiates those providing this service.

Bail bond agents frequently use their personal name in the name of their business, and their picture is commonly appears in their telephone directory ad. Large display advertisements are customary with this type of business, as each would like to be the first seen by potential customers thumbing through the telephone book in Jail. A quick look at the Yellow Pages will uncover a wide assortment of NCS prospects.

Since bond agents are in a futures business, they should be able to easily recognize that NCS can be an effective tool to help in the recovery of claims. Used at their discretion in cases where the seizure of collateral would be, an extreme measure, NCS can aid both parties involved. The introduction of a third party punch may just be the incentive for the debtor to obtain a loan or come up with another source of funds to cover the amount owed.

Bail bond agents are present with most every community across the nation. Share the true value of NCS with the bondsmen in your area and allow them to experience the ease of the system's use and its associated success.

### BAIL BOND AGENTS MARKET REPORT

Average age of accounts submitted:	5 days
Average balance:	\$2,800
Average NCS recovery:	32%
Major problems and concerns:	bonds forfeited to court alternative to traditional recovery method low cost, fixed fee for third party intervention control of accounts in collection
Typical internal collection procedures:	certified notice, foreclosure on collateral
Key individual to contact for decision:	bond agent
Key individual to get ARA numbers:	bond agent

## BANKS

Consumers often turn to banks for financial security and stability. They seek the professional services that only a bank can provide, however, where do banks turn when they need professional third party collection services? NCS is the only logical answer.

Often considered a too complex an industry for new sales representatives, banks have a number of areas in which NCS can be a benefit. Be aware that not all banks conduct business in exactly the same manner, but the following should provide you with an overview of their basic operations.

Although there are many important aspects to be weighed when approaching the banking industry, one of the initial decisions involves what area of the bank should be introduced to NCS first. Percentage agencies have traditionally gone straight to the lending side of a bank, or loan department, because of the high balances involved. Most banks already have formal, in-house collection programs in this area and are reluctant to change, regardless of how attractive the offer appears.

NCS history indicates that the operations side of the bank is the most open to testing the NCS service. This area involves the day-to-day operations of a bank and its representatives are more willing to listen to possible solutions to their regularly occurring problems. These problem areas include:

- Direct Deposit Accounts - Checking accounts where holder has depleted the funds and overdrawn the account.
- Return Items - Bad checks deposited by a customer into their account.
- Cash Items - These include teller errors and Automated Teller Machine losses.

NCS has proven effective in these areas for banks, and the service guarantees performance. Banks will usually send their own notices requesting payment from their customers for up to 30 days. After this period has elapsed, banks commonly write off accounts unless their balances are unusually high.

Surprisingly, long lists of small balance accounts are routinely written off month after month without hesitation. NCS provides banks with the opportunity to collect these accounts for a low flat fee cost. Banks are always concerned with diplomacy, especially when their customers are involved. They particularly favor NCS's diplomatic approach of contacting their accounts for up to 90 days.

Speed is always a prime factor in recovering bogus checks. Banks should be instructed to treat their returned checks the same way as other NCS clients do; one notice and then straight into the system. If bank customers do not respond within the prescribed period, they should get what was promised: further action. NCS is the banker's tool to sift through previously written off accounts and shake loose the money they deserve to be paid.

Upon demonstrating NCS's success in the operation's area, a bank's loan department will be more apt to listen to what NCS can do. There may be some apprehension toward using NCS on loans, so be prepared to combat anticipated objections with the NCS Guarantee.

NCS should always be used in the early stages of delinquency, especially when working with past due loan payments. Third party intervention is the factor that motivates past due customers to contact their bank and make suitable arrangements. In addition to prompting soft delinquencies to contact their bank, NCS identifies the hard-core accounts upon which banks can concentrate their own telephone collection efforts.

Account balances and age will vary radically in respect to the type of account assigned. The demographics of a bank's clientele will also weigh heavy on overall recovery. For these reasons, a summary sheet is not included in this market report.

When dealing with banks, it is of utmost importance to put on your most professional appearance. The banking profession is among the oldest in history, and conservative business suits are the accepted fashion. Be sure not to come on too strong, telling your prospect what NCS can do for them. First ask probing questions that will elicit responses exposing the prospect's most prominent needs. Be sure to listen very carefully to what the prospect says; in most cases they will be telling you what is necessary to close the sale.

There are no real secrets to getting banks involved with NCS. Consult the experts in your office, research the market thoroughly, and take NCS to the bankers in your area.

## BINGO GAMES

Looking for a new market to tap into? Well, BINGO! You just found one! That's right, bingo! Entrenched in many organizations and regularly set up in many halls throughout the U.S., the popularity of bingo games for fundraising purposes continues to remain high. As many segments of community populations will always be looking for what appear to be easy ways to win a lot of money, many towns and cities have bingo games in operation seven days a week.

Guidelines regarding how bingo operations are run will vary from state to state, however the basic premise of conducting the game for the purpose of fund raising is essentially the same. Typically affiliated with a nonprofit group, for example a church, bingo operators usually put a percentage, such as 0 percent, of each game's take into the prize jackpot and the remaining portion is contributed to the nonprofit organization.

Bingo management companies also exist in the industry. A nonprofit group can contract with a management company in some states to operate a bingo game on the group's behalf. Operating expenses are taken from the percentage of receipts which is not part of the prize jackpots.

NCS is a real benefit to bingo game operators in that many players pay for their bingo cards with personal checks. Policies differ according to game operators, yet many times a limit such as \$120 is in place to ensure that bad check losses are kept at a minimum. This type of policy works to a degree, but sortie players can pass four or more checks before the game operators receive any back from the bank NSF or with the words "Account Closed" stamped across them. Once barred from the game for writing a bad check, a player can simply find another game across town, leaving bingo operators with few choices to effect recovery.

You might have already assumed that there are not many clear cut or established policies regarding bad check collections in the bingo game market. There may be a form letter sent to the check writer's address, or a volunteer who will make collection phone calls, but these methods achieve few results. Who is going to be motivated to payment by the casual call of a volunteer, or a letter that carries no impact? The introduction of a low-cost third party which carries with it all of the consequences associated with collection agency action is just what bingo operators need.

Prospecting for bingo game operators is easy. There is usually a newspaper advertiser which has all of the area games, times, and places listed. Often there is a phone number and a contact person included. NCS reps can find such a publication at any bingo site. You will be amazed by how many more games there are in addition to those listed in the telephone directory.

The decision maker will be determined by the individual game operation. If the game takes place at a church, call on the church business office. Volunteers on the bingo

committee oversee the playing of the game, but a church official, such as the pastor, often reserves the right to institute policies which affect operations.

As far as recovery goes, NCS performs with amazing consistency on these bad check accounts. The key to maintaining a favorable level of recovery is immediate assignment to NCS. Every NCS representative knows that bad checks depreciate twice as fast as other types of delinquencies, so prompt action is of the essence. Within a few short days after the bingo client begins submitting Claims to NCS the check writer will receive the type of firm, yet diplomatic, third party con-tact which produces results. Current NCS bingo clients are receiving an average 45 percent recovery on accounts with average balances of \$160.

Players who write bad checks need to be sent the message that their type of negligent behavior will no be tolerated, and NCS accomplishes this objective with aggressive diplomacy. As state laws apply, a bad check fee may also be added to the amount due. The recovery of this fee alone can offset the cost of the system.

There are related businesses which have a need for NCS as well. Bingo product suppliers provide all of the equipment necessary to run a game. Also, the halls or organizations which sponsor games will many times have an area of need for an effective accounts receivable program.

#### BINGO GAME MARKET REPORT

Average age of accounts submitted:	30 days
Average balance:	\$160
Average NCS recovery:	45%
Major problems and concerns:	NSF checks control over accounts in collection
Typical internal collection procedure:	phone calls, collection letters
Key individual to contact for decision:	bingo committee chairman, church pastor
Key individual to get ARA numbers:	same as above

## ACCOUNTING SERVICES

Certified public accountants and accounting firms provide much needed services to the majority of businesses operating in today's marketplace. Major corporations, small business owners, and even private consumers all have needs for the accounting firm or CPA cannot be underestimated, especially in the height of the tax season.

Accurate and timely reports and statements produced by qualified accountants are a must in nearly every business. In order to satisfy the regulations set forth by federal, state, and local governments, business owners and many private consumers enlist the services of outside accountants to prepare the required reports. of The areas where accounting firms and independent CPAs experience cash flow problems include:

- open accounts
- audit accounts
- yearly tax work

Of course, open accounts refer to accounting services regularly extended throughout a period. These ongoing services can include a client's billing, payroll, and bookkeeping.

Audit accounts are incurred when it is necessary for an outside accountant to examine and review a company's financial books. This audit function can be completed by one accountant in a relatively short time or occupy a team of accountants for several weeks.

During the tax season accounting firms and CPAs are kept quite busy preparing the tax returns of businesses and private consumers: If, by chance, the Internal Revenue Service requests an audit of a business' or consumer's tax return, the tax preparer (accountant) will accompany and represent the responsible individual at the often much feared meeting.

The overall attitude in the accounting industry toward a formal collection program is very positive. For the most part, accountants do not have a problem with getting down to the brass tacks of collections. They realize the value of lost money and are generally willing to pursue it in the most cost effective manner available. Across the board, TS produces an average 53 percent recovery rate for accounting industry clients. Account balances turned over to NCS average \$1,560.

Keep in mind when calling on accounting firms the decision maker will be determined by the firm's size. In large, multi-location operations, set an appointment with the controller or chief financial officer. Much like a law firm, the decision maker in a single location accounting operation will generally be the senior partner or managing director. A decision regarding NCS may involve a vote by the board of directors. When it comes to closing a sale with an accounting firm or CPA, the net profit close works with great effectiveness. People in the accounting field tend to be analytical thinkers. They easily grasp the concept of covering their profit margin with new business just to break even on their delinquent accounts receivable. With NCS's help, these sharp business operators can increase their cash flow without having to double their business volume.

An outstanding aspect exists within the accounting, industry that is very valuable in, terms of qualified referrals. Accountants are always interested in providing their clients with cost saving measures that will improve a business' bottom line. Once witnessing the system work for themselves, qualified referrals to their many clients who need accounts receivable management will soon follow.

ACCOUNTING SERVICE MARKET REPORT

Average age of accounts submitted:	90 days	
Average balance:	\$1,560	
Average NCS recovery:	53%	
Major problems and concerns:	audit accounts	
	open accounts	
	yearly tax work	
	high cost associated with conventional agencies	
Typical internal collection procedures:	statements	
	letters	
	phone calls	
Key individual to contact for decision:	multi-location operation	
	controller or chief financial officer	
	single-location operation	senior
	partner, managing director, or CPA	
Key individual to get ARA numbers:	same as above	

## BOOKKEEPING SERVICES

All across the nation, private individuals go into business in pursuit of their own personal dream. While a sole proprietor may be a specialist in their particular product or service industry, balancing the financial books in accordance with IRS requirements can be a totally different story.

Why do independent business operators need assistance? There are a number of good reasons why professional assistance in this area is a must. The first, and all-important, reason is the businessperson should want to succeed and build a profitable business, not flounder, lose capital investments, and file for bankruptcy upon failing to become established. Bookkeepers help businesses maintain stability through determining profit areas, as well as those areas of the business where losses are experienced. Through the bookkeeper's accounting functions, budgets are created, cash flow is monitored, payroll is generated, and a certain degree of IRS protection is provided. Bookkeepers who can practice before the IRS are a definite plus during tax time, eliminating the often frightening prospect of the business-owner facing an audit alone.

Bookkeepers often work as independent contractors providing their services to a number of businesses concurrently. Depending on the business size, most do not require a bookkeeper's services for more than 10 hours per week. This workload allows their multi-business involvement. Also adding to their flexible schedule is the fact that a bookkeeper's work does not have to be performed during normal business hours nor on the physical business site. Much of their work is accomplished either before or after hours in the privacy of their own office.

Past due accounts receivable build up through the overused practice of slow payment. When a bookkeeper allows clients to routinely take longer than the given time period to pay for services rendered, a more than likely result will be a number of accounts in the 60 to 90-day category. Unless the bookkeeper truly enjoys risking the chances of nonpayment altogether, some type of measure must be taken to ascertain whether the client is willing to live up to their obligation, or is just trying to stall payment for as long as possible. Those past due clients who genuinely desire to pay the amount owed will contact the bookkeeper and do just that, while those with less honorable intentions will face the affects of a "protracted and unpleasant collection effort."

A great time of year to prospect bookkeepers is in December when the tax season is approaching. During the first quarter of a new year these business service providers are kept very busy, and the opportunity for slow-paying accounts increase at a generous pace. With an organized and effective system such as NCS's in place, businesspeople can rest assured they are ready for any slow-paying problems which come their way.

NCS's performance in the bookkeeping services market has been outstanding. On accounts with an average \$1,800 balance, NCS is recovering an average 60 percent of the amounts assigned.

When prospecting the bookkeeping industry, ask for the owner. Oftentimes the business will only involve one person (the owner, but others may have a number of personnel members. The owner is the one who would be able to render a decision on NCS. Try using a marketing letter customized to the industry, and be sure to include a few recognizable name drops. Then phone call all the prospects in the area the day after the letter's anticipated delivery. This approach increases the probability of appointments being set, as opposed to simply calling cold.

Diplomacy will most likely be a big concern, so stress NCS's professional tact and courtesy in entering the collection process. Each demand directs the debtor to contact their creditor, not NCS, enabling the system user to maintain complete control. Also, for no extra charge, a thank you letter can be sent to help repair any damaged feelings and set the stage for future business, if desired.

Once a bookkeeper becomes a happy user and firm believer in NCS, a flow of quality referrals is a natural to follow. This individual has intimate knowledge of the businesses with which they deal and can indicate the ones in need of NCS.

**BOOKKEEPING SERVICE MARKET REPORT**

Average age of accounts submitted:	90 days
Average balance:	\$1,800
Average NCS. recovery:	60%
Major problems and concerns:	slow-paying accounts non-paying accounts Diplomacy control over collection process
Typical internal collection procedures:	past due statements, withdrawal of service, personal letters
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

## BOTTLED WATER COMPANIES

The natural resource known as water is a vital requirement of life to all living organisms. As humans, we- utilize water for a multitude of purposes and attach a respectively high value to the quality of water we consume.

Tainted or contaminated water supplies have millions of American consumers searching for other sources of improved water quality. To reduce any risk to health, many people drink from water softening and purification systems. Bottled water is providing more consumers with additional alternatives to a growing problem. Consumers may have problems with their water quality, but water companies occasionally have problems with their consumers. For the most part, softening, purification, and bottled water systems are rented or leased to consumers for a monthly fee. Regular service and product consumption are also added to the monthly charge. These accounts are generally due every 30 days and water companies frequently experience a significant percentage of slow-paying customers.

Depending on the water system's size, some businesses can pay several hundred dollars per month for improved water service. Typically, the charge for a dispenser and a month's supply of bottled water will cost about \$40. Water companies provide their customers with regular service to replenish supplies and assure their product's high quality is maintained.

Almost since its beginning, NCS has been helping bottled water companies increase their cash flow and profitability. The market is perfectly suited for NCS as consumers contract for service and are billed on a regular basis. These are not onetime users. Businesses and private individuals rely on their steady flow of quality water to maintain the standard of living to which they are accustomed.

When prospecting bottled water companies; secure an appointment with the owner. It may be wise to also, include the business manager, in the meeting. Sometimes, the business manager's support and cooperation are imperative to the success of NCS's cost effective program.

Slow-paying accounts are the most trouble for bottled water companies. The owners want their money, yet they do not want to lose any of their customers' valued business. NCS's diplomatic approach is very appealing to these prospects. Without alienation, NCS motivates slow-payers to bring their accounts up to a current status. Be sure to mention the thank you letter which can be sent to consumers who clear their accounts. Available to clients at no extra charge, NCS's thank you letter helps retain customers and puts the problem account in the past.

As in other markets, these business owners are frequently acquainted with each other. They may be so familiar with their competitors as to know their key staff members by name. A sale to one bottled water company will inevitably open doors to many more. Make sure to obtain an endorsement letter from satisfied clients in this market. Their

honest words on recovery, cost, and overall pleasure with, NCS give you that added credibility that might be necessary to get the order.

Bottled water companies need NCS's service to complement their in-house efforts. Prospect the companies in your area and show them how NCS will quench their thirst for a successful and smooth running A/R program.

**BOTTLED WATER COMPANY MARKET REPORT**

Average age of accounts submitted:	80 days
Average balance:	\$270
Average NCS recovery:	50%
Major problems and concerns:	slow-paying accounts customer alienation high cost associated with percentage agencies
Typical internal collection procedures:	statements, phone calls
Key individual to contact for decision:	owner
Key individuals to get ARA numbers:	owner, business manager

## BUSINESS ASSOCIATIONS

Selling associations and acquiring their endorsements can make the difference between an average sales rep and a good as gold selling machine! Smart reps who get involved in business associations allow themselves the opportunity to sell a body of prospects at once and gain the power of their endorsement.

Depending on what type of group it is, there are a couple of different approaches to take-in association selling. Some association members are linked by a mutual interest or hobby, while others are joined by their common industry or profession.

Sportsman clubs and fraternal groups often operate on a nationwide basis and can have rather large memberships. Frequently they will have a club publication which is distributed among their members. These magazines are generally packed with advertisements relating to the industry or sport. As in any other type of business, occasionally associations experience accounts receivable difficulties with some of their customers. Over the years, NCS has proven itself as a successful tool to bring overdue advertising accounts up to a current state.

The second and more profitable approach involves associations that tie people together by virtue of their business or profession. You may want to start your prospecting by asking your clients if they belong to any business related associations. Let them know you are specializing in their industry and are interested in joining a local association. A few inquiries along these lines will probably provide the names and phone numbers of several association directors.

A key step that is often skipped by reps in too much of a hurry is industry research. When contacting an association director and acting as industry specialist, you should be fully prepared. Educate yourself on the jargon, typical recovery rates and common internal billing practices used within the industry. Be sure to determine who the debtors are, whether they are local or national. Your extensive knowledge of the industry prior to contacting the association is invaluable to your credibility as the industry's collection expert.

When making that initial contact with an association director, it would be beneficial to have a letter of introduction from a current member. Both you and NCS will receive a much warmer welcome when accompanied by a member's kind words and testimony of NCS's effectiveness.

Another tool that will assist your sale is a self-written letter on NCS's recovery in that particular industry. Be sure to include industry terms, specific recovery rates, average collection cost, and the fact that you are working with several association members. If sending a letter of this type before making telephone contact, be sure to call within 72 hours of its mailing.

The most important aspect in selling an association is being informed. Personal reference letters from these groups will also help a great deal. Make certain you are fully schooled on any quirks of the industry, such as a high level of skips or disputes, and how these situations are correctly handled.

When presenting an association, ask how much they already know about NCS. Determine the collective attitude toward delinquent accounts and if they usually recommend products or services. Upon discovering a little more about the group of prospects, move forward into your presentation and incorporate some of the information you just learned. Be sure to fully explain all the benefits which accompany the NCS program. Stress that NCS's system can be tailor fit to meet their most critical needs.

One thing to keep in mind when dealing with associations is that you better well do what you say. If you promise to conduct A/R seminars for members or write a column for the publication, follow through on your commitment. Joining forces with an association can be a long-term relationship, and that is where the profitability is for the determined sales rep.

**BUSINESS ASSOCIATION MARKET REPORT**

Average age of accounts submitted:	90 days
Average balance:	\$680
Average NCS recovery:	56%
Major problems and concerns:	past due association fees past due advertising costs diplomacy thank you letter
Typical internal collection procedures:	past due statements, phone calls
Key individual to contact for decision:	executive director
Key individuals to get ARA numbers:	executive director, treasurer

## BUSINESS SEMINARS

Business seminars provide an excellent means to gain new skills and further enhance one's knowledge on a specific subject. Becoming increasingly popular and regularly offered at various scheduled times in cities nationwide, these learning opportunities are also tailor-made for NCS sales representatives. Through attending sales related seminars NCS reps can acquire additional motivation and industry insight, but the real career growth comes from presenting the NCS service to business seminar operators.

The seminar business is a sales business. The marketing division of a seminar company must sell other companies and individual consumers on the benefits of seminar attendance. This is frequently accomplished through direct mail pieces, which detail upcoming seminar topics and how attendance will increase job productivity or one's standing in life. Seminar topics are wide ranging. Listed below is a small sampling.

- How to Present a Professional Image
- How To Listen Powerfully
- How to Manage Others Effectively
- Time Management
- Professional Telephone Skills
- Presentations That Win Approval
- How to Make a Fortune in Real Estate
- Leadership

Upon convincing a company or individual of the value a seminar can have on employee or personal development, an order is placed. Seminar operators prefer to receive the registration fee prior to the seminar date; however, they usually do gladly accept payment on the morning of the planned presentation. Many times, seminar operators offer special registration prices to encourage group attendance. Paying for three attendees with the fourth going free of charge is common.

Once at the seminar, participants receive a package of materials, often including a workbook or guide which will assist in following the scheduled program. Supplemental materials, such as audio tapes, related books, and instructional modules are also made available to seminar attendees. Typically offered at a special or reduced price, these items can be obtained on the spot with a cash, personal check, or credit card payment.

Taking into account that many seminar operators conduct business on a national or at least regional level, the majority of personal checks accepted are from outside the seminar's home state. After acceptance, checks are sent to the seminar's main office for further processing and deposit. Since a great number are from out of state, it ordinarily takes up to 10 days for them to clear. This length of time allows for some checks, which may have actually been good at their time of writing, to go bad (NSF).

NCS's prime competition in the business seminar market are check guarantee services specializing in NSF recovery and conventional agencies: Each of these alternatives

have inherent drawbacks. The average low recovery produced by a conventional agency allows much of the volume assigned to go uncollected, and a premium charge is attached to that which is collected. Check guarantee services have the notorious reputation for charging a percentage for all NSF checks, in addition to receiving a percentage on all good checks written. With each of these options, state boundaries may restrict collection activity. The satisfaction of various state requirements is essential for any national or regional collection effort. Otherwise, it becomes necessary to do business with more than one agency.

NCS's many features and high performance for separate The Cash Recovery System from any competitors. With NCS; there is no need for clients to deal with more than one agency. NCS Systems is licensed to collect in every state where such a license is required: Once submitted for collection; debtors are contacted up to five times to effect payment and NCS will even say thank you if requested. The debtors' dignity remains intact through the collection process as NCS's contacts take a diplomatic and highly ethical approach to satisfy delinquent accounts. This aspect of the service particularly appeals to seminar operators. Most seminar attendees are professional career people and operators do not want them treated with disrespect.

Once returned by the bank, NSF checks should be submitted straight to NCS. There is not sufficient time for telephone or in-house letter contact, and the cost of each would be overwhelming. The recovery of NSF checks also drops dramatically, twice as fast as other accounts, with the passage of time. Speedy assignment to NCS assures that the writers of NSF checks receive diplomatic, third party impact alerting them of their obligation.

## BUSINESS SEMINAR MARKET REPORT

Average age of accounts submitted:	60 days
Average balance:	\$555
Average NCS recovery:	50%
Major problems and concerns:	NSF checks ability to collect in all states dignified collection process bottom line collection cost
Typical internal collection procedure:	past due statements, phone calls
Key individual to contact for decision:	chief financial officer, controller
Key individual to get ARA numbers:	same as above

## CABLE TELEVISION

The advent of cable television has brought expanded broadcasting capabilities to viewers nationwide. Developed in the 1950s and introduced to the public in the 1960s, cable television was originally designed to improve reception of commercial network broadcasts in remote and hilly areas.

Over the past two decades, there has been a proliferation of cable systems offering special services. Besides bringing high quality signals to subscribers, the systems provide additional television channels. Some of these systems can deliver 50 or more channels. To receive cable service, consumers must live within a geographic area where cable is offered. Located throughout metropolitan and suburban areas, cable television is still working its way out to potential users in remote areas.

Cable television operators come to a financial agreement with the municipal utilities in which they will offer their service. In most cases, the agreement grants the cable provider exclusive rights to the area to operate as a monopoly. Consumers who desire service contact the cable company and a technician will visit their residence for installation: A frequency-conversion device, or converter box, is usually required to run the cable transmission through before it goes to the television. Subscribers pay a specified monthly service charge in addition to an initial installation fee.

A high number of problem accounts operated in much the same way as a utility, cable television companies experience. In slow or non-pay cases, not only do cable providers want payment for services extended, but they also need to have their equipment returned. Converter boxes are valued around \$225 each, and their losses can add up very quickly. NCS has recognized the tremendous collection need in this market and developed a special debtor contact text which specifically addresses the service's fee and converter boxes in question.

NCS has been very effective in the cable television industry. Most cable companies will disconnect service when subscribers fall 45 to 60 days behind in their payments. Subscribers are warned in writing that if their service is disconnected due to nonpayment, a substantial reconnect fee in addition to the amount already owed will be due prior to the service's reinstatement.

Cable television companies find NCS extremely useful in reopening lines of communication, recovering non-returned equipment, and collecting service charges due. The natural time frame for NCS's implementation is 10 days after service has been disconnected. By this time, overdue subscribers should have contacted their cable provider and made arrangements for the service's reinstatement, or returned their converter boxes) and settled the amount owed. NCS cable company clients following the above described assignment pattern possible, insist on making the presentation to the board. As a professional NCS representative, you are the most qualified to present the service and answer any possible objections that may be offered. CATV clients

experience tremendous results. On accounts averaging \$465 in balance, NCS resolves an average 88 percent

When prospecting cable television companies, NCS representatives should make an appointment with the controller. This individual most often possesses the authority to make a decision and is well informed of delinquent accounts receivable issues.

NCS should be presented as low cost, third party intervention which produces results. Upon receiving contact from NCS, overdue subscribers are compelled to contact their cable provider and return their equipment. Although cable companies would like to receive payment for services extended in all cases, the return of converter boxes 'rests foremost among their needs.

Cable television companies are frequently owned by large diverse corporations. Upon getting in the cable aspect of a corporation, ambitious NCS representatives investigate avenues to other holdings. Gaining knowledge of other holdings bolsters a representative's professional image and lays the groundwork for further successful working relationships.

The cable television industry is vast and holds numerous NCS opportunities. Share the NCS presentation with cable providers in your area and bring them on board with The Cash Recovery System.

#### CABLE TELEVISION MARKET REPORT 0

Average age of accounts submitted:	80 days
Average balance:	\$485
Average NCS recovery:	88%
Major problems and concerns:	non-returned equipment unpaid service fee high cost of conventional collection activity
Typical internal collection procedures:	past due statements disconnection of service
Key individual to contact for decision:	controller
Key individual to get ARA numbers:	controller

## CARPET CLEANING SERVICES

Indoor-outdoor, shag, wall-to-wall, wear-dated, pile, whatever the type, most people have some sort of carpeting in their house or apartment. Of course, everyone knows that carpeting requires routine cleaning, usually vacuuming, to keep it sparkling and prolong its life. However, periodic deep cleaning is also prescribed to lift the dirt which becomes embedded in the woven material, leaving behind a fresh and unsoiled appearance.

While some consumers and business people rent the steam cleaning type equipment at a retailer and do the job themselves, others call upon professional carpet cleaning services to complete the work for a fee. Also offering related services, such as upholstery and drapery cleaning services, many of these companies provided a full range of cleaning services. Estimates for proposed jobs are given by phone, or after a physical inspection of the premises to be cleaned. In residential home cleaning, flat rates per room are commonplace. In business offices, a cost per square foot is the typical procedure. There may -also be furniture moving charges factored into the total cost.

The carpet cleaning industry is very competitive, as it has few barriers which restrict entry. For a reasonably small investment, cleaning equipment can be obtained and a business license purchased. Many times, these businesses can be started by a single entrepreneur with a well-formulated business plan.

Commercial, or key accounts, are the mainstay of a carpet cleaner's client list. Property management firms are among the most common. Large apartment complexes have confirmed an average tenancy last under six months. And each time a tenant moves out, the carpeting usually requires cleaning. Property managers maintain a steady relationship with their cleaning company because they need speedy response upon calling for service. Vacated apartments need to be quickly readied for the next rental, as each day that they are unoccupied the property management company is experiencing no cash flow:

with key accounts, monthly billing is normal procedure. Obviously, timely payment is preferred, and when key accounts fall behind, there is a definite cause for concern. Holding back services until payment is received for those rendered is not an effective means of leverage. There are simply too many other providers ready to take on the new business. The new cleaning service may be told the former did poor quality work, and that was the reason they were let go. So the new service may not find out for some time, if ever, that a delinquent balance was the real reason behind a change in service.

In a slow-paying commercial account situation, NCS should be brought in just before any suspension in services. Teaming with NCS prior to pulling service has a much greater impact than after suspension, when the overdue client has already gone to another cleaning service. NCS's third party-intervention provides the much needed clout when the chances of being paid are at their greatest.

In addition to slow paying commercial accounts, carpet cleaning services also experience NSF checks from consumers. These delinquencies must be addressed posthaste, and NCS provides a highly cost efficient method to do so. Statistics bear out that NSF checks are at their highest rate of recovery at 14 to 30 days.

Businesspeople should be instructed to put checks through the bank one time only. If a check comes back NSF, the consumer should be contacted by telephone and required to come by the business in person to cover the NSF with cash. If the consumer fails to make the check good within the customary three to five-day grace period, the account should go to NCS. Also, submit the account straight to NCS if the customer cannot be reached by phone.

In this market, NCS reps should always attempt to contact the owner for an appointment. Most times, carpet cleaning businesses are individually owned, although there may be a national affiliation through a franchise agreement. The business owner will tend to have complete knowledge of the A/R standing, as it generally has a critical affect on cash flow.

Most carpet cleaning services are constantly providing leads for salespeople. These business operators are inclined to do quite a bit of advertising through fliers and direct mail pieces. Showing the competitive nature of their line of business, aggressive marketing campaigns are necessary so that they will be called when the inevitable time to clean the carpeting arrives.

### CARPET CLEANING SERVICE MARKET REPORT

Average age of accounts submitted:	90 days	
	Commercial	Consumer
Average balance:	\$ 2100	\$ 510
Average NCS recovery:	68%	52%
Major problems and concerns:	slow-paying accounts non-paying accounts NSF checks	
Typical internal collection procedures:	past due statements phone calls suspension of service (commercial account)	
Key individual to contact for decision:	owner	
Key individual to get ARA numbers:	owner	

## CARPETING AND FLOOR COVERING DEALERS

Among the many industries in which NCS is employed with universal success is the floor covering market. Nearly everyone in the U.S. has some type of floor covering in their home or business. From hardwood tiles to plush carpeting, this market touches consumers from all walks of life.

Floor covering dealers purchase their goods from wholesalers, then complete the process by selling them to end-users at the retail level. Customers visit with floor covering salespeople who consult with them to determine the best floor covering for their specific needs. Various product features are explained with relation to product quality, colors, upkeep, and durability. When purchasing floor covering from this type of retail dealer, the cost of installation is typically worked into the final price. Upon selecting the type of floor covering desired, customers are generally enjoying their newly installed carpeting or linoleum within two weeks.

There are three specific areas in which NCS can increase cash flow for floor covering dealers: NSF checks, disputed accounts, and non-paying accounts.

As is the case in any business enterprise, NSF checks demand prompt handling to ensure satisfactory recovery. At the point where their checks are first returned by the bank, writers of NSF checks should be contacted by telephone and given five days to cover their debt in cash: If customers fail to make a cash payment within the given time frame, or if telephone contact was unsuccessful, their accounts should be immediately assigned to NCS.

It is vital to NSF check recovery to only put them through the bank once. If a customer tells their creditor to run the check again because the money is now in the account, the customer should be told to draw the cash out and bring it down to the store. This act of personal payment should not be considered an inconvenience. After all, the customer visited the store in person to place the order.

Obviously, disputed accounts arise when there is a conflict of opinions between the customer and a floor covering dealer. These conflicts commonly include disagreement over the final price, date of delivery, quality of installation workmanship, and quality of product installed. When customers deny payment and dispute the amount owed; NCS should be brought in as an intermediary. Upon receiving the first NCS contact, the customer comes to realize that their floor covering dealer is quite serious about the account being paid. Through the course of third party involvement, NCS brings both sides together to reach an amicable agreement.

In instances of flat-out nonpayment, NCS sends a psychological message to debtors that their delinquency will not be forgotten or fall through the cracks of unorganized A/R management. NCS's systematic method of increasing intensity brings the full burden of the debt to light and warns of the consequences of continued nonpayment.

Speaking of consequences, floor covering dealers represent excellent ACM business. Their accounts typically entail a signed contract, providing ACM collectors with extra leverage to motivate payment.

The decision maker in the floor covering market is dependent on the size of the business. If prospecting a single-location dealer, seek out the owner. Most times, these are sole proprietor businesses. If the dealer has several locations or does business on a regional level, the controller or chief financial officer will usually be required to implement NCS's collection program. What ever the case, by simply asking a few questions, this information will become readily available.

On top of increased cash flow and collecting delinquencies at a fraction of the cost of a conventional agency, decision makers in this market particularly like NCS's thorough reporting. Through monthly Status Reports, NCS clients are notified of the exact point where every debtor is in the collection process. For many NCS prospects, the Status Report alone can make the sale.

#### CARPETING AND FLOOR COVERING DEALER MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$3,920
Average NCS recovery:	62%
Major problems and concerns:	NSF checks disputed accounts non-paying accounts high cost associated with conventional agencies
Typical internal collection procedure:	past due statements in-house collection letter phone calls
Key individual to contact for decision:	single location - owner multi-location -- controller or chief financial officer
Key individual to get ARA numbers:	same as above

## CATERING

Birthday parties, club meetings, wedding receptions - these events bring people together to celebrate or recognize a common interest. While the driving force behind the event is the shared interest, the food and beverages served at the function play a key role in its success. Experienced party planners know that when an abundance of prepared food is called for, a catering service provides one of the easiest and most efficient ways to accommodate large groups.

Caterers can be independent business operators in a real sense. Many of them operate on a scale where the business owner may be the only full-time employee: Other catering operations covering a larger scope may be affiliated with a grocery store/deli or restaurant and maintain a full-time staff which assists in food preparation and serving. By looking at the telephone directory under "caterers," the size and capabilities will probably be revealed by the display advertisements. But call every number, even the businesses with single-line listings can utilize a system which increases cash flow.

The type of event being catered will usually dictate the payment arrangements. For one-time celebrations such as a wedding or birthday party, a down payment is typically made prior to the function with the balance due at the conclusion of the event. When a club which meets every week or month employs a catering service, an open account may be established. Cash flow problems occur when timely payments are not made for catering services already rendered.

Credit card charge-backs are also seen in the food catering market. Some customers who use a credit card may already be over their limit at the time of the charge. Or the cardholder may call the credit card company to complain about the caterer's performance and have the amount suspended through a dispute. In addition, periodic NSF checks are seen by caterers. Each of these troubling occurrences constrict cash flow and prevent the business from reaching its highest profit potential.

NCS turns these problem situations around and helps businesses recover as much as possible without being charged a high fee. With NCS's low, fixed cost, business operators can afford to use third party intervention at an early age when prospects of recoverability are the highest. Caterers currently utilizing NCS are recovering an average 56 percent of assignments. The account balances average \$675.

Diplomacy and customer alienation can be prime concerns of the typical caterer. However, these concerns are easily addressed with NCS's Courtesy Notice and the client's complete control over accounts assigned. The Courtesy notice subtly alerts past due customers of the delinquency and calls for specific action. The system user also has the luxury of selecting accounts for assignment, suspending collection activity upon receiving contact from a debtor, and reinstating the collection process should the debtor fail to keep their promise. These features translate into instant benefits for the client who recognizes their value and utilizes them to their fullest.

NCS serves as the ultimate negotiator to bring both sides together in cases where a dispute exists. The 30-day notice on the first contact conveys that unless the debt is disputed in writing within the 30-day period, it will be assumed valid. This notice not only satisfies federal regulatory requirements, it prompts debtors to either prove their case or pay the claim. This feature alone provides sufficient value to justify the system's initial cost.

Caterers are very much service oriented, as their very name indicates. Making certain that every detail, no matter how minute, is covered is just part of being in business. Mirror that attention to detail and demonstrate how the NCS system always reacts immediately to the proper instructions. Show prospects that NCS is the leader in providing personal service and an A/R management program that is unmatched.

CATERING MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$675
Average NCS recovery:	56%
Major problems and concerns:	slow-paying open accounts NSF checks credit card charge-backs diplomacy/alienation
Typical internal collection procedure:	in-house letter phone calls
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner, bookkeeper

## CELLULAR PHONE STORES

Communication on the move is almost a requirement of today's fast-paced business community. The ability to contact someone or be contacted regardless of one's own location is crucial for many professionals. Pagers and cellular telephones are instruments which are put to widespread use every day by not only businesspeople but by individual consumers as well.

Filling this communication need, cellular phone stores have appeared in great number across the nation's business landscape. Easily accessible in practically every shopping mall or plaza, such stores will typically be crossed in a NCS representative's typical prospecting day. Despite these retailers' hold in the marketplace and the convenience and fun of cellular devices, consumers quickly learn upon entering a phone store that this communication luxury does not come without an attached cost.

Cellular phone stores are involved in the retail sales of a wide selection of cellular communication products. They also work in association with a cellular airtime company. When a consumer buys a cellular phone, they typically have the communication device activated at the store and sign a service contract with the cellular airtime carrier.

Many retail cellular outlets, in order to attract customers, offer free phones to consumers who sign up with their associated airtime carrier. The consumer receives a 10% or greater value in the phone, and is then obligated to fulfill the terms of a 12 month or longer service contract with the airtime provider. The airtime company in return for signing up a new customer reimburses the retailer for the cost of the phone. The retailer often receives a finder's fee, typically several hundred dollars, paid by the airtime company. As another incentive, the retailer can also qualify to receive a percentage commission for all air charges paid by the customers they sign.

Cellular phone retailers run into collection problems when customers are deactivated by the airtime company prior to fulfilling their obligation as termed in the signed service contract. When a customer is deactivated, they can no longer place or receive calls over the equipment they purchased or received free. If the airtime carrier reimbursed the retailer for the cost of the phone in order to get a new customer, that charge is then reversed against the retailer. Now the retailer is out the cost of the phone and needs a system in place to recoup the cost of the equipment itself.

NCS is perfectly suited to address this type of collection need. Phone store retailers frequently open a charge on the customer's credit card to be submitted to the card company should default of this nature occur. The card of a reneging customer is many times already charged beyond its limit. The customer, in another delay of rightful payment to the retailer, might also dispute this particular charge. Regardless, the retailer is left with few alternatives to effect collection. NCS addresses this situation professionally and with tenacity, giving phone store retailers the power of third party intervention for a low fixed fee.

NCS's performance on retail cellular store accounts is exceptional. On accounts with an average \$500 balance, NCS is recovering an average 54 percent.

The decision maker in a retail cellular phone store will be the owner. Ask to see this individual before allowing yourself to be referred to a lower decision-making authority. As always, pre-qualify every prospect's decision making ability before going forward with a presentation.

NCS's low fixed fee allows immediate assignment of cellular phone stores' troublesome accounts. Let these retailers know there is no time to waste when their receivables are on the line. Get NCS involved at an early age when recovery is greatest and cellular phone store owners will be overwhelmed by the system's performance. Phase II is also a tremendous source for recouping lost revenue for phone store retailers. Both phases of The Cash Recovery System work in unison to achieve maximum recovery for cellular phone merchants, as they do for all clients.

### CELLULAR PHONE STORE MARKET REPORT

Average age of accounts submitted:	60 days
Average balance:	\$500
Average NCS recovery:	54%
Major problems and concerns:	de-activated customers reversed charges for reimbursement cost of promotional free phones credit card charge-backs and disputed charges non-returned cellular equipment
Typical internal collection efforts:	in-house collection letter phone calls write off
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

## CHARTER SERVICES

Charter services represent a little thought about market segment in which the NCS service can be applied. The private use of large ticket items for short-term transportation or leisure purposes is a specialty market in itself, where NCS is instrumental in eliminating problem accounts and increasing cash flow.

What exactly is a charter service? A charter service provides the use of a yacht, fishing or sightseeing boat; a bus, or an aircraft to be used by a group of people. The group will frequently book the services of a charter company well in advance of the date to be used. The charter service will provide a driver/pilot, and crew if applicable, for the planned trip.

Who uses charter services? Various organized groups create a demand for charter services. Schools, clubs and fraternal organizations, medium to large size companies, and conventioners are among the variety of groups which utilize charters. Film production companies are a specific example of a business which may request special transportation for a crew and equipment to a remote area. Or a group of school children may need to be bussed to a museum, perhaps, for a field trip.

Operating a charter service is a high cost business. There are many different aspects to be considered when establishing a price for a particular deal. Standard operating costs are coupled with labor time, liability insurance, fuel costs, and the maintenance and upkeep of the watercraft, aircraft, or land vehicle. Charter service operators will review all of the variables involved for a particular venture and either quote the customer a flat rate fee or a per person fare. Regardless of the arrangement, a deposit is routinely requested of the customer to reserve a vessel or aircraft if being booked in advance of the departure date.

Unpaid balances in the charter service market can often be quite high, yet NCS has the third party clout to effect recovery in a significant number of cases. Handling accounts with an average \$ 3,600 balance, NCS is recovering an average 53 percent.

The decision maker in the charter service market will usually be the owner. Partnerships are also commonplace, so be sure to inquire whether one exists before assuming a single proprietorship. In the unlikely event of corporate ownership, the controller or chief financial officer will typically be involved in rendering a decision regarding NCS. Call on these individuals with confidence, as NCS is the only economically feasible answer to their problem account situations.

NCS's *low* flat fee is much more attractive than losing a high percentage to a conventional collection agency. Then once NCS has recovered from those debtors who are willing to pay in Phase I, the unresponsive debtors can be immediately transferred to ACM for Phase II collection activity.

Where can charter services be found? Look for there in a local telephone directory or tour guide book. Check for listings under the following headings: Boat & Yacht Charters, Fishing Parties, Buses Charter & Rental, Aircraft Charter & Rental, and Sightseeing Tour Charters: These listings will provide a good starting point for either a phone call introduction or a mailing. Remember, whenever mailing, always follow up with a phone call to ensure maximum prospect response.

Some of the customers of a charter service may have a need for NCS as well. Ask to be referred to their repeat customers and bring more satisfied clients on board with The Cash Recovery System.

## CHARTER SERVICE MARKET REPORT E

Average age of accounts submitted:	90 days
Average balance:	\$3,600
Average NCS recovery:	63%
Major problems and concerns:	slow-paying accounts non-paying accounts NSF checks credit card charge-backs fear of losing large percentage to conventional collection agency
Typical internal collection procedure:	collect at point of use, bill for balance past due statements phone calls
Key individual to contact for decision:	owner(s) -- single proprietorship or partnership controller or chief financial officer -corporate controlled
Key individual to get ARA numbers:	same as above

## CHECK CASHING

Not long ago, the only places a person could cash a payroll or government check was at their bank or corner grocery store. Recognizing this need in the financial services industry, check cashing stations continue to spring up in neighborhood shopping centers nationwide. Check cashing, in fact, has quickly mushroomed to become a \$45 million a year industry.

Offering an abbreviated list of typically bank-oriented services, check cashing stations emphasize their convenient use. These business enterprises couple quick check cashing with convenience, and aim their services at individuals who do not have a bank account. Since a deposit is not required, customers can cash checks without having an equal amount of funds held on deposit. They simply fill out a personal data sheet on themselves and receive a check cashing ID card: when cashing checks, customers are then required to pay a percentage of the amount received, (usually 10 to 16 percent) in return for fast and convenient service.

Following is a list of the common checks cashed and related services offered:

### Types of Checks Cashed

- Payroll
- Tax Refund
- Welfare
- Unemployment
- Insurance
- Government

### Additional Services

- Paycheck Advance
- Money Orders
- Mailboxes
- Western Union
- Credit Card Cash Advance
- Notary Public
- FAX Transmissions and Stamps
- Photo I D's

Bad checks continue to be a problem, resulting in annual losses of more than \$12 billion for U.S. businesses. The risk of accepting bad checks runs greater in the check cashing market than in others where cash and credit card purchases are made. Check cashing station operators need to be more aware of the potential pitfalls and the best way to avoid them.

NCS provides the best solution to address NSF check troubles. When handled in the proper, timely manner, NCS can recover an impressive portion of these tough to collect

accounts. On balances averaging \$ 910, NCS clients are receiving an average 36 percent recovery.

Although the recovery is below NCS's national 56 percent average, these business operators understand their returned items can be extremely troublesome cases. The majority of their customers do not even have bank accounts, so the 36 percent average recovery is looked upon quite appreciatively. Early intervention is always the key to successful collections, but perhaps no more so than in this market. Considering the aforementioned characteristics of the service and its customers, check cashing services will see greater returns when accounts are submitted at 30 days. .

The decision maker in the check cashing industry will most often be the owner. There are some franchise possibilities, however the owner will retain autonomy to make .a decision regarding their collections. When making a presentation, be sure to remain on the same intellectual plane as the prospect. These individuals know a great deal about checks and balances, or they would not be in the business. Show great confidence in the power of NCS and instill that feeling in the prospect.

Sales representatives interested in pursuing this market need to stress their consultative skills. These business owners should be instructed not to ever put a check through the bank twice. Not only is there a bank fee involved, but precious time is lost in the process. If the check came back NSF the first time, the check writer needs to be contacted by phone and requested to cover the note in cash. When telephone contact is not possible, the check writer should be sent a letter notifying them of the returned check and requesting the cash payment. Adding an "Address Service Requested" stamp to the outside of the envelope will produce a good address in the case of a skip.

A prominently posted sign revealing the associated penalties can be helpful in reducing deliberately passed bad checks. In addition to penalty fees, the sign should also reiterate the specific ID requirements necessary in order to cash items. Suggesting a photo ID program, if they do not already have one, is another helpful idea which reduces problem checks. The personal data sheet kept on frequent customers should be periodically updated. Double checking the information on file every 90 days will drastically improve the accuracy of crucial data should a problem situation arise.

## CHECK CASHING MARKET REPORT

Average age of accounts submitted:	30 days
Average balance:	
Average NCS recovery:	36%
Major problems end concerns:	return items from bank demographic makeup of typical customer customer alienation not a concern

Typical internal collection procedures:

phone call, in-house letters, small  
claims court

Key individual to contact for decision:

owner

Key individual to get ARA numbers:

owner

## CITY GOVERNMENTS

Among the many markets available to aspiring NCS sales reps are individual city governments. These account types are abundant and represent virtual gold mines for reps who are willing to give their all.

There are many areas in which a city can enlist NCS to increase cash flow. Cities generally provide a variety of services to their residents. These services can include garbage pick up, public libraries, paramedics, parks and recreations programs, sewage disposal, and water. In addition to these areas, some cities also experience difficulty collecting building permit fees, city cemetery bills, city taxes, municipal court fines, and parking fines. Bear in mind that not all cities have each of these areas, yet most have trouble spots crying out for NCS:

Although there are numerous areas that can use NCS, it is usually best to select just one to start with, such as paramedic service; or the water department. Conduct a thorough study and gather all of the numbers you will need for a presentation. If resistance is encountered in obtaining numbers, you may need to evoke the Public Awareness Act to induce cooperation. However, always remember to tread gently, as most public officials do not like outsiders coming in and exposing their problem areas.

Approaching a city can be a delicate and political process. In some cases the initial contact will be the city manager or finance director, each of whom may have the power to make a decision on their own: Other times the issue must be brought before the city council for approval. In either case, exercise patience and feel confident NCS has the best service available to address a city's delinquent collection needs.

When a city council is involved, it is important to set aside some investigation time. Determine the makeup and the business backgrounds of the various members. You may discover a member who is already familiar with NCS through a past business arrangement. If not, you will at least be able to identify the different council factions and select the one that has the most support.

Some cities require that a bidding process take place before any service is contracted. If there is a bidding process, it is essential that you know all the aspects of it. Find out whether it is based on price alone, open to all bidders or limited to just a few, and if bids may be adjusted or if they are unchangeable. These facts will have a bearing on the proposal you submit. Just as in any negotiation, it is vital to know all of the rules if you intend to win.

Cities are most impressed by NCS's ability to provide a substantial increase in city funding. Be sure to also stress the guarantee. NCS not only boasts superior performance, but backs it up with a guarantee.

Usually money to pay for the NCS program is taken from the corresponding problem area's budget. If there is no money left in the budget for such activity, you may need to wait until the next period for scheduled funding.

City managers also tend to be quite mobile. Many of them move from city to city, following improved job opportunities. Through memberships in business associations as well as prior job assignments, city managers can provide you with excellent letters of introduction. A well-written letter of introduction opens the door and qualifies you as an expert in city government collections.

City governments have numerous problem areas in which NCS can improve cash flow. Apply Your learned knowledge to these areas and help cities in your state take advantage of the best accounts receivable management system available.

### CITY GOVERNMENT MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$325
Average NCS recovery:	45%
Major problems and concerns:	building permits cemetery bills city taxes garbage services library fees municipal court fines paramedic services parking fines parks and recreation department sewage service water department NSF checks in most every area
Typical internal collection procedures:	stamp "overdue" on statements write old accounts off as non-collectible
Key individual to contact for decision:	city manager, finance director, city council member
Key individual to get ARA numbers:	finance director

## CLOTHING RENTAL

The clothing rental industry presents numerous challenges to business owners who operate in this market. Renting expensive formal wear and shop uniforms does not come without a few risks. Fortunately, for these business owners, NCS's collection program can be designed to specifically address their needs and drastically reduce unnecessary losses.

One's perception of formal wear shops should not by any means be limited solely to tuxedos. Bridal dresses and formals for women also comprise a significant, and often overlooked segment of the market. As a whole, formal wear rental businesses fill a substantial need in society as they allow people to wear fine clothing for a one-time, special occasion, without having to purchase the suit or gown outright.

Shop uniforms also fill a major need in the clothing rental market. Many machine shops and similar related businesses contract to rent uniforms on a continuing basis. These uniforms are provided for shop employees so they may always wear a fresh uniform. Soiled uniforms are periodically picked up and replaced with a clean supply by the rental business operator. Special, heavy duty washing machines and strong detergent are usually required to lift the grease and other materials from soiled uniforms. Provisions for cleaning are typically included in the contract for uniform service.

Cash flow impediments and accounts receivable problems can arise in several different areas:

- NSF checks--- formal wear shops Slow-pays -- uniform shops
- non-returned garment pieces ----formal wear and uniform shops

NSF checks are mostly commonly experienced in formal wear shops, where onetime customers are the norm: Although NCS is very effective in resolving these troublesome items, the service should be presented to formal wear shop owners from the angle of being a tool to speed the recovery of non-returned garment pieces. These pieces can include shoes, cummerbunds, neckties, jewelry cuff links and shirt studs, slips, veils, and the like. When these items are not returned, not only is the business owner prevented from renting them again, but they typically require replacing to maintain rental inventory. NCS's contacts should be used to alert unresponsive formal wear customers of the problem and to motivate them to return all garment items.

Even though uniform shops conduct business with their customers on an outgoing basis, non-returned items create problems here as well. In addition to the monthly fee for uniform service, customers are also responsible for any uniforms lost due to theft or negligence. NCS's cash flow program can be employed to speed payments from slow-paying customers, and as the third party involvement frequently required to work out non-returned item accounts.

NCS's cost to resolve the above problem situations simply cannot be matched. On account balances averaging \$480; NCS recovers an average 58 percent.

When prospecting in this market, always attempt to set the appointment with the decision maker. Most formal wear and uniform shops are sole proprietorships, even though there may be a franchise affiliation. Owners understand the flow of inventory and the cost associated with replacement. Of course, over time, worn items require replacing, but every cost effective attempt should be made to ensure the maximum rental life of all items.

Whenever presenting NCS's service, be sure to ask for referrals. Once a few sales are made within a specific market, the remaining others should follow in rapid succession. Study the immediate market, and determine the major players. From there it is a simple process of elimination as business related prospects follow the precedence set by their immediate market leaders. Dress up your client portfolio with formal wear and uniform rental shops. real answer to all of their receivable needs.

#### CLOTHING RENTAL MARKET REPORT

Average age of accounts submitted:	46 days
Average balance:	\$480
Average NCS recovery:	58%
Major problems and concerns:	NSF checks Slow-pays non-returned garment items
Typical internal collection procedures:	in-house letters phone calls
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

## COFFEE SERVICES

Companies in the coffee service industry provide their needed commodity to thousands of businesses on an everyday basis. Some of these providers deal in hot drinks exclusively, including coffee, teas, soups, and other assorted hot beverages. Other companies in this industry are involved in providing both coffee and snack vending machinery. In addition to regularly restocking a client's coffee supplies, these multi-purpose providers also maintain the on-site vending machines.

Billing schedules are frequently set up on a net-30 basis. However, weekly billing is not unheard of, especially in high volume user situations: Prompt payment is preferred, as in most any business relationship. When prompt payment is not the natural order of business, swift and immediate action is the proper prescription to induce payment. Many coffee services will suspend additional service to delinquent customers in hopes that dry mouths will prod payment. More often than not, a suspense in service drives the delinquent customer to a competing coffee service for a continuation of supplies.

The key to receiving timely payment with retention of business is through the proper use of NCS. Routine operating policy may need to be adapted, yet in most cases, not by too much. If the service operates on a 30-day net billing policy, considers 60-days past due delinquent, and suspends service at 90-days, institute NCS at 70 days and continue to suspend service at 90 days for those who have not paid.

If on a weekly billing cycle and the customer falls 21 days past due, implement NCS immediately. Once hitting 30 days, third party contact will have occurred and the chance of payment will increase significantly. At 45 days, continued service to delinquent customers should be suspended. Using NCS just prior to suspending coffee services has a much greater impact than after suspension, when the user has already gone to another supplier. NCS's third party clout is just the motivator needed for unresponsive customers to come current in their payments.

There is equipment involved in the vast majority of coffee service accounts. Automatic drip coffee machines with the carafes to go along with them are typically provided to be used exclusively with the respective service's coffee supplies. Upon suspension of services, these pieces must be surrendered by the delinquent customer.

The decision maker in the coffee service industry is dependent upon ownership. Corporately owned services are overseen by general managers, who frequently possess the authority to make a decision regarding NCS. On occasion, a board decision may be required to purchase a NCS collection system. In the case of a privately controlled coffee service, the decision maker will be the owner.

Decision makers throughout the industry are most concerned about receiving timely payment without alienating their clientele. The high cost and aggressive tactics associated with conventional collection agencies have kept these businesspeople from using third party services, except as a last resort. Instead, NCS's low cost system can be

incorporated into the individual service's billing system, thus lowering their in-house costs while increasing their collection performance. And, NCS provides all of this for under 10% per account.

Following a strict NCS assignment and suspension of coffee service policy as described, above will increase account recovery and decrease collector .costs significantly. Even with stale dated accounts, NCS still manages an average 51 percent recovery rate on accounts whose balances average \$480. Results such as these are impressive, yet can be improved with some slight modification to billing policy. NCS's true performance should not, and cannot, be denied.

### COFFEE SERVICE MARKET REPORT

Average age of accounts submitted:	120 days
Average balance:	\$480
Average NCS recovery:	51%
Major problems and concerns:	slow-paying accounts customer alienation non-returned equipment high cost associated with conventional agencies
Typical internal collection procedures:	past due statements personal visit by representative suspension of coffee services
Key individual to contact for decision:	corporately owned -general manager privately owned - owner
Key individual to get ARA numbers:	same as above

## COLLEGE NEWSPAPERS

College newspapers are the expressive voice of the student body they represent. The newspapers signify a medium where student opinions, campus-related issues, and hard news can be disseminated throughout the student community.

Most every college has one, regardless of prestigious standing or magnitude of enrollment. The larger the school, the larger the newspaper tends to be. Usually related to the size of enrollment, the student paper may be published on a daily basis, or it may be presented to readers as a weekly.

Reporting student-related news, college papers also represent a vehicle for local businesspeople to reach the student community. Through advertisements carefully constructed to convey their desired message, area businesspeople compete for the students' disposable income dollars. Typically offered to readers free of charge, college newspapers depend heavily upon advertising revenue for their continued operation.

Considering the fact that a newspaper, regardless of whether it is prepared by students, is a business enterprise, it only makes good business sense that a formal billing procedure be put in place. All too often important advertising revenue dollars are lost due to poor or careless efforts to collect them. In many student newspapers, the responsibility for collection rests upon the shoulders of the individual who sold and prepared the advertisement. Not necessarily skilled in or truly motivated toward effecting a successful collection, the student will sometimes take the path of least resistance and allow the account to slip through the cracks.

When prospecting college papers, set an appointment with the business manager. If there is not a business manager position, ask for the advertising manager. Through a series of open-ended questions, the identity of the person responsible for a decision will surely be disclosed. Student newspapers are not inundated with sales representative inquiries, so a courteous and professional approach will be welcomed.

While structuring the presentation, keep in mind that a student paper staff will commonly turn over each quarter or semester. The business/advertising manager, however, will often be a student who has been on staff for an extended period of time. Demonstrating their level of responsibility and trustworthiness in dealing with advertising revenue, the manager is typically ready to take on-campus business experience and build on it to obtain a "real world" employment offer.

Deliver the NCS presentation to the student decision maker as an equal. They will be flattered. Compliment them on their business savvy to have recognized that slow/non-paying accounts receivable can be improved, and their improvement will have a positive impact on the newspaper's bottom line. Suggest to them to think forward in time, when they will have moved on from the paper.

"Do you want your legacy to be one of continued non and slow-paying accounts, a paper that just got by financially and barely made ends meet or even went under? Or wouldn't you be proud to pass along a clean record of accounts receivable and proven system of A/R management in place, all paid for and generating a profit? Why don't we get started with NCS today?"

To even the most green business managers, the choice should be crystal clear. NCS's perform on student newspaper advertising accounts is noteworthy. On accounts with balances averaging \$860, NCS is recovering an average 56 percent.

Point out how account age directly affects recovery. Educate the student decision maker of the importance account age plays in setting up an effective accounts recovery management system.

## COLLEGE NEWSPAPER MARKET REPORT

Average age of accounts submitted:	60 days
Average balance:	\$860
Major problems and concerns:	slow-paying accounts non-paying accounts low cost third party intervention diplomacy
Typical internal collection procedures:	statement personal call from advertising representative
Key individual to contact for decision:	business manager, advertising manager
Key individual to get ARA numbers:	same as above

## COLLEGES and UNIVERSITIES

Presently; there are over 6,000 accredited colleges in the U.S. and approximately 4.5 million students are enrolled each year. NCS has some highly prominent academic accounts.

As with most any sale, a representative should do some research and develop a game plan for a quality presentation. In the college and university market, there are a few items to be aware of before making the initial contact. Knowledge of the following characteristics will help a NCS rep enter this market with confidence.

Most delinquent accounts will fall under one of the following areas:

- Tuition Accounts - Student pays with an NSF check or leaves a delinquent balance.
- Bookstore Accounts - Student pays with an NSF check.
- Student Loans - There are several different types of student loans. The Guaranteed Student Loan (GSL) is one NCS has had great success in recovering. These loans are made primarily by banks, savings and loans, and credit union, but some colleges are also lenders. The federal government pays the full 8 percent interest while the student is enrolled in school. Upon graduation or leaving school, the student must begin to repay the loan with interest.
- Library Accounts - This type consists of charges for non-returned materials or overdue fines.
- Health Service Accounts - Student leaves delinquent balance for health services provided by the school.
- Room and Board Accounts -- Delinquent balances are incurred by non-payment or could include charges due for damage left behind by the student.
- Parking Fine Accounts - Parking fines incurred by the student.

Schools will usually work their delinquent accounts internally until the student graduates or leaves the institution. Most college administrators are extremely pleased by the diplomatic option featured by NCS. They realize third party intervention is a key to collection, but they do not want to alienate any students, as a large amount of university donations come from alumni members.

In addition to reducing alienation, NCS offers clients the ability to maintain control of each account and the option of sending a thank you letter in return for payments. Typically, administrators are not accustomed to these choices being offered by a collection agency, and NCS gives them all these powers for a minimal flat fee. Many are only familiar with agencies that charge high contingency fees and take complete control of each account once it has been turned over for collection.

The first contact at a school should be made with the director or vice president of finance.

A meeting with the controller may come next. The controller can provide the college's current status of accounts receivable. Ask for the key points on the ARA to determine the projected system size and estimate the anticipated results through using NCS. The decision to buy may be made by a board of directors in the case of larger schools. Be patient and remain positive: with the support of the vice president and controller, chances are the board will favor the proposal, too. Business propositions without any internal support will not even make it to the board for a vote.

**COLLEGE and UNIVERSITY MARKET REPORT**

Average age of accounts submitted:	90 days
Average balance:	\$ 3,850
Average NCS recovery:	54%
Major problems and concerns:	tuition accounts bookstore accounts student loans library accounts health service accounts dormitory accounts
Key individual to contact for decision:	vice president of finance director of finance controller
Key individual to get ARA numbers:	same as above

## COMMUNICATION and INFORMATION SYSTEMS

Our society and the way we interact within it is often referred to as "the global village." This reference stems from effect technology has had on the way we socialize, do business, and communicate in general. The age of communication has truly blossomed over the past half century. Where it once took news and stories of events elsewhere in the world up to a week to reach our shores, we now see these stories unfold before our eyes thanks to cable news via satellite communication. Correspondence was at a time solely reliant on the post office and could take weeks to reach its destination. Today, fax machines relay documents within minutes. As recent as five years ago, if you wanted to request information about a company you might wait more than a month (the infamous "six to eight weeks for delivery") for your request to be fulfilled. Now Internet services give us direct access to thousands of companies and the products and services they offer:

Much of today's advanced communications technology revolves around a very familiar piece of equipment -- the telephone. However, the phone system itself has evolved far beyond simple dyadic communication. The concept to "reach out and touch someone" has exploded so that it would be more accurate to say "reach out and see and touch millions." The communications industry has far outgrown the telephone companies themselves. Many communication and information service companies now operate offering specific telecommunication systems for commercial and consumer use; custom-designing systems to meet individual needs.

Sales, service, and installation remain the core of these business' operations. Among the services offered include: 800/888 lines, voicemail, auto attendant, computer wiring and cabling, computer networks, modem ports, paging systems, switchboards, multiple way calling, telelvideo conferencing, and upgrades or relocation of current equipment. Cash flow problems usually spring forth from equipment sales and leases, service calls outside of any maintenance agreements, and system upgrades.

Obviously, these type of accounts are largely commercial. The communication and information systems market is extremely competitive for these accounts, naturally, as the services they offer are in high demand. Businesses in this market must remain current in their receivables if they are to remain competitive. It is most cost-effective for there to not hold on to their receivables past the 45 to 60 day mark. This timing is perfect for the intervention of NCS to step up cash flow while removing costly and burdensome collection efforts currently utilized.

Check under "Communications and Information Systems" in your area Yellow Pages and you will find several additional markets cross-referenced. The majority of the businesses applicable to this SMR may be found under "Telecommunications" in your county. Here you will find many of their display advertisements promoting local ownership and local service. Therefore, look for the business owner to be the decision maker. Appointment prospecting is made simple as these key individuals are often on-site. Persistence and thorough qualifying skills will make the difference for you. Once

you have the appointment, the bookkeeper or accounting manager will have the needed ARA numbers. If the business is corporate-controlled, search out the president or controller.

Regardless, the pursuit of past due accounts is tedious and time-consuming and decision makers on both levels must be shown how NCS is a leading alternative to traditional in-house methods and conventional percentage agencies. The Cash Recovery System can motivate slow payers to make these bills a priority while helping identify reasons and disputes for nonpayment by encouraging customers to contact the business with the Courtesy Notice in Phase I. Point out where it says, "If there is a legitimate misunderstanding concerning this debt, contact your creditor and discuss it." These business owners will appreciate this added touch and see how NCS helps preserve their valued customer relationships while simultaneously making receivables current.

They will also appreciate the fact that NCS has a 55 percent recovery rate on balances of \$860 in their market. This can be attributed to the early assignment cited earlier. Combine these costs with the diplomacy of the NCS system should inspire your prospects to do business today. These satisfied clients, and even those who may not have a need currently, are a tremendous referral resource, so always remember to ask "who else do you know in your industry or in those that you serve who could benefit from these results?"

## COMMUNICATION AND INFORMATION SYSTEMS MARKET REPORT

Average age of accounts submitted:	60 days
Average balance:	\$1,600
Average NCS recovery:	55%
Major problems and concerns:	equipment sales and leases service outside of maintenance agreement service upgrades and relocation maintaining clientele alienation
Typical internal collection procedures:	statements, phone calls
Key individual to contact for decision:	owner (local) president (corporate controlled)
Key individual to get ARA numbers:	owner, bookkeeper, controller

## COMMUNITY ADVERTISER NEWSPAPERS

Whether picked up at the supermarket checkout stand, or delivered to residence mail boxes, community advertiser newspapers provide an avenue for area merchants to alert potential customers of the various items offered at sale prices for that week. Also referred to as penny savers in some communities, these advertising supplements enable merchants to get their names and prices before the buying public for a low marketing cost.

Who advertises in these supplements? Grocery stores, mainly, but they are also used by various other merchants, such as video rental stores, dry cleaners, auto repair shops, and even pet groomers. Oftentimes, a coupon redeemable at the point of purchase is included. Community advertiser newspapers provide area merchants with the option of a lower cost of advertising than a regular daily or weekly newspaper.

Merchants who advertise sign an agreement which includes the number of issues that the ad(s) will appear in and the cost. Sometimes a down payment of one-third to one-half is due prior to printing, with the balance due upon distribution. These balances have a tendency to accumulate if they are not kept up with by an efficient accounts receivable policy. Many of these business operators realize that their advertisers keep their publication in print and are reluctant to actively solicit payments before bills are seriously delinquent.

NCS is the perfect solution for penny saver publishers to maintain control over their accounts receivable and ensure that cash flow moves in a positive direction. For the low flat fee of under 10% per account, NCS recovers past due balances and reopens the lines of communication between the penny saver and its advertisers. NCS is the right tool to get a response from past due customers who seem to disregard formal billing statements.

NCS clients in this industry are receiving exceptional recovery performance. On accounts with a \$490 average balance, NCS is returning an average 45 percent to these clients.

The decision maker in this market is determined by the ownership. Some of the advertising supplements are owned by large publishing groups, and are independently operated on a local level: others are privately owned and operated as sole proprietorships. When calling, ask to speak with the owner or general manager. The individual with either title can then be qualified as to their decision making authority.

Diplomacy and customer retention are prime concerns in this market. NCS should be presented as a cost effective system which speeds cash flow without alienating clientele. The NCS series of contacts are psychologically designed to motivate payment before alienating the valued customer. To help ease any apprehension toward using a collection agency, refer the decision maker to the Courtesy Notice. Then show them the

scripted verbiage in the Instruction Booklet. If an overdue customer were to become upset in regards to a NCS contact, the A/R clerk handling incoming calls can use the passage provided that places the blame on their computerized billing system. The clerk can first apologize for any inconvenience, then address the delinquent bill. This procedure is used by thousands of NCS clients across the country with great success. More money is collected and valuable customers are retained.

Vertical markets are a real possibility among community advertiser newspapers. When there is ownership by a large publishing group, there will be other newspapers and businesses with a need for NCS. Once proving your own professionalism, as well as the effectiveness of NCS, referrals to other members of the parent corporation will be available. Assume they have a need and ask to be referred. By following this game plan, you will continue building to your growing client portfolio.

## COMMUNITY ADVERTISER NEWSPAPER MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$490
Average NCS recovery:	45%
Major problems and concerns:	past due advertising accounts customer alienation ease of assignment and control over accounts in collection
Typical internal collection procedures:	past due statements, phone calls
Key individual to contact for decision:	general manager -- owned by large publishing group
Key individual to get ARA numbers:	owner - sole proprietorship same as above

## CONCRETE CONTRACTORS

Contractors specializing in the construction industry have long enjoyed the many benefits associated with NCS Systems: Among these specialty tradesmen are concrete contractors, who solidify future buildings by laying secure foundations.

Frequently part of the first phase of a construction process, or perhaps called on to perform some custom work, concrete contractors' fill a permanent need in the construction industry. Listed below is an assortment of the commonly provided services for residential, commercial; or industrial building projects:

- slab foundations
- retaining walls
- sidewalks
- driveways
- patching and resurfacing
- curb and gutter
- concrete removal

Concrete service businesses typically are independently owned and operated enterprises. The contractor owner holds a license with the state and/or local regulatory agency which oversees the operators in the construction industry. Depending on the size of the business, the contractor himself may carry out all jobs through the use of one truck or mixer. Larger businesses, with more than a single truck or mixer, usually operate with designated and properly certified site foremen, who supervise the concrete pumping process and are responsible for making certain that all work is performed according to the regulatory agency and customer specifications.

Billing for concrete jobs is routinely done after all the work is completed. Sometimes a down payment is required beforehand, such as in large development projects. In these instances the business operator may request 25 percent of the contracted price up front; with the balance due within 30 days of the job's completion. This type of arrangement is common in the industry. However, it also can lead to a hefty sum owed for materials and services rendered.

NCS is the perfect solution for concrete contractors to maintain steady cash flow with their accounts receivable. The system has long been employed by various members of the construction industry who would prefer to pay a low fixed fee to NCS in an effort to recover monies due, before turning to the lien process in an effort to extract payment. NCS offers concrete contractors the choice of pursuing accounts in a diplomatic or intensive fashion. This choice in itself enables the system user to decide if the past due customer is worthy of future business or not. Either way, NCS's full service of maintaining goodwill allows the system user the option of sending the thank you letter for payment, thus re-establishing a working business relationship.

NCS's performance for concrete contractors is very impressive. Working accounts with an average \$ 2,950 balance, NCS is recovering an average 53 percent.

What is the best way to approach a concrete contractor? Try developing a mailer customized to the industry, then send it to all the concrete contractors in the area. Include local name drops from the construction industry for whom NCS is achieving good results. Many of the concrete contractors include their personal name in the name of their business. It is also a well-known fact that letters customized to the receiver's name produce a higher recognition level than those that are not, so do a little extra research to obtain the owners' names.

After sending the mailers to the area concrete contractors, call on them by phone two days later. Not too many of these contractors maintain a formal business office. Most of them utilize a P.O. box for their business mail, and store their equipment and trucks in a rented yard or facility. For the best decision maker contact time, try calling early in the morning, 7 a.m., or late in the afternoon, 4 p.m. At these times the chances are greatest that the contractor will be available, as the prime time of the day is spent in the field performing their trade.

Present NCS as an alternative to the costly and lengthy lien process. NCS enables contractors the opportunity to collect account balances in full, for a very low fixed fee, before having to file a lien on the past due customer's property. NCS is used in this capacity by many contractors and achieves highly favorable results.

If the decision maker objects to prepaying for the system, try the following close. It is very helpful in opening a decision maker's eyes to the real need and, on top of that, it works!

"Mr. Decision Maker, if you say 'no' to me today, things will remain the same in your business. You will continue to have delinquent accounts, your billing service will continue to bill these accounts, and you will continue to try to collect them - in other words, business will continue as usual. Any time you try to collect a delinquent account you are spending profit dollars, and that is even more expensive. The NCS system will reduce delinquencies and increase your profit dollars. I realize you are skeptical, but I bet you never made a profit by saying 'no.' However, by saying 'yes' to me today, we can eliminate all these losses and return those profit dollars back to your business."

Call on the concrete contractors in your area and show them how NCS forms the foundation for a solid cash flow management program.

## CONCRETE CONTRACTOR MARKET REPORT

Average age of accounts submitted:	60 days
Average balance:	\$2,950
Average NCS recovery:	53%
Major problems and concerns:	slow-paying accounts

Typical internal collection procedures:

Key individual to contact for decision:

Key individual to get ARA numbers:

non-paying accounts  
costly and time-consuming lien  
process  
option of sending thank you  
letters  
past due statements, phone call,  
file lien  
contractor/owner  
contractor/owner

## CONSTRUCTION INDUSTRY

The construction industry is one in which NCS's pre-collection service has long thrived. The many facets and firm nature of the accounts in question make NCS Systems a natural persuader which expeditiously and diplomatically resolves problem accounts. Once installed within the business' billing cycle, NCS proves to increase cash flow and bring a grinding halt to losses experienced in the . filing of liens.

The construction industry contains a close knit group of specialized service providers. while the average order size for these businesses is not exceptionally large (4.5 to 300 accounts), the number of systems which can be sold with relative ease makes this market quite lucrative. The construction industry can be broken down into several areas:

- General Contractors - new construction, tenant finishing and remodeling
- Subcontractors - electrical, mechanical, drywall, masonry, plumbing, heating, painting, wallpapering, floor covering, etc.
- Service Companies - plumbers, electricians, heating, ventilation and air conditioning, etc.
- Suppliers - building materials, plumbing, heating, electrical, etc.

The problem accounts in the construction industry are predominately slow-paying accounts. Although some NSF checks are experienced, they are not in the majority. The flexibility of NCS's system is a perfect match for those business operators in the construction industry. NSF checks can be assigned immediately upon their return from the bank, while the emergence of a slow-pay situation can also be properly addressed through NCS.

In most any major building project, subcontractors are hired by the general contractor, who in turn answers to the organization which is financing the construction. The general contractor is responsible for paying the subcontractors; however, cash flow is often short and subcontractors are put off until the entire project is completed and paid for by the financing organization. A long wait is typical for subcontractors and they frequently turn to the lien process to collect payment.

Once a lien has been filed against a piece of property, the property may not be sold to another party without prior satisfaction of the lien. A time frame exists, commonly 90 to 120 days after the work is completed in which the lien must be filed at the appropriate county recorder's office. There is a standard fee, generally under \$ 150, which must be paid by the individual filing. Extensive paperwork on the property is also necessary. Even when all of the above requirements are met, subcontractors still find themselves waiting for payment throughout the lengthy lien process. And when one lien has been filed, chances are there are several others against the same piece of property.

NCS changes all of that with the timely completion of a simple Claim form. When a subcontractor suspects the emergence of a troublesome account either by, its age or by what has been discussed regarding the pending payment, NCS should be

introduced to resolve the situation. Prior to the deadline for filing a lien, NCS's low cost, third party intervention will determine if a lien is actually necessary. In most cases, the time consuming and, alienating procedure is avoided, as a satisfactory payment arrangement is generally reached after NCS enters the scene.

NCS's outstanding recovery statistics bear this fact out. On service related accounts, NCS recovers an average 72 percent. These service related accounts average \$ 2,900. The average balance of accounts related to building materials runs a little higher. These accounts average \$4,000 in balance and NCS recovers an average 71 percent.

Of course, exceptional recovery rates like those detailed above rely on timely assignments made to NCS. To achieve such a recovery, the client must be committed to an early assignment policy. A consistent 45 day NCS assignment policy is standard and should be strictly adhered to so that liens may be filed in any cases where NCS's collection efforts were unsuccessful.

The decision maker in a small company will most generally be the owner. This individual can usually be reached by telephone in the early morning or late afternoon,, as the bulk of their workday is usually spent on a job site. Large companies often have a controller or office manager, who in most cases possesses the authority to make a buying decision. Always be sure to qualify a prospect's buying authority when setting the appointment.

Referrals are a very valuable aspect of the construction industry. Taking into consideration the many relationships between the different types of contractors, subcontractors, and building materials suppliers, there is a great opportunity to be referred on to others with a need. Always specifically ask for the referrals you wish to receive, and satisfied clients will feel obligated to provide additional names as well.

The construction industry is vast and holds tremendous potential for desiring NCS representatives. Apply the NCS basics in this field and insure success.

## CONSTRUCTION INDUSTRY MARKET REPORT

Average age of accounts submitted:	45 days	
Average balance:	Construction Services	Building Products
Average NCS recovery:	\$2,900	\$4,000
Major problems and concerns:	72%	71%
Typical internal collection procedures:	slow-paying accounts	
Key individual to contact for decision:	subcontractors not getting paid from general contractors	
	filing of liens	
	diplomacy	
	high cost associated with percentage agencies	
	statements, phone calls, file lien	
	owner, controller, bookkeeper	

Key individual to get ARA numbers:  
Terminology:

same as above  
lien - a legal tool which protects financial  
interests

## CONVALESCENT CARE

The convalescent care industry is one which has undergone some transition in recent years. Due to increased state and federal regulations, costs have gone up in tandem with the quality of care provided. Rising costs throughout the industry reveal a definite need for an effective means of accounts receivable management.

Convalescent services can be administered in the home or a formal convalescent hospital, depending on the degree of care required by the individual. There may be insurance coverage which can cover a portion of the amount due for services rendered, but often the individual receiving the care is responsible for nearly 100 percent of the charges.

Convalescent care personnel may visit the senior's home and do light housework, cook meals, and provide needed companionship. If the senior's condition requires regular visits to their doctor, the convalescent care worker can assist with transportation, making sure that all appointments are kept. Aging seniors need someone who they can rely upon for emotional and physical support. And the convalescent care industry is ready to fill this crucial need.

Offspring of the aged senior can also be involved in the scenario. Instead of taking an elderly relative into their own home to personally care for them, a nearby nursing or rest home is selected to provide 24-hour care. In such cases, a service contract is signed with the offspring cosigning as the responsible party should a default on payment occur.

Intern care in a convalescent hospital is priced significantly higher than that provided during home visits. With an average cost of \$4,500 per month, convalescent hospitals provide all meals and full-time care if necessary. In-home visits, depending on their frequency, can cost less than half of that charged for full-time care.

Oftentimes a delinquent account receivable is the result of a patient passing away while under the care of the convalescent hospital. The body is transported to the handling funeral home, yet the bill for care services rendered up to the point of death has not been paid. In this event, the cosigning offspring is responsible for payment.

NCS's diplomatic approach is a welcomed option to convalescent care providers. For a nominal flat fee cost, NCS enables these health practitioners to utilize the effectiveness of a third party, while remaining sympathetic to the feelings of the patient or the family.

NCS clients in the convalescent care industry have been receiving excellent Phase I performance. On accounts with an average \$3,600 balance, these clients are averaging 59 percent recovery.

Unless some type of corporate affiliation exists; nursing and convalescent homes frequently operate under private ownership. A simple request to meet with the owner or managing director will reveal the title of the real decision maker. Gear the presentation

of NCS toward being an internal tool which eliminates friction and puts more money back in the business. Maintaining steady cash flow is essential so that overall patient care does not suffer due to a decrease in available revenue.

Be prepared and especially cheerful when giving a presentation to a convalescent care provider. The subject of convalescence in itself is not particularly uplifting. Behave as though you handle highly sensitive situations regularly and have no avoidance of doing what is right for the healthcare provider.

Once happily involved with NCS, convalescent and nursing homes can be a tremendous referral source. Providers of related services such as florists, staff doctors, medical labs, and suppliers all have a need for NCS's effective cash flow management techniques. By utilizing a professionally courteous approach in requesting referrals, your appointment book will become filled with the names of future NCS clients.

### CONVALESCENT CARE MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$3,600
Average NCS recovery:	59%
Major problems and concerns:	diplomacy low cost collections control over accounts in system ability to monitor collection activity
Typical internal collection procedures:	past due statements, phone calls, write-offs
Key individual to contact for decision:	owner, managing director
Key individual to get ARA numbers:	same as above

## CONVENTION CENTERS

Imagine the feeling: You enter the building and before you are hundreds of prospects, leads, and referrals for the asking. The building is a convention center and it is housing an industry trade show or convention. It can be any industry trade show or convention, it does not matter - any business accepting checks or extending credit or payment terms. needs the service you offer. You confidently introduce yourself to the professionals stationed at every booth and table. Interest is piqued, business cards are exchanged, and you set several appointments and look forward to returning to your office so that you can follow up on the dozens of referrals you received. However, even though you may have spoke with every attendee, there may be one prospect overlooked: the convention center itself. The very building which houses such events is itself is a behemoth of sales opportunities.

Conventions provide unique opportunities for attending members of the sponsoring industry or organization. These oftentimes annual gatherings allow attendees to interface with others within their industry, share valuable ideas, and become exposed to new industry related products and services. Aside from the interesting information shared by seminar speakers, attendees enjoy walking about the convention floor and visiting the various booths set up by vendors. For many, these booth displays and their associated business offers are the main draw that motivates them to travel great distances in order to be part of the convention gathering.

Associations, organizations, and industries will contract with a convention center to hold their planned gathering at the facility. Convention participants, such as industry related vendors and exhibitors, are made aware of the upcoming convention by direct mail or even by phone. Conventions and trade shows enable industry vendors and suppliers to meet a large number of prospects who are likely to have needs for their products or services. These vendors are urged to act fast and commit themselves to attending before the best exhibit locations are sold.

Participants may submit payment for their space with their reservation request, or be billed at a later date. It is herein the extension of credit where the bulk of a convention center's cash flow problems exist.

In addition to booth space rental, convention participants also incur charges for extra items, such as cleaning services, additional electric outlets, labor for exhibit setup and disassembly, catering services, equipment rental, and other miscellaneous costs. If booth space has been paid for prior, these costs would be billed separately, otherwise they are combined with the total bill.

Convention centers typically bill immediately following the event. Vendors are allowed the usual 30 days to satisfy their bill before more aggressive action is taken. Considering the nature of these accounts, almost always business-to-business, they are highly collectible if acted upon quickly. Clients within the convention industry frequently send only one past-due notice and then submit all unresponsive accounts to NCS.

Following this billing system, convention center clients are experiencing an above average 60 percent recovery on accounts with balances averaging \$1,250.

In the convention center industry usually hold the position of administrative director. Individuals in this position maybe difficult to reach, however, they are the ones who most often make such decisions and their support is essential for proper use of s NCS system. Without their support and guidance, system users - usually a credit manager -- may initiate NCS at their own discretion. Both administrative directors and system users need to be in agreement and committed to using NCS early to achieve the desired results.

In addition to the many benefits provided by NCS, convention center clients like NCS's nationwide coverage. All accounts are worked equally regardless of balance or debtor location.

Convention centers need nationwide coverage as many vendors travel across the country to participate in these events. Once a conventions is over, they either return to their home state or "are off to another show.

Once you are involved with a convention center, referrals are plentiful. Administrative directors have many contacts with the leaders of various professional and business associations. NCS reps who go out of their way to cater to their clients' needs will find them more than willing to provide referrals when requested. A satisfied client's referral is the best endorsement a rep can have whenever prospecting new business.

## CONVENTION CENTER MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$1,250
Average NCS recovery:	57%
Major problems and concerns:	exhibitor accounts nationwide coverage high cost charged and percentages taken by conventional agencies
Typical internal collection procedures:	past due statements, phone calls
Key individual to contact for decision:	administrative director
Key individuals to get ARA numbers:	administrative director, credit manager

## COPIER and FAX MACHINE SALES and SERVICE

The use of copiers and fax machines has become widespread throughout today's marketplace. Once considered somewhat of an office luxury, copiers and fax machines are now standard equipment in routine business operations.

Recognizing this need and filling it in nearly every community are business machine sales and service companies. Primarily geared toward copiers and fax machines, many dealers also carry desk calculators, personal computers, etc., and their related supplies.

Making everyday life in a business office easier, copiers have become so technically advanced that they take up much less space than they used to, and they can simplify even the largest of duplicating projects. On the other hand; fax machines have made a dramatic impact on the way people conduct business. The transference of important documents no longer is completed solely by overnight express services. Not limited to transferring important documents specifically, such as contracts and purchase orders, the restaurant industry is among the service-oriented businesses which utilize facsimiles to relay their menus or take incoming orders.

Problem accounts in this segment of the business machine industry are experienced in a number of areas. Delinquencies are seen when the product is sold on a payment plan which is not being met in a timely fashion. Lease agreements for this type of office equipment are common; another situation where monthly payments are made. Unpaid service calls are also a problem when a service contract is not already in place. NSF checks can be troublesome collections as well in the routine course of doing business.

The accounts encountered by copier and fax machine dealers are mainly business to business, or commercial in nature. These must be turned over early to gain maximum recovery. If a business is having trouble paying this bill, it is probably experiencing difficulty with other bills as well. Get on them early, before they go out of business and leave a long list of creditors demanding payments due.

NCS clients operating in the business machine industry are receiving highly satisfactory results. On accounts with an average \$1,800 balance, these NCS clients are recovering an average 51 percent.

The decision maker in this industry will usually be the owner. If there are multiple locations, you may need to talk to the resident manager first, but most often the owner is the real decision maker. Follow NCS's proven and most effective prospecting technique: cold call the establishment and request to see the owner. Introduce yourself to the decision maker and follow the appointment setting script. If the owner is unavailable at the time of your personal call, leave a drop-off piece and phone back two days later. If this attempt to contact is unsuccessful, try again in another two days. The 2+2+2 method has been proven to be the most successful procedure to contact potential clients and introduce them to the superior collection system provided by NCS. By displaying professional persistence, you can show through your own repeated efforts

that NCS's systematic collection program can, and does, motivate debtors to take action.

Typical internal collection efforts include statements, letters, phone calls, and occasionally a personal visit from the sales representative handling the past due account. Each of these methods is time costly and keep personnel from participating in activities which generate new revenue. During your presentation, stress NCS's third party impact. Encourage new clients to assign their accounts at 60 to 90 days, thus assuring NCS's maximum performance.

As always, sell the services of ACM. Phase II is the option of choice for clients who regularly see a number of hard-core accounts. ACM quickly determines each debtor's ability to pay and explores all the avenues to satisfy the account.

### COPIER and FAX MACHINE MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$1,800
Average NCS recovery:	51%
Major problems and concerns:	un-met sales contracts broken lease agreements unpaid service calls NSF checks customer alienation
Typical internal collection procedures:	past due statements, personal call from sales rep, phone Calls from home office
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

## COURIER SERVICES

Courier services, often listed in the telephone directory under delivery services as well, provide a myriad of advantages to their users. They typically offer seven day a week service and will deliver on the same day or next day, depending on their client's preference. Among their many uses, courier services are commonly involved in the transportation of computer parts, inter-branch mail, loan documents, medical and laboratory records, company payroll, printing graphics, auto parts, and more. These personal service providers are insured against damage or loss of property in their care and pride themselves on prompt and efficient delivery.

In this business, timely delivery is the mark of a job well done; however, timely payment for services rendered does not always occur. Sometimes an accumulation of accounts due can have a detrimental affect on overall service extended as courier companies reconsider or change their billing policies. The introduction of NCS can eliminate any undue internal changes and allow couriers to continue doing what they do best: provide top-notch delivery service.

Most courier services hold a major concern over client alienation. Many of their accounts are of the open or corporate account nature, with billing statements sent every 30 days. They do not want to offend their clientele, yet payment for services rendered is necessary for their survival. A firm 90-day NCS assignment policy will speed cash flow and quickly identify problem accounts which require additional attention for collection. NCS's diplomatic contacts are not offensive, and prompt the holders of delinquent accounts to make satisfactory payment arrangements.

When prospecting courier services, set an appointment with the owner or chief financial officer. Individuals in these positions are concerned over bottom line profits, and a heavy A/R listing can weigh these profits down. NCS should be presented as the most cost effective accounts receivable management system available. When used as prescribed, at 90 days, NCS eliminates aging accounts receivable and has a direct impact on increased cash flow.

When presenting NCS, stress diplomacy and the speed at which accounts are recovered. Be ready to combat any client alienation objections with the following dialogue provided in the Claim folder.

Debtor: "I'm calling to find out why my account has been assigned to a collection agency."

NCS Client: "Mr./Ms. \_\_\_\_\_, we are on a computerized billing system in this office and if we don't hear from someone in \_\_\_\_\_ days, the system is activated and the account is automatically transferred to NCS Systems Inc. As a matter of fact, the owner/manager is probably not even aware that your account has been assigned to NCS, but if there has been some error or problem, just

tell me how you would like to handle it and if you have a reasonable plan, I will have the account cancelled."

The passage above directs the blame for assignment to a new computer billing system, and then addresses the issue of the delinquent account and how it may be resolved.

The thank you letter is another key selling feature. NCS really is diplomatic and will go as far as to thank debtors for their payments. This is but another feature which sets NCS distinctly apart from any other collection service and shows the willingness to do the whole job.

In addition to fantastic sales opportunities, courier services are also a great source of referrals. They deal with many different types of businesses in their natural course of operations and can provide a wealth of leads to new NCS sales. First prove yourself a capable NCS professional, and then ask for their assistance in sharing NCS with others. Work diligently and systematically, and the fruits of your labor will be well worth it.

#### COURIER SERVICE MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$590
Average NCS recovery:	62%
Major problems and concerns:	slow-paying accounts non-paying accounts open accounts customer alienation/diplomacy
Typical internal collection procedure:	past due statements, phone calls, suspension of service
Key individual to contact for decision:	owner, chief financial officer
Key individual to get ARA numbers:	same as above

## COURT REPORTERS

One of the many markets every NCS rep should want to be familiar with is that of court reporters. They represent a myriad of opportunities for reps who wish to build a healthy client base.

The entire field of law has been in a period of growth all across America in recent years. More and more lawyers are passing their respective state or bar examinations. Their increase in number has a direct impact upon the court reporter market, as attorneys regularly require their services when preparing cases and comprise 99 percent of a reporter's business. It is not unusual to find 20 or more court reporting firms in a community of 100,000 residents.

Attorneys call upon court reporters when they need a deposition taken from an individual who is involved in a court case. A deposition is a sworn statement taken from the individual by a certified court reporter. It is common practice for the attorney to be present during the "depo" and when they require one to be recorded, their regular reporting firm is contacted.

Generally, court reporting firms are organized by a single owner who maintains a staff of certified court reporters. The staff members operate as independent contractors receiving standard fees for recording each deposition. The reporting firm owner is usually under contract to pay the individual reporters within 30 days of the depo. However, attorneys frequently hold off payment of the bill until a judgment is obtained or the client satisfies the account. Here lies the cash flow problem.

Many attorneys wait until a judgment has been rendered before paying the court reporting fees for that particular case. This attitude is quite taxing on a reporting firm owner who complies with their 30-day contractual agreement. They pay their obligations in a timely fashion while a percentage of clientele are not as prompt:

The inherent payment problem has existed within the field for years and is expected to continue unless decisive action is taken. Fortunately for these neglected business owners, NCS is specifically designed to increase their cash flow and eliminate unnecessary delinquencies.

NCS currently has over 200 court reporter clients experiencing an average 58 percent recovery rate. Depositions tend to run around \$360 each, with a cost of \$90 to \$120 for each additional copy. Considering these amounts, the average account balance assigned to NCS is \$900. Depending on the firm's size, systems run from 100 accounts to 500 or more.

Typically, reporting firm owners handle any internal collection efforts themselves. They send monthly statements or make a few phone calls. Sales reps should alert owners of the consequences of attempting to collect delinquencies on their own. This sensitive account type should only be handled by professional debt collectors. Another fact to be

considered is that an owner's time is much better-spent in the field taping depositions and generating revenue, than sitting in the office phoning delinquent accounts.

A smart rep will express to an owner that slow-paying customers are using his business as a bank. They tie up a portion of the owner's profits, leaving nothing to show for it but delinquent balances.

NCS effectively motivates these unresponsive attorneys to become current. NCS's third party intervention brings the delinquency to the debtor's attention without alienating them from conducting any future business with the reporting firm.

## **COURT REPORTER MARKET REPORT**

Average age of account submitted:	90 days
Average balance:	\$900
Average NCS recovery:	58%
Terminology:	deposition or depo -- a sworn statement from an individual recorded by a court reporter, usually in the presence of an attorney copies - documented copies of a deposition
typical internal collection procedures:	monthly statements, phone calls
Major problems and concerns:	delinquent deposition accounts alienation of client high contingency fees
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

## CREDIT UNIONS

Credit unions were developed so members could pool their savings in an effort to grant and secure loans. Members in good standing are able to obtain loans for cars, homes, and other personal or business needs. A credit union is like a club, providing its members borrowing power at the lowest interest rates available.

Although some of the larger credit unions offer checking accounts (share draft accounts) plus Visa and Mastercards, be aware they differ from banks. By means of guideline set down in a written charter, credit union membership is exclusive.

Membership is usually open to the employees and their families of the credit union's company or association affiliate. Even then, some are open to all residents of a particular community. Membership is defined in every charter and, upon qualification, is usually granted with a deposit as little as \$25.

Most credit unions use NCS on loans which have been given to their members. The loans are generally signature type or without collateral. Automatic payroll deduction is the manner in which most loan payments are obtained, but when the member is no longer employed by the same company, this method loses the leverage it once had.

NCS is most effective when the delinquent member has fallen just two payments behind on their loan. At this point, the credit manager should assign the member's account to NCS, listing the entire loan as due immediately. Account balances tend to be over \$2,000 and average around \$6,000.

When the member receives the first NCS contact listing their whole loan as being recalled, they will most often phone the credit union to make arrangements. This type of response is just what the credit union wants. With the entire loan being recalled, the impact is much greater than listing the two or three payments the member already knows they are behind. Credit union management is mainly concerned with their delinquent members bringing themselves up to current status, or at least starting to make payments again.

When cold calling credit unions in person, ask the receptionist for a copy of their financial statement. Credit unions are required to provide them to their members and will usually have one posted in the reception area. The financial statement will list total assets, total amount out in loans, number of members, and a wealth of additional information. Quite often it will be signed by the president or treasurer, so you may discover who to set an appointment with just by looking. If there is no signature, ask for an appointment with the president or chief financial officer.

When setting the appointment, inquire about the credit union's delinquency rate. This figure is readily available as credit unions are required to submit regular reports to their governing bodies. Expressed as a percentage, it will allow you to easily qualify the need of a particular credit union. A rate of .5 percent is fairly low, while 3 percent is getting

high. Just take the delinquency rate and multiply it by the amount of dollars outstanding in loans to find the projected total delinquency amount.

The National Credit Union Administration sets guidelines within which credit unions need to operate. They have input as to a credit union's policies, procedures, and delinquency rate. NCS is an excellent choice to bring it down to an acceptable level.

Depending on the size of the credit union, the president may have the dower to make a decision on his oven or it may require the approval of a board of directors. If possible, present the board yourself. Some boards meet more often than others, so do not feel put off if you are told to come back to seethe board next month.

## CREDIT UNION MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$6,000
Average NCS recovery:	58%
Major problems and concerns:	secured loans unsecured loans diplomacy low cost collection program
Typical internal collection procedures:	past due statements telephone calls repossession
Key individual to contact for decision:	president, chief financial officer
Key individual to get ARA numbers:	same as above

## CUSTOMS BROKERS

As trade barriers change in various economic communities throughout the world, the demands for customs broker services are also affected. Operating as receivers for international shipments, customs brokers provide a much needed service for businesses involved in international trade.

As goods enter the United States, be it by air or sea, a customs inspection is mandatory. Typically shipments arriving by cargo ship or airplane must be held for a specified number of days at a customs agent certified location to allow officials adequate time to perform their inspection. Upon reviewing the contents and value of a particular shipment, the appropriate duty charges are leveled and the goods involved may be released to the purchasing party.

Customs brokers usually handle the receiving responsibilities on the behalf of many individual businesses. There is a high degree of trust involved in this industry, as business operators would be in violation of an assortment of laws if unauthorized material were commingled with the shipment docket. Customs brokers also routinely front their customer's duty charges and add the amount to their services (including storage and delivery, if applicable), upon releasing the shipment.

Located in the direct vicinity of international seaports and airports, customs brokers are ready to act upon receiving a call regarding an incoming shipment. Thoroughly familiar with the practices of local authorities and the regulations governing the movement of merchandise from countries around the world, these international operators possess a wealth of knowledge which they freely pass on to their customers.

NCS offers customs brokers an excellent tool for increasing cash flow, while eliminating slow-pay and non-pay problems. Through the normal course of operation, a number of return, as well as first-time, customers reach 60 to 90-days past due. With the NCS service in place within a customs broker's in-house billing procedures, costly slow and non-pay problems can be cut and valued customers are identified for the prospect of more shipment business in the future.

NCS's performance on customs brokers' past dues is extraordinary. On accounts with an average \$2,500 balance, NCS is recovering a remarkable average 70 percent.

The decision maker in the customs broker industry will usually be the owner. Always ask for this individual first, before allowing to be referred to another department in the company "where they rake these types of decisions." The company owner is the ultimate decision maker and carries the most weight in the creation and follow through regarding new policies. A new billing policy will be essential to the successful installation and use of the NCS system.

A good place to start prospecting in this industry is with a "Business-to-Business" directory. Looking under "Customs Brokers" will probably reveal a sizeable list of

business names, many identifying the last name of the ultimate decision making party. By phone calling the list and quickly confirming the owner's name, a well-drafted sales letter specialized to the industry can be sent directly to the proper individuals. Then schedule phone follow-up or personal visits to make certain they recognize the real value NCS can bring to their business.

Customs brokers perform a very important service for their surrounding business communities. Share NCS with these international business operators and show the best accounts receivable recovery program on the planet.

CUSTOMS BROKER REPORT

Average age of accounts submitted:	60 days
Average balance:	\$2,500
Average NCS recovery:	70%
Major problems and concerns:	slow-pay accounts Non-pay accounts customer retention high cost of conventional collection agencies
Typical internal collection procedures:	past due statements phone calls
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

## DAY CARE CENTERS

Once upon a time, child care was a seemingly simple matter. A household was often supported by the full-time employed father while the mother was also working full time -- at home with the children and providing care for the family on the home front. This scenario, however, is considered by many today as either a slice of nostalgia or as a dated stereotype among the working class.

A variety of factors have now thrust both parents into the workforce. The cost of living and inflation have jumped far ahead of income for many, making a dual paycheck necessary for a household to make ends meet. Opportunities have opened for men and women to pursue careers, removing both from the home with individual 40 hour-plus weeks on the job. There is also the unfortunate scenario of the single parent. With statistics showing nearly 50 percent of marriages failing, the single parent -- often the mother must provide an income to supplement whatever assistance is being provided by the former spouse.

As society and the family unit have changed over the past 15 to 20 years, so has the role of the nation's day care centers. Once seen as a luxury for the then small number of dual income and single parent households, day care has now become a necessity for many families. No longer considered as "baby sitters," these facilities are required in most states to be licensed and have teachers with credentials. Child care centers have been upgraded so that they have relieved the minds of concerned parents who must leave their children under another adult's supervision.

As any other booming business, day care centers have seen an increase in their accounts receivable, costs, and other cash flow concerns. Parents are typically billed weekly and required to stay current in their payment. Slow paying accounts are the common AIR problem. Parents who do not stay up to date may be refused future care from the center in which they have fallen delinquent.

Day care center charges average between \$200 and \$300 a week, with extra consideration given for more than one child. Extra charges may be incurred for special circumstances as well, such as supervision for ill children. The number one reason why people miss work is that they have to stay home with a sick child. Many day care centers are now prepared with infirmaries and medical personnel to watch over children who are unwell. Such care costs more, but it allows parents to maintain their work schedule without using their own sick days or vacation time benefits.

As you prospect the day care market, your desired appointment with each center will be with the director. They are very knowledgeable regarding the finer aspects of their business, with formal training in day care and most often a college degree. They commonly prepare their programs with educational activities that will help ready children to enter kindergarten: The director oversees the entire center's operations, from administering activity programs to maintaining the accounts receivable.

Day care personnel are sensitive to the needs that their services meet for working parents and their children. Cost is of special concern these days as "affordable child care" has become a priority on so many social and political agendas. So when it comes time to ask for, payment that is late, they want to be as diplomatic as possible. When an account is 14 days past due, personal contact is made with a parent as they drop off or pick up their child. If the payment arrangements that were agreed upon at this face-to-face meeting are not upheld, the center will generally refuse further services to the parent. At this point, which is usually 30 days past due, NCS will be an effective part of the center's collection process.

Day care service is an intangible, something that has already been utilized and cannot be returned or exchanged. Considering this and that NCS is currently recovering an average 52 percent with an 8 percent collection cost, nothing can be compared with The Cash Recovery System's diplomatic approach (emphasize the courtesy notice and thank you letter) in recovering these sensitive accounts. Alienation is naturally a large worry. After a parent's trusted word has been subsequently broken when further service has been provided without payment forthcoming, a diplomatic third party reminder can be just the ticket to make such accounts current.

The average account balance of a day care center using NCS is \$375. Such write-offs can be costly for any business, particularly those that need to replace costs on a regular basis. For those accounts unresponsive to NCS, day care directors have found CIVIS' intensive follow-up to be a wonderful compliment to the aforementioned efforts. Directors will have all the necessary information for effective Phase II pursuit: admission papers with a home address and phone numbers as well as work numbers of both parents provide valuable info for collectors. Emergency telephone numbers and family I nearest relative contacts are also kept with this packet.

Make day care facilities in your area a regular drop off point for your weekly mailing, weekend stuffing, and daily cold calling. The reward for your persistence will be win/win for both you and the day care director, who will enjoy how NCS quickly and professionally collects their accounts while they are still at a young age.

#### DAY CARE CENTER MARKET REPORT

Average age of accounts submitted:	30 days
Average balance:	\$675
Average NCS recovery:	52%
Major problems and concerns:	slow-paying accounts non-paying accounts NSF checks diplomacy
Typical internal collection procedures:	past due statement, face-to-face conference with director, parents refused future service
Key individual to contact for decision:	a director
Key individual to get ARA numbers:	a director

## DENTAL LABS

Among the many services which contribute to the country's state of physical health and economic stability are those related to the medical industry. This industry, including dental and mental health services, accounts for \$900 billion annually. This figure itself is astounding, but grows even more menacing when calculated out to \$3,400 for every man, woman, and child in the U.S.

Filling a specific need in the dental segment of this vast market are dental labs. Involved in the construction of various dental products which are ultimately placed in the mouths of patients, these labs perform a custom fitting procedure for the industry. Bridges, crowns, denture plates, and complete sets of false teeth are among the assorted products produced by dental labs.

Since most every item produced in a dental lab is custom made to the specifications provided by the patient's dentist, these items are of next to no value to anyone else. They cannot be repossessed for the expressed purpose of being used by another patient; they have a one-owner life span.

**Insurance Resolution:** Insurance claims are quite common in the dental industry and labs are often the victim of slow payments. When encountering slow-paying insurance companies, NCS is a tremendous tool which can open lines of communication and speed up payment of claims. If 60 days have passed and no check or other notification has been received, NCS is one of the most cost effective methods to make certain the claim will receive swift attention.

Always use the intensive option when assigning insurance carriers and instruct clients how to properly fill out the Claim form.

Insurance company name should be written in place of debtor's name.

The group ID or policy number should go in the blue shaded space marked: Spouse/Secured Party/Attention Of.

Insurance company address goes in address field.

Be sure to put the insured's name (not always the same as patient's name) in the reference field. Claims are always identified under the insured's name.

The date the claim was filed and the amount due should be written in the usual places.

Upon receiving a NCS demand for payment, insurance carriers investigate the claim filed and respond either with payment or a request for further information. In each case, NCS does the job of getting the carrier to address the slow-pay situation without taking up excessive staff time and billing costs on the part of -the dental lab.

Problem self-pay accounts also take, the form of slow-pay situations. A dental lab's leverage has been almost eliminated as the artificially constructed items usually have already been affixed in the mouths of the dental patients. Gaining an upper hand in the collection process is the objective of these credit grantors, and NCS allows them -to do just that.

As in most every industry, the key to a high recovery rate is early assignment. By assigning self-pay accounts to NCS after the third in-house request for payment, the likelihood of recovery is still favorable. At 90-days past due, NCS's third party intervention raises the priority of payment on the debtor's list-of monthly obligations.

NCS performs with great aplomb on dental lab accounts. On balances averaging \$2,475, 'BSI clients are recovering an average 61 percent.

One of the best ways to gain an introduction to a dental lab is through a direct referral from a dentist. With the benefit of the dentist's good word and endorsement letters with recognizable D.D.S. names, a complete NCS presentation is sure to be welcomed.

#### DENTAL LAB MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$2,475
Average NCS recovery:	61%
Major problems and concerns:	slow-paying patients' insurance companies diplomacy flat fee collections
Typical internal collection procedures:	past due statements, phone calls
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner, bookkeeper.

## DENTISTS

There are not many people who would confess that they actually look forward to an appointment with a dentist. Perhaps the only individuals who openly anticipate such an occasion are any of the number of NCS's nationwide sales force, as dentists represent one of the most plentiful markets to be found in any, business community. And, not only are these medical service providers in abundance, they all truly have a need for the services of The Cash Recovery System -- and this should be all representatives preconception while prospecting this market (as with every market) until this cognition is proven otherwise at the appointment.

Dental care is not an option; we all must receive regular checkups and treatments in order to preserve our teeth and gums. Time and assorted health risks ultimately catch up with those who choose not to schedule those regular twice-a-year checkups. Cavities and gum disease among other ailments can lead to costly procedures, which could have been avoided, to correct these ailments:

A number of those who visit their dentist, regardless of how regular or irregular their time between appointments, have insurance to cover the cost. Patients either pay their co-payment at the time of their appointment or they are billed at a later time by the office. However, a person who has an impacted tooth but does not have dental coverage is not likely to put off a visit to somehow ease this pain. Root canals and such procedures pose an extreme cost for the uninsured patient, -upwards of \$ 1,400 to \$1, 900. A payment plan is typically set up for these instances, with the patient putting down a percentage at the time of the procedure. From here a variety of slow-pay, non-pay, and NSF situations arise.

Since the patient had the procedure done, the pain has gone away for maybe remained, in the case of a dispute), they have met a payment or two, but since fallen behind. Also, now that some time has passed, the dentist's bill has fallen into the delinquent patient's stack of regular payment obligations. It has sunk somewhere below any credit cards, utilities, and other monthly payment responsibilities -- it has become a low priority for any of a number of reasons. The NCS rep, properly presenting the service, can explain how The Cash Recovery System can help re-prioritize a delinquent patient's payment considerations and make the dentist's one of the first to be paid every month.

Just reviewing the previous paragraph, the words slow-pay, non-pay, NSF, dispute, and insurance billing should spell the immediate need for the services of NCS to any rep looking for a market to prospect. As medical care providers, dentists will most likely want their accounts handled diplomatically. NCS's series of diplomatic contacts will meet that concern. In the event of a dispute in which the patient feels they did not receive the care they sought, they will be encouraged to make contact with the dentist to resolve the bill. Those accounts that have ignored the initial collection attempts of the dentist's staff and the five contacts of NCS are now ready for the intensive follow-up of Phase II.

Foremost to remember while prospecting this medical market, dentists are businesspeople. They work hard for their money. Unlike typical medical doctors, dentists are generally present in their office for the full day. Their time is spent in their office, where they are not on call with a hospital or in a large practice where a number of doctors can administer care sought. Therefore, setting an appointment, when done right, should be simple as the dentist is present in the office nearly all day, typically at least four days of the workweek. When setting your appointments with dentists, it is ideal to ask the office manager to schedule; it around the last patient of the day. That way you will have the office manager present and a better chance of having some time with the dentist to discuss the services you offer.

The dental market is an excellent one in which to develop a mailing program. Addressed directly to the dentist, your piece has a greater chance of being read and you a better chance of being considered to be their personal account representative. Once you receive the reply card, you simply follow up by phone or in person to set an appointment and state that "Dr. Prospect requested information on my service." when cold calling, ask for the office manager. This person will be instrumental in the decision to implement NCS. Make them your ally in the prospecting/ appointment setting process by treating them with professional respect and courtesy and presenting NCS as the powerful program it is to reduce account depreciation, write-offs, and increase account recovery without costly percentages paid to typical agencies.

This is a good market for new NCS reps to begin their business. As mentioned, the decision makers are almost always present to set the appointment as well as attend the presentation, the practices are plentiful in every town, and they all have a need for NCS. The dental market is also a good primer for straight medical prospecting and presenting later on as the representative becomes more seasoned in the NCS selling arena. Perhaps the only variable in marketing the dental trade in the mindset of the rep. Brush up on your basic prospecting and presentation skills and you will soon be filling the collection needs of this bountiful market which is present right in your very own medical community!

## DENTIST MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$990
Average NCS recovery:	52.7%
Major problems and concerns:	slow and non-paying accounts NSF checks insurance resolution diplomacy percentages / fees taken by typical agencies
Typical internal collection procedures:	invoices, letters phone calls
Key individuals to contact for decision:	dentist, office manager
Key individual to get ARA numbers:	office manager