

DEPARTMENT STORES

Shopping in department stores is viewed by many as one of the most convenient ways to obtain a variety of goods in one easy trip. These retail stores enable their customers to purchase most anything from major appliances to a fine suit of clothing, all under one roof. While the majority of customers will freely fulfill their financial responsibilities with a department store, there typically are a number of more resistant consumers who require additional motivation to do so.

Department stores will usually experience problem accounts these two areas:

- NSF checks
- Store credit card accounts

Although the bulk of problem receivables in this market will fall under personal checks returned NSF and overdue credit card accounts, there are still some stores that offer open accounts to their customers. These special cases often occur in long-established, family owned department stores located in small cities and outlying areas.

Many department stores offer their own credit cards to be used exclusively at their locations. These credit accounts are commonly easy to obtain and allow customers to make monthly payments to satisfy their charged purchases. Department store charge accounts are a convenience that most consumers enjoy, however, they are frequently assigned a lower payment priority than major credit cards.

Of course, some background information is requested on the credit card applications,, and the same should be done when accepting personal checks. At the point of purchase, cashiers typically require a second form of identification, driver license number; and a phone number. Without such information, attempting to collect on NSF checks would be extremely time consuming, if not futile.

For the most part, department stores have reasonably structured in-house collection procedures. They will generally work delinquent accounts internally by sending letters and making phone calls for up to 120 days. At that point, unresponsive accounts are turned over to a third party. The third party, in most cases, is a percentage agency that may skim and work the various accounts at their discretion. NCS offers a major advantage over this type of agency. NCS's low cost flat fee allows system users the ability to turn over accounts earlier, without fearing the loss of a healthy percentage upon collection. In addition, NCS's systematic approach ensures that all accounts will be worked equally, regardless of balance.

A department store's size will usually determine who to contact for a decision. If the store is independently owned and operates from a single location, you will need to see the president or owner. When approaching a multi-location or chain operation, you should seek an appointment with the controller or corporate credit manager. Even though controllers frequently have the power to rake decisions and- cut checks, it not

unheard of for a corporate credit manager to be able to do the same. Remember to ask if anyone else in the department or company has the authority or responsibility for the store's delinquent accounts. Then ask, in order to save time, that they join in the presentation.

Among the many benefits derived through proper use of the NCS program, department store's especially enjoy:

- NCS's professional and diplomatic approach
- Money is sent directly to store
- All accounts are worked equally
- Nationwide coverage

Current clients the department store market have been experiencing exceptional results with NCS. On accounts with balances averaging \$550, clients are receiving a 45 percent average recovery rate. These results are truly outstanding considering that most every account is thoroughly worked in-house.

Once obtained, department stores represent tremendous reference possibilities. Store names are widely recognized throughout communities and carry considerable clout when mentioned within a list of satisfied NCS clients.

DEPARTMENT STORE MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$550
Average NCS recovery:	45%
Major problems and concerns:	NSF checks overdue credit card accounts debtor-base spread over several states poor results through percentage agencies
Typical internal collection procedures:	in-house collection letters, telephone calls
Key individual to contact for decision:	independently owned -- president or owner multi-location operation -- controller or corporate credit manager
Key individual to get ARA numbers:	same as above

DIRECT MAIL

By mail, marketers send their sales messages to a large number of prospects. Their messages typically take one of several forms: letter, brochure, folder, booklet, catalog, postcard, or coupon. Sales letters are often personalized to the recipients by printing concerns of their industry.

Direct mailers contract with businesses to make a specific number of prospect contacts. They provide the labor and machinery necessary to process large quantities of mail, in addition to typically offering ad design services. The success of the contacts relies upon the quality of the mailing list used. Some lists are bought outright, while others are used on a rental basis.

Mailing lists are generally broken down by demographic category. Take a health spa, for example, that wants to attract people to join its prestigious membership. Marketers for the health spa would profile their average member by age, income, sex, occupation, education, family size, neighborhood, and other pertinent qualities. Once given the demographics desired, direct mailers either obtain or compose a mailing list which parallels the desired member qualities.

How can NCS help direct mailers? Well, these businesses experience cash flow problems much the same as any other; nonpayment or slow payment for goods and services rendered. Depending on the size of the direct mail operation, these marketing firms can handle anywhere from 50 to hundreds of clients at any given time. Operating on a principle similar to prospecting with NCS, the more contacts a direct mailer makes, the larger their collection needs will be.

Direct mail clients experience an average 58 percent recovery averaging \$900. Businesses using direct mail services can incur charges for the design of their direct mail piece, processing, postage, and the mailing list used. First-time users are often required to pay a percentage down, with their balance due at 30 days.

The decision maker in the direct mail market is usually the owner. The majority of direct mail operations are independently owned and the owner typical is on-site. Upon becoming acquainted with the standard operations of a direct mailer, cold call on these business types with confidence. The NCS service holds powerful collection capabilities, and when properly utilized produces far and above the best results in the industry. In addition to NCS's low collection cost, direct mailers utilizing the service especially like: speed of NCS's contact all account balances worked equally retention of control reduced in-house costs

These features translate into direct benefits for a business owner. With a NCS collection program in place, business owners are able to give their full attention to the revenue generating areas.

Quite comfortable dealing with numbers and statistics, direct mail business owners easily relate to the Net Profit Close. If asking, "Where would YOU like your money sent, to your street address or to the security of a P.O.Box?" does not, meet with success, try the Net Profit Close.

"Mr. Prospect, may I ask what your profit margin is? Is it close to 10 percent? (Wait for response). Well, if your are operating on a 10 percent profit margin and have \$2,000 outstanding, you will need to do \$20,000 in new business just to break even. Let's get that money back in your business so you can use it as working capital."

DIRECT MAIL MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$900
Average NCS recovery:	58%
Major problems and concerns:	slow-paying accounts Non-paying accounts
Typical internal collection procedures:	statements, phone calls
Terminology:	demographics - population statistics with regard to socioeconomic factors: acre, income, sex, occupation, education, family size, etc. design cost, cost to create advertisement design. target audience
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

DRAFTING SERVICES

How can you know where you are headed if you do not have a plan? Without a plan, one becomes confused and uncertain of the steps to take to ensure a desired, long-term outcome. NCS representatives are familiar with this concept as they set their plans - goals and objectives -- to propel them toward success. Planning a successful career is much like designing a luxury home: the structure will be impossible to build if the blueprint and plans do not contain accurate guides to assemble this "dream house." However, if you are actually designing a house, business park, or residential area, you would most likely turn your planning over to a drafting service.

Drafting professionals extend their services typically to individual owner-builders and other professional construction contractors. They provide structural design and calculations, site plans, and topography maps. Larger firms may also extend soil reports and septic system site plans. Most every drafting service will offer custom designs for new structures (residential or commercial), additions to or interior remodeling of existing structures, and even plans for complete subdivisions. Some can provide their clientele with stock plans for pre-designed homes, specifically drawn for various topographical and budgetary considerations.

Of course, the services provided by this market are not limited to housing and commercial buildings. Services can be contracted for design and development of specific products and inventions such as machinery and electronics. Also, like most other industries, computers have become a major part of this industry throughout the '90s. Some drafting services will offer 3D CAD (Computer Aided Drafting) design and CAM (Computer Aided Manufacturing) services. From concept through completed construction, drafting services provide the plan to get nearly any project moving forward.

Regardless of the product or structure, however, drafts people are highly-skilled, detail-concerned individuals who provide a very technical service. A drafting firm can range in size from one person working from a home office location on up through a multi-specialized office operated by under a partnership and employing several draftsmen and designers. Neither size operation experience a high volume of delinquent accounts, but they do often carry an assortment of high-balance slow-pay accounts.

Delinquencies can stem from a number of areas. Drafting services will usually set their fees and rate during the initial consultation. This consultation is often extended at no charge. And even once the price for services) has been set, extra charges can still be incurred by the customer for a number of reasons. Depending upon the type of firm, these services can include such things as design modifications I changes or additional surveying of the construction area. Some customers forget that these charges will be added into the original cost and that they are responsible for any price changes in the original quote.

Slow-paying commercial accounts comprise p large portion of these problem balances. NCS can help speed these delinquencies up to current status with diplomacy and tact.

Often the customer needs only that little extra motivation of a third party contact to bring their account current. Point this out to your prospect in this field, highlighting what is stated on NCS's Courtesy Notice, "we realize this could be an oversight on your part and not a willful disregard of an assumed obligation. If there is a legitimate misunderstanding concerning this debt, contact your creditor and discuss it."

NCS's proud recovery statistics should then convince any drafting service professional of the benefits provided by The Cash Recovery System. Working account balances at 90 days with an average balance of \$3,000 NCS averages 68 percent recovery. A common percentage agency would take up to 50 percent, or \$ 1,500 of this balance!

The organizational structure of a drafting service will help identify the decision maker. Obviously, in single-operator facilities the owner - the draftsman -- will be the decision maker. Partnerships will be common with larger firm. The senior partner is commonly the decision maker. When setting the appointment, be certain to determine the roles of the other partners. The senior partner will most likely say that he/she will need to consult with them before rendering a decision. Avoid this setback by requesting their presence at the presentation.

Drafting services can also provide a bountiful referral resource. Associations, building-related contractors, and other draftsmen can be culled from clients and prospects this industry by the confident representative who is willing to ask.

DRAFTING SERVICE MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$3,000
Average NCS recovery:	68%
Major problems and concerns:	slow-paying accounts overlooked add-on charges diplomacy to maintain business percentages taken by standard agencies
Typical internal collection efforts:	letters, past due statements, phone calls
Key individual to contact for decision -	individual person or small firm: owner larger firms: senior partners)
Key individual to get ARA numbers:	same as above

DRAINAGE, PLUMBING, AND SEWER SERVICES

Just as NCS provides the needed services to unclog backed-up accounts receivables and free a company's cash flow pipeline, drainage, plumbing, and sewer services are businesses which maintains a strong foothold in the marketplace. Serving commercial and residential clientele These contractors are on the go seven days a week. Whereas A/R maladies can be addressed early, there is seldom a time when one can foresee a blocked drain; a failed water heater, or leaking gas or water line.

Predominantly displayed in every Yellow Pages or business directory, plumbing services are indispensable. This is because they perform far more than the repairs mentioned above. These businesses are also highly competitive with one another and often go out of their way to ensure customer satisfaction. Flat-rate pricing, conditional guarantees, senior citizen discounts, and 24-hour service are features often cited in larger company ads. Most offer installation and repair of water heaters, furnaces, garbage disposals, water softeners, faucets, and toilets. Water and gas piping work, remodeling, pump servicing, drain and sewer cleaning, and system inspection are just some more of the many services rendered:

The majority of these services are done for commercial operations such as apartments, offices, and restaurants, which are primarily nonpaying and slow paying accounts. Residential accounts are typically NSF checks issued for one-time calls such as leaky faucets and clogged pipes or disposals. Regardless of the type of account, once the service has been performed there is no way to repossess what has been performed or installed already. Costly percentage agencies or drawn-out small claims court proceedings are often seen by these business operators as their only alternatives to affect some kind of payment. Fortunately for plumbers, NCS works both kinds of accounts with equal aplomb and all money is paid directly to their business.

Implementing a billing timetable and properly assigning accounts to NCS at 60 days, these service providers are realizing an average 58 percent recovery rate for an average cost of 6.6 percent on balances which average \$520. These results will be impressive to many plumbers, especially when: you help them consider how much time will be freed in their monthly billing procedures from issuing additional statements and making phone calls. They will also appreciate the diplomacy of NCS. Many drainage, plumbing, and sewer services- are independently owned and operated and are quite conscious of one another's presence in the area. Therefore, there is concern about alienating and losing clients who may be just a little slow in payment.

The collection and payment needs of single-location businesses are usually met with a 100 account system. Given the types of services provided, this amount can vary by plus or minus 50 accounts. Larger, multi-location operations, meanwhile, typically qualify for a minimum of 500 accounts.

Regardless of the business' size, the owner is usually the decision maker. They are

actively involved hands-on in nearly every aspect of their operation(s), familiar with everything from the tools and methods utilized on the job site on through the tools and methods used in the billing office. Be precise and confident when presenting these decision makers; they will either be impressed with your knowledge and understanding of their industry, turned off by your lack of attention to their precise needs.

A reshaping of these clients' internal billing procedures will most likely be needed. Internal statements are usually sent at 30 days, then on a 15-day cycle. At 60 days, phone contact is generally made. A common stall for customers at this time is to say that they have not received their invoice, and request that another be sent. Point out that when extension periods are granted, it is "almost like being paid, and if you have a ledger full of almost paid, you almost have nothing." Instead, advise that they drop their service calls to 45 days, just following the second invoice. This can help identify accounts for NCS at an earlier age, thereby increasing recovery and keep billing costs down.

Plunge into this wide-open market and help these business operators stop their accounts from going down the drain. With persistence, this industry can greatly expand your servicing portfolio with an ever-flowing pipeline of reorders, referrals, and endorsements.

DRAINING, PLUMBING, AND SEWER SERVICE MARKET REPORT

Average age of accounts submitted:	60 days
Average balance:	\$520
Average recovery:	58%
Major problems and concerns:	slow and nonpaying accounts (commercial) NSF checks (mostly residential) alienation, loss of business diplomacy
Typical internal collection procedures:	invoices, phone calls
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	same as above

DRIVING SCHOOLS

Many people may take it for granted, but driving a motor vehicle in the United States is a privilege. And with this privilege comes certain responsibilities. Drivers must be aware of the impact their actions can have on others and be fully versed in the rules of the road for their home state before being issued a driver license and taking to the open highway.

Driving a vehicle comes as second nature to some. As a youngster and then teenager, future drivers observe the driving habits of adults and become familiar with road signs and the various rules of right of way. The United States has over 175 million registered drivers, and each one of them had to start somewhere to gain the experience necessary to operate a motor vehicle.

Driving schools provide such a starting point for individuals who desire to learn how to drive a car. A relatively easy business to get into, all it takes is passing the appropriate state test to become a certified driving instructor, a business license, insurance, and a car. Most schools have a number of vehicles and more than one instructor, however, the smaller operations may have only one of each.

Students who enroll in a driving school undergo intensive training. Their instruction is concentrated into one to two-hour blocks of time where they receive one-on-one, personalized training in the safe operation of a motor vehicle. Most states require the satisfactory completion of a classroom course before the student tests their skills in actual traffic situations.

Payment for instruction received is commonly made upon enrollment, however, term payment plans are common. Personal checks and credit cards are the typical methods of payment. The driving school will usually not give a student their certificate for completion of the program until payment is made, but there are cases where the check is returned by the bank stamped "NSF" or the charge on the credit card is charged back.

In these cases, the driving school has very little leverage to recover payment from a former student. The individual already received the training and their certificate so they can apply for their state's driver license. What is required to spur payment is the introduction of third party intervention.

NCS takes to the task of recovering from former student drivers with aplomb. On accounts with an average balance of \$450, NCS is recovering an average 56 percent.

The decision maker in the driving school market will be the owner. Make a phone call to the school and ask to speak to the owner personally. Then go into the standard appointment setting script. Use some local namedrops with which they should be familiar, and only tell them enough about NCS to pique their interest. The real selling

occurs during the presentation, so be sure to save the details about the system's operation for the face-to-face meeting.

NCS is a helpful tool for any small business and provides the operator with the clout of a full service collection agency whenever it is necessary. Businesses that use NCS usually get paid before those that do not, so it just makes good sense to get on the winning team. Share endorsement letters with respected and well-known business names that are receiving the many benefits of their association with The Cash Recovery System. With solid proof of the system's effectiveness before them, the prospect should be eager to get their receivables moving again.

DRIVING SCHOOL MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$450
Average NCS recovery:	56%
Major problems and concerns:	NSF checks credit card charge-backs third party clout customer alienation is not an issue
Typical internal collection procedure:	in-house collection letter, phone calls
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner, bookkeeper

ELECTRICAL CONTRACTORS

There is no lack of need for NCS in the building and construction industry. For over 20 years NCS has been working with specialty tradesmen to recover delinquencies and motivate slow paying accounts to action. With the recent tightening of the U.S. economy, this industry segment needs NCS's help more than ever to maintain cash flow and keep problem accounts receivable to a minimum.

Electrical contractors are among the building industry's tradesmen who benefit greatly from NCS. They are licensed by the state in which they operate and must comply with various codes and regulations. Listed below are a variety of services offered by most electrical contractors.

- Varied Services Offered
- wiring for new construction
- service upgrade and rewire
- commercial tenant improvements
- computer power
- lighting design and installation
- custom home wiring
- code violation corrections
- pool, spa, and hot tub wiring
- fire/burglar alarm systems

When electricians become involved with a building contractor on a significant construction project, either commercial or residential, there can frequently be a slow-pay situation. Building contractors typically sub out all the work requiring certified training, such as plumbing and electrical work. When their work is complete, the electricians would like their money. However, building contractors often say, "You'll get paid when I get paid."

If this situation present itself, electricians are left with no alternative but to wait patiently, or file a lien against the property. Liens, however, do not guarantee payment. They only seem to cloud the title while the electrician is still without payment. And every NCS rep should know that simply waiting patiently for payment is the wrong decision 99.9 percent of the time.

Electricians need to be made aware of NCS's state-of-the-art collections service and how The Cash Recovery System can increase cash flow and help their business grow. The diplomatic option offered by NCS alerts building contractors to the importance of the electrician's account. Not overbearing; but direct and to the point, NCS prompts building contractors to make an effort to pay their account before they receive total payment themselves.

Sometimes the investment group withholds payment because not all of the work on the building project was completed up to specs, and it is the building contractor's

responsibility to see that it is. The electrical work could have been all in order, but another subcontractor might have failed to meet the building code and is the reason why the general contractor is yet to be paid.

On accounts with balances averaging \$940, NCS recovers an average 59 percent.

Typically single proprietorships, many electricians work out of their homes. They usually have a business phone line installed and employ an answering service for when they are out in the field. For the best prospecting -results, mail a brochure or stuffer and then telephone two days later. Chances are if called early in the morning, around 7:30, the electrician himself will pick up the line. Use the telephone appointment guide to set up a meeting where NCS's assorted values can be exposed.

Se sure to ask probing questions and listen carefully to their responses, uncovering specific needs. Frequently, small business owners are attracted to the fact that NCS offers a two-year program for a one-time investment to set up. NCS conducts thorough collection activity for a unit cost of under \$25 per account and all money recovered is sent directly to the client where it can be immediately put back into the business.

Electricians commonly comprise a close-knit fraternity and know each other personally. In addition to requesting referrals to fellow electricians, NCS reps should also ask for other tradesmen in the construction industry. Upon doing a little research, reps should have the names of several companies to which they would like to be referred ready to ask for when that profitable moment arrives.

ELECTRICAL CONTRACTOR MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$940
Average NCS recovery:	59%
Major problems and concerns:	slow-paying building contractors NSF checks lengthy lien filing process flat fee collections
Typical internal collection procedures:	past due statements, phone calls, file lien
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

EMPLOYMENT AGENCIES

The services provided by employment agencies have helped launch the careers of thousands upon thousands of today's working Americans. A multitude of employers and prospective employees alike have come to rely upon these services to fulfill their respective employment needs.

Employment agencies are called upon by several different groups. Individuals who are out of work might try to locate a job through an employment agency. Employers who need personnel to fill needed positions may call on an agency and request to be referred qualified applicants. Lastly, employed individuals who desire a change of occupations can register with an employment agency and receive job referrals as specified positions become available.

There are two basic types of agencies in today's marketplace. Temporary employment agencies specialize in filling short-term needs for employers, while others concentrate their efforts on permanent placements. Employment agencies will typically further specialize regarding the type of placements they provide. They range from computer science and medical, to clerical personnel, and are marketed to their matching industries.

Employment agencies are easy to use and can save a business or company a great deal of time in the hiring process. Instead of screening a large number of applicants only to narrow them down to a handful who are qualified, employment agencies will prescreen job seekers for a personnel director. This prescreening process filters through those unqualified for the position and allows a personnel director to see only those who possess the proper credentials or experience.

Of course, this service is not complimentary. Fees are charged for placements and are paid by either the employer or new employer or new employee. Depending on the occupation, fees average around a single month's salary, which can be satisfied in one lump sum or in periodic payments.

Problem accounts receivables can crop up from a couple of different areas. Temporary employment agencies often conduct business with their clients on an open account basis. The agency pays the individuals) who completed the work assignment, then bills the client at the end of the month. When clients fall behind and do not keep their accounts current, an agency's cash flow is seriously hindered.

Full-time placement agencies occasionally suffer nonpayment upon referring an individual who is hired to fill a permanent position. In these cases, depending on the agency's contract, either the employer or the new employee is responsible for satisfying the financial agreement.

The majority of employment agencies are independently owned, so when seeking appointments, ask to see the president or owner: Alienation and fear of client loss are

primary concerns for these business owners, but when the revenue losses prove significant, these concerns can take a lower priority.

Current NCS clients in the employment agency market experience an average 55 percent recovery on accounts averaging \$1600.

As in the majority of businesses, employment agencies are highly concerned over client loss and diplomacy. Be sure to stress to agency owners that NCS does not alienate clients, but motivates them to pay. If a past due client were to call the agency expressing displeasure upon receiving a NCS contact, the A/R clerk handling the call should be instructed to make reference to an automated billing system, The clerk may then say that all accounts at 90 days are automatically submitted to NCS. Upon agreeing there is an amount owed, the clerk and client can then arrange an amicable plan to satisfy the delinquency, thus suspending further NCS action. Prospects need to understand that NCS does not alienate their clientele, but brings them together to work out cooperative solutions.

Employment agencies provide a much needed service in today's working society. Apply NCS to the A/R needs of employment agencies in your area and add to your healthy list of satisfied NCS clients.

EMPLOYMENT AGENCY MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$1600
Average NCS recovery:	55%
Major problems and concerns:	open accounts non-pays fear of client alienation
Typical internal collection procedures:	monthly statements, letters, phone calls
Key individual to contact for decision:	owner president
Key individual to get A/R numbers:	owner president

ENGINEERING FIRMS

The engineering profession is another of the many market segments enjoying the assorted cash flow benefits provided by NCS Inc. The engineering industry is widely respected as both small and large construction projects rest upon its technical knowledge which is converted into practical uses.

The field of engineering includes a number of specialties: civil, electrical, mechanical, and chemical engineering. To operate a business, engineers require a license which is dispensed by their appropriate state agency. Depending on the specific need in a construction project, an engineering team is called upon to test and validate the design. For example, if a gasoline station is replacing its underground storage tanks, a chemical engineer is called upon to assure that any leakage has been cleared up and that the new tank arrangement is satisfactory.

Below are some samples of common services extended in the civil engineering and land surveying categories.

Civil Engineering

- Subdivision and Commercial Development
- Grading and Draining
- On-site Waste Water and Disposal Systems

Land Surveying and Planning

- Boundary and Topography Surveying
- Construction Staking
- Aerial Mapping
- Feasibility Studies

Engineering services are extended to both commercial and residential interests, and the billing practices for each may differ. If a homeowner desires a property line survey, the engineering firm may require a down payment for their services, since it will probably turn out to be a one-time situation. However, if a major developer contracts for the staking of a 75-home subdivision, the engineering firm will usually wait until the job's completion before seeing any type of payment for services rendered.

In cases of slow payment, engineering firms typically turn to the lien process to recover their money. 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 has been completed in which the lien must be filed at the appropriate county recorder's office. There is a standard fee, usually under \$100, which must be paid by the individual filing. Extensive paperwork on the property is also necessary. Even when all the above requirements are met, engineering firms must still wait 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.

The use of NCS has an immediate impact on cash flow and drastically reduces the need to file liens. Once an account is past due, usually 30 days, personal contact should be made with the client. If the promise to pay was not kept or if contact by telephone was unsuccessful, NCS should be brought in to bring the situation to a head.

NCS's engineering firm clients receive an average 69 percent recovery on accounts with balances averaging \$2,220.

The decision maker in the engineering firm market will usually be the owner. This individual's name is frequently used in the company name, providing easy clues to determine the decision maker's identity. When qualifying the appointment, be sure to ask if there are any partners who should be included in the decision making process.

These business owners are creative types, yet operate within the boundaries of logic and practicality. NCS should be presented as an alternative to the lien process. Once on board with NCS, the business owner will receive the Transmittals which are valid for a two-year period. Upon completing the simple form -- as easy as writing a check NCS sends a message of priority.

ENGINEERING FIRM MARKET REPORT N

Average age of accounts submitted:	60 days
Average balance:	\$2,220
Average NCS recovery:	69%
Major problems and concern:	diplomacy alienation ineffectiveness of lien process high cost of percentage agency statements, phone calls, file lien
Typical internal collection procedures:	
Key individual to contact for decision:	owner
Key individual 1:0 get ARA numbers:	owner

EQUIPMENT RENTAL COMPANIES

Equipment rental companies provide much needed services to their surrounding communities. In today's society, not everyone is able to own every piece of equipment they may need. Homeowners, ranchers, contractors, mechanics, and businesspeople periodically need specialized equipment and turn to equipment rental companies for both short and long-term rentals.

There are thousands of rental companies nationwide serving customers who prefer to rent rather than purchase their equipment outright. Most companies rent basic equipment such as, rototillers, ladders, log splitters, chain saws, and more, while others specialize in technical equipment. This technical equipment can include computers, telephone pagers, and audio and visual components. These companies may differ in the rentable items they offer, but they all experience the same collection problems.

Problem Accounts

- Non-returned equipment
- NSF checks
- open accounts
- past due lease payments

Obviously, non-returned equipment accounts are incurred when the rental period expires and the equipment is yet to have been returned. Some rental companies offer open accounts to their regular customers. This area is where slow-pay situations can arise.

Basic equipment is usually rented for a specific time period: several hours, days, or even weeks. The more technical the equipment, the more likely it is loaned out through a lease program. Individuals leasing equipment sign contracts requiring them to make regular monthly payments. These lease contracts frequently include a clause stating when a payment days overdue, the lessee becomes liable for the full value of the equipment.

NCS rental equipment clients assign the total value of the equipment, not just the one or two month's past due, when submitting accounts. The high amount due prompts the lessee to contact the rental company and work out acceptable arrangements for payment. When a satisfactory agreement is struck, system users can suspend further collection action. They then have up to 60 days to reinstate the service if the lessee again fails to meet his obligation.

The equipment rental market is so significant that NCS has developed a special text for its debtor contacts. This is an especially attractive feature for rental companies. System users receive special Transmittals which include the number of pieces of equipment and their value, in addition to any service or rental charges due. Debtors receive the customized contract which encourages them to return the equipment and itemizes the entire bill at the top. As in most any service oriented business, the business owner is the

decision maker in the equipment rental market. These business operators realize their problem accounts must be addressed quickly. When a customer's equipment is two days overdue, a phone call is usually made to assure its safe return. If the items) is not returned as the customer promised, the account should be turned over to NCS post haste. NCS's to cost, third party intervention is just the leverage needed to motivate a debtor to clear his overdue account.

The equipment rental market could be just the niche you are looking for to further your NCS career. Concentrate your selling effort in this area and you will uncover a virtual bevy of new business.

EQUIPMENT RENTAL COMPANY MARKET REPORT

Average age of accounts submitted:	30 days
Average balance:	\$1,100
Average NCS recovery:	56%
Major problems and concerns:	cost to replace non-returned equipment revenue lost on non-returned equipment NSF checks high cost charged by conventional agencies
Typical internal collection procedure:	phone calls
Terminology:	lease agreement - contract granting use of equipment for a specified time in exchange for payment, usually in the form of rent.
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

FENCE COMPANIES & CONTRACTORS

Think for a moment about the multitude of purposes for which fences are used. They can be constructed to mark a boundary, to keep something within those boundaries, or to keep something out of that area. Fences can be erected for ornamental as well as security and privacy purposes; they enhance beautiful landscaping in addition to serving as barriers. Custom wrought iron fences may surround a winery or exclusive property; tennis courts and baseball/softball backstops utilize chain link to keep balls in the area of play; electric wire fencing set up on ranches to keep livestock in (or out) of a paddock or pasture; and utility fencing is unrolled every winter to protect roadways from drifting snow. Some companies extend "temporary" fencing services for special athletic and concert events and construction job sites.

Fencing is most commonly provided with wood, steel, or wire material. The type of material used will be determined by a customer's reason for enclosing an area. (If the objective is to fence off a swimming pool to protect against children falling in, for example, a tall, non-climb fence would be the choice over a small, white picket fence.) Depending upon the wants or needs of the customer, design and installation of the project can be coordinated - usually accompanied by a free estimate. Along with a project schedule, a payment plan will often be decided at this time with a percentage of the total paid up front.

Fence companies extend their materials and services on industrial, commercial, and residential levels. Licensed and often affiliated with a professional association, such as the American Fence Association, fence companies are contracted for jobs. Residential jobs (like a single home or lot) are most often done on a one-on-one basis: the customer contacts the company to begin the business transaction. This sale may be as simple as the customer purchasing the special supplies to do the job themselves, or they contract with the company to perform the labor. Of course, this individual customer is responsible for any payment.

Larger industrial or commercial jobs (business complexes or parks, for example) will likely be subcontracted; the fencing company will be hired and paid by general contractors for these sizable projects. When cash flow slows for general contractors, it is the subcontractors who are put off for payment until the entire project is finished and paid for by the financing organization. A lengthy waiting period is typical for subcontractors, who many times turn to file a lien in order to collect payment. A lien more often than not muddies the recovery process, as several liens will most likely be filed against the same property thereby slowing the already drawn-out process.

Providing so many services and products for such a span of clientele, fencing companies face a wide variety of problem accounts. NSF checks, open accounts, and credit card charge-backs are barriers themselves to a well-maintained cash flow. NCS can virtually eliminate the slow and nonpayment concerns on all levels for fencing companies and contractors. Working residential and commercial balances of varying amounts with equal aplomb, NCS provides these multi-,faceted service agents the

confidence and ease of having a single, reliable method through which to pursue their delinquent accounts receivable.

As with any industry, timely assignment to NCS will have a mighty impact on collection results. Regardless of the balance size, NCS is effective working both. Accounts with an average \$1400 balance (often residential accounts and individual purchase of fence materials, NCS is returning an average 65 to its clients in the fencing market. Working large commercial balances and the like which average \$6,100, NCS clears the hurdles which commonly stall payment to recovery an average of 73 percent. These numbers are further testimony to NCS's industry-leading recovery rate and low cost.

Prospecting the fence company and contractor market is simple and can easily lead to a large portfolio of related clients -- making you a local collection authority in the industry. Preparing your cold calling and phone calling lists, you will see an abundance of fence companies in your local Yellow Pages. Note that the overwhelming majority are individually owned and operated, with very little affiliation or multiple locations. This is a highly-competitive market, a fact you can use to your advantage as your client list in this area grows. It is also interesting to note that leads for fencing companies and contractors can be found on the very product themselves. Usually, a metal plate about half the size of an automobile license plate is attached to the fence work, displaying the name, city, and phone number of the company which did the job. Regard what purpose the fence serves (was it a fence around a swimming pool, work for a large business complex, a house, etc.) and use that information to qualify this new prospect.

As you cold call these companies, ask to speak with the owner. Although the office manager or controller may have the authority to make a purchase decision, the owner will help you qualify just who has the power to cut a check and be certain that all those involved in making the decision will be present.

You can indeed see that the types of fences and services available vary as greatly as the reasons for which fences are set up. Driving home tonight, count the fences and note the purposes they are serving. Also consider that many of these companies specialize in gates, decks, retaining walls, and railings as well. Many fence companies offer related services such as repair, design, and installation. Now, think again about the cash flow of these businesses as they extend their materials and services to hundreds of customers every week.

FENCE COMPANIES & CONTRACTORS MARKET REPORT

Average age of accounts submitted: .	90 days	
Average balance:	Small Balances	Large Balances
Average NCS recovery:	\$1400	\$6,100
Major problems and concerns:	65 %	73%
	slow and nonpaying accounts	
	NSF checks	
	slow general contractor payments	

delays and ineffectiveness of liens
diplomacy

costs of percentage agencies

Typical internal collection procedures: statements, phone calls, liens

Key individual to contact for decision: owner

Key individuals to get ARA numbers: owner, controller, office manager

FINANCE. COMPANIES

As most anyone who has made a significant purchase already knows, we live and operate in a largely credit-based economy. Businesses and consumers alike rely on credit to borrow money so that they may take a desired action today and pay for it sometime in the future. Many of these businesses and individuals work through finance companies obtaining loans for their various monetary oriented interests.

By definition, a finance company is an institution engaged in making loans to individuals or businesses. Unlike a bank, it does not receive deposits, but rather obtains its finances from banks, institutions, and other money market sources.

Upon taking out a loan, borrowers are duly bound to make regular payments to their finance company. These payments are usually set up on a monthly basis. When borrowers fall behind in their payment schedule, there is almost always the alternative of repossession: However, this action is counterproductive to the lending institution. There is a cost incurred to repossess, and then the balance remaining on the loan may still not be met if the current value of the goods is below the amount owed. It is much more profitable for the lender to work with a debtor, getting them back on payments, and continuing to generate interest income.

NCS representatives interested in entering the finance company market should bear in mind that financiers are very well versed in the universal language: money. They easily realize what costs are in comparison to profits. These people are very bottom-line oriented. Ready yourself to deal with them on their level as they will be impressed by your specific knowledge of the finance business and how it operates.

As far as NCS goes, finance companies operate in much the same fashion as a credit union. There is a large need for nationwide coverage in the finance market. Borrowers are commonly spread over several states and many finance companies will contract with a dozen or more collection agencies to accommodate the various state collection laws. This practice of using many agencies can be confusing and difficult to track as financial company decision makers will attest.

NCS eliminates the need for finance companies to deal with more than one agency. The fact that NCS is licensed in every state where such a license is required is the best option for a finance company. NCS is one of the very few agencies which can contact debtors locally, no matter where they live.

NCS also protects finance companies from threatening harassment suits which can be caused from excessive in-house working of accounts. Harassment suits are a common problem in the finance area and can give debtors more time to escape their obligation. At a specified point, usually no more than 120 days, NCS should be instilled as the tool which will motivate debtors to contact their lender and work out an amicable arrangement to come current in their payments. The decision maker in the finance

market is the CFO. Approach the decision maker from the angle of providing a service which will:

- improve their in-house procedure
- eliminate the need to use more than one collection agency
- provide full reporting
- drastically reduce the need for repossessions
- provide a local representative

Again, these decision makers are very financially minded. They deal with exactly what NCS sells: money. Take a complete ARA and use percentages to reflect increased revenue through use of NCS.

Finance company decision makers are also quite concerned over their "gap." In the business, a gap is a certain amount of money held in reserve which reflects a percentage of the finance company's defaulted loans. When payments are overdue, the gap becomes larger and the finance company must deposit more to cover the new difference. A gap may be used as a measure which indicates a finance company's efficiency.

If encountering difficulty closing for an appointment, ask what their current finance rate is and turn it into a close. Most rates are around 14 to 18 percent. "Mr. Prospect, if I can show you a program where you can increase your in-house efficiency, reduce your gap, speed up slow-paying accounts, drastically reduce the need for repossession, and receive at least 100 percent return on your investment, would you be interested?" Then move onto the fact that NCS has a written guarantee, and stands behind it.

NCS can be applied to deficiency balances in the finance market. In cases where repossession does take place, often more money is owed than the current value of the goods repossessed. The difference is termed a deficiency balance and is the responsibility of the borrower. For best recovery, especially if a vehicle was repossessed, system users should wait 90 days before assigning to NCS. Deficiency balances are tough collections to start with, and it is going to take a while for debtors to get back on their feet. If a vehicle and or means of earning an income have just been taken away, the debtor will not be too inclined to go out and earn some money to pay the company which just took his goods away. At 90 days, tempers will have cooled and the debtor will be more concerned with cleaning up his credit history.

FINANCE COMPANY MARKET REPORT

Average age of accounts submitted:	120 days
Average balance:	\$2,220
Average NCS recovery:	44%
Major problems and concerns:	overdue loan payments deficiency balances size of gap

Typical internal collection procedures:
repossession
Terminology:

high rate of repossession
efficiency of in-house procedures
contracts with many collection agencies
past due statements, phone calls,

Finance Company - Company engaged in making loans to individuals or businesses. Unlike a bank, it does not receive deposits but rather obtains its finances from banks, institutions, and other money markets sources.

Captive Finance Company -- Typically a 100 percent owned subsidiary whose major purpose is to finance consumer purchases from the parent company. General Motors Acceptance Corporation, which provides consumer loans for General Motors' products, is an example.

Gap - A certain amount of money held in reserve which reflects a percentage of finance company's defaulted loans.

With Recourse - Ability of a lender to claim money from a borrower in default, in addition to the property pledged as collateral.

Without Recourse -- No personal liability. For example, a lender may take the property pledged as collateral to satisfy a debt, but it has no recourse to other assets of the borrower.

Key individual to contact for decision:
Key individual to get ARA numbers:

chief financial officer
chief financial officer

FIRE DEPARTMENTS

Often composed within a city's services department, fire departments provide much more than basic fire prevention services. Many fire departments are also set up to handle emergency health related treatment, rescue situations, and emergency medical transport. Of course, those who can and should pay for these services often do, but others simply ignore any attempts to get them to pay.

Always willing to extend the highest level of service to those in need, the providers of this service are not very concerned about repeat business. "One-time customers" are who they commonly see, yet diplomacy is very important. Since these accounts frequently involve a physical injury or property damage/loss, they can be highly sensitive in nature. Nevertheless, slow-paying individuals and insurance companies need the tactful motivation from NCS to determine if they are serious about paying their amount owed. When NCS enters the scene, the time for delay is definitely over.

Regulations vary from community to community as to who is charged for what in the way of public emergency services. Some communities do not charge residents for emergency calls, with their costs directly covered by city property taxes. Nonresidents are typically charged. For example, if a nonresident's car were to catch on fire while traveling down a highway, the individual would be charged for the related fire department call to extinguish the flames.

Ambulance transport charges are also frequently incurred by the related fire department. When a fire department performs any kind of emergency medical treatment, further treatment is often performed at the nearest hospital. Transportation to the hospital is usually by ambulance, under the jurisdiction of the fire department. Payment for all the rescue and emergency services extended is due upon receiving the related bill. When two or more bills have been sent and no response is made, something different has to happen to spur a response.

NCS has been highly effective in obtaining a response on fire department related accounts. On accounts averaging 60 days of age and \$645 in balance, NCS is recovering an average 40 percent.

The contact person, and often the final decision-maker, is the fire chief. The individual who holds this position is a public servant and is commonly very reachable. A simple phone call to city hall or the city's public safety office will reveal this person's name, location, and availability. Some areas are served by fire departments, and others by fire districts. Prior knowledge of an area's status will enhance the NCS rep's credibility to these specialized service providers. It is not uncommon for the chief to write the check for NCS's service, but there may also be board approval required. Nonetheless, the chief's support is essential to the success of the NCS sale.

NCS can be presented as a real boon to area taxpayers. When out-of-towners do not pay for the fire department services extended, more tax funding will be required and

taxes may need to be raised. NCS offers a solution to a problem where there are not too many other options. Out-of-state residents do not pose any particular problem to NCS. The Company's ability to recover accounts nationwide provides clients with peace of mind that all state collection laws and regulations are sufficiently met.

Some states have so-called "stupid laws" in effect. These laws involve individuals who, through their own stupidity, place themselves in life-threatening rescue situations. The person may have ignored the "No Trespassing" signs, or the posted notices stating "Do Not Go Beyond This Point," then require a full-scale rescue team to get themselves back on safe ground. Under the "stupid law," the cost for the rescue is to be borne solely by the individual who required rescuing.

When performing emergency treatment services, it is very important for the fire fighters on the scene to get current and complete patient information. Patients and immediate family members are frequently in a state of shock during an emergency situation; however, current patient data is essential to the follow-up billing and collection effort.

FIRE DEPARTMENT MARKET REPORT

Average age of accounts submitted:	60 days
Average balance:	\$645
Average NCS recovery:	40%
Major problems and concerns:	slow-paying patient and insurance accounts sensitive nature of accounts ambulance service accounts "stupid law" rescues public services are taxpayer funded
Typical internal collection procedures:	past due statements, phone calls, write off unpaid accounts
Key individual to contact for decision:	fire chief
Key individual to get ARA numbers:	fire chief

FIRE. EXTINGUISHER COMPANIES

Of the many markets which NCS provides accounts receivable recovery services, fire extinguisher companies are literally ablaze with sales opportunities for NCS representatives. Located in nearly every community, these companies offer their customers immediate protection in case of fire.

Much like a fire extinguisher itself, NCS provides business owners with protection to guard against collection losses. If left unattended, past due receivables can have a dramatic impact on a business owner's bottom line.

Most extinguisher companies either sell their fire protection equipment outright, or set up lease agreements for their customers. A medium sized fire extinguisher costs from \$110 to \$180, depending on the area. When a large quantity of extinguisher are required for commercial buildings, leases with service agreement are common. Periodically, usually once a year, fire extinguisher must be checked over by a certified inspector.

Upon testing, the inspector will recharge the extinguisher if necessary. Customers on lease agreements are committed to make monthly payments. Extinguisher charges for individuals who own their fire protection equipment typically cost \$30 to \$40.

Extinguisher company owners grow quite concerned when customers fall behind in their lease payments, especially when a large number of pieces of equipment are involved. Extinguisher theft is not uncommon, and these business owners must keep a close eye on their slow-payers.

NCS solves the slow-pay problem for extinguisher company owners with diplomacy and tact. In cases where customers fail to voluntarily meet their obligations and are unresponsive to personal phone calls requesting the same, NCS's third party impact can spark payment.

Current NCS fire extinguisher company clients recover an average 58 percent of their overdue receivables. These accounts with an average balance of \$885 are recovered for a low 5.1 percent average cost. Extinguisher company owners take results like these to the bank every day.

Extinguisher companies are generally single location operations. Some have more than one location; however, they are typically close together geographically. These are independently run businesses and a decision regarding NCS will probably come from the owner. Extinguisher company owners are impressed by NCS's ability to induce action without alienating their clientele. Fixed collection costs coupled with the ability to retain control of accounts the service are major selling points to these individuals as well.

Fire extinguisher company owners are safety oriented and understand the concept of preparing for the unexpected. Take NCS's delinquent receivable extinguishing service

to the business owners in your area and show them the best system available to keep A/R losses to a minimum.

FIRE EXTINGUISHER COMPANIES MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$885
Average NCS recovery:	58%
Major problems and concerns:	broken lease agreements lost equipment diplomacy low collection cost
Typical internal collection procedures:	past due statements, phone calls
Key individual to contact for decision:	owner
Key individual to get ARA numbers:	owner

FLORISTS

Typically single proprietorship businesses, florist shops are great sales opportunities for NCS representatives. Sending affection and joy into the lives of others, florist shops are located throughout nearly every community nationwide. Florists themselves probably went into business because of more a love for the beauty of flowers, than that of a desire to manage a business. But over time, florist shop owners learn that they must keep a keen eye on all areas of their business to realize the most profit and stay in operation.

To help promote increased business, many shop owners join floral networks, such as FTD (Florists Transworld Delivery) or Flowers-By-Wire. In addition to local deliveries, these membership networks allow shop owners to participate in long distance deliveries as well. Upon accepting the order and payment over the counter, the florist alerts the network. Then the network member nearest to the delivery site responds with the requested arrangement.

Maintaining maximum cash flow is essential to the success of any business, and recovering delinquent accounts has a direct affect on a business' bottom line. Florists experience a number of different troublesome accounts:

- NSF Checks
- Credit Card Charge-backs
- Open Accounts

Personal checks are taken for over-the-counter purchases, local deliveries, and floral network deliveries. Regardless of whether the purchase involves another flower shop hundreds of miles away making the delivery, the shop which accepts the check is responsible for its recovery.

Credit card charge-backs occur when the card user has charged beyond their limit, yet the card was still accepted by the flower shop for payment. This type of delinquency is decreasing in frequency, as many retailers check cards produced for payment through an electronic verifying device. However, not all florists have such a system due to its high cost to install and the associated monthly charges.

Florists also encounter open accounts with various businesses and individuals who use their services on a regular basis. Sometimes office buildings, medical practices, restaurants, and other businesses rent the plants used to brighten their work environments. Commonly included in the terms of a rental agreement, periodic visits by the florist personnel are made to care for the plants and replace any that become damaged.

NCS is the only answer to effectively recover a florist's low balance accounts. On NSF checks and credit card charge-backs, which average only \$135, NCS clients are currently recovering an average 50 percent. Handling accounts with balances under

\$100 requires the automation of NCS's system; most conventional agencies would not touch them. Can open accounts with higher balances averaging \$600, NCS's floral clients are recovering 56 percent.

The decision maker in the florist market will be the owner. There may be some franchise situations, but the owner retains autonomy in making decisions regarding their collections. Florists are very service oriented, so show off your consulting abilities and follow-up: Calling on these clients every month will keep their receivables in check, maintaining their status as a happily satisfied NCS clients.

As in all markets, actively seeking referrals is a must. Florist shop owners usually know their immediate competitors and should be more than willing to share their experiences with NCS. Ask for specific referrals and the business owner will most likely respond with exactly what you want: permission to use their name when calling on the prospect. If your rapport is strong, ask if they would be willing to take a call from the new prospect and affirm NCS's effectiveness and ease of use.

FLORIST MARKET REPORT

Average age of accounts submitted:	90 days	
	NSF Checks & Credit Card Charge-backs	Open Accts
Average balance:	\$135	\$600
Average NCS recovery:	50%	56%
Major problems and concerns:	NSF checks, credit card charge-backs, slow-paying open accounts diplomacy ability to recover low balances ease of system use	
Typical internal collection procedures:	letters, phone calls, write-off	
Key individual to contact for decision:	owner	
Key individual to get ARA numbers:	owner	

FOOD PRODUCT FUND RAISING

Many food product manufacturers have special programs enabling nonprofit institutions to participate in fund raising activities. Organized in much the same way as Girls Scout cookie sales, these food product manufacturers make their products available to nonprofit groups wishing to sell them in an effort to raise money.

Chocolate bars, box candy, assorted nuts, dried fruits, and other items are frequently used by various nonprofit organizations to raise funds for future events and activities for their participating membership. Members of youth and church groups, for example, are commonly seen in high foot traffic area of shopping malls offering these tasty treats for sale to passers by. Potential purchasers can typically recognize the product name and are reassured of its quality before making the final decision to buy. Often coupled with a discount offering from a local pizza parlor or other food establishment, purchasers can receive their initial investment back upon buying a pizza or related food product from the attached advertiser.

Food product manufacturers can experience cash flow problems when various nonprofit groups participating in their fund raising program either fail to pay or are slow in paying for the food products provided. Oftentimes the nonprofit groups do not have the total amount of money to pay for all the food product prior to conducting their fund raising sales, so the manufacturers typically front the cost to participating groups. The nonprofit groups then have a specified period of time to sell the food products, collect the money from their members, and pay the food product company the full amount due. When the date passes and the total amount due is not remitted to the food product company, troublesome past due account situations are created.

NCS is the perfect tool to contact the directors of nonprofit groups behind in their fund raising drive payments. A number of reasons could be the cause for the nonpayment, however, NCS brings the bottom-line issue to light. That being, a delinquent account balance is owed and the nonprofit group should contact the food product company to work out an agreeable method of payment. NCS is diplomatic in its contacts and allows system users to assign accounts the early stages of delinquency without fear of upsetting ongoing business relationships.

When contacting food product companies, ask if they have a nonprofit organization sales program. Many of the country's big-name candy companies have established programs in place. NCS reps should specifically request to be put in touch with the director or general manager of such a program. If you do not ask about the existence of a nonprofit sales program, this area of need will probably not be freely offered.

Through NCS's diplomatic recovery efforts, food, product manufacturers involved in nonprofit group sales have been achieving tremendous results. Working accounts with an average \$1400 balance, NCS is recovering an average 60 percent.

Be prepared for the presentation with endorsement letters from clients with similar collection needs. Possessing strong evidence of NCS's effectiveness can overcome many objections and concerns before they are ever brought up. Share some of the highly recognizable business names utilizing NCS to recover their slow-paying and nonpaying accounts. Upon seeing satisfactory results achieved by others with delicate client relationships, prospects should be easily able to visualize their own success through joining The Cash Recovery System.

Taking an active interest and offering their products to nonprofit groups for resale at a higher price is a noble act indeed. Contact the food product manufacturers in your area and introduce them to the most diplomatic accounts receivable management company in the marketplace.

FOOD PRODUCT FUND RAISIN'

Average age of accounts submitted:	90 days
Average balance:	\$1400
Average NCS recovery:	60
Major problems and concerns:	slow-paying accounts nonpaying accounts diplomacy high cost and aggressive tactics associated with conventional agencies
Typical internal collection procedure:	past due statements, phone calls
Key individual to contact for decision:	director of nonprofit program sales general manager of nonprofit sales
Key individual to get ARA numbers:	same as above

FOOD WHOLESALERS/MANUFACTURERS

The food wholesaler/manufacturer industry can be broken down by food type. Some of these types include: produce, prepared food, candy and snack items, seafood, canned items, frozen food, and fluids, which can entail soft drinks, juices, dairy products, and distilled spirits. The industry processes food products, packaging them for sale on the grocery shelf, and also handles items that become ingredients other food products.

Food wholesaler/manufacturers market their products to grocery stores, bakeries, restaurants, butcher shops, seafood markets, food concessionaires, and other food wholesaler/manufacturers. After a working relationship has been established between a food supplier and customer, orders are typically placed by telephone. Customers-of the supplier are provided with order forms which have all products listed and itemized by code. Upon placing an order, customers can usually anticipate receiving shipment within 72 hours.

Net-30 billing is common within the food wholesaler/manufacturer industry, with discounts offered for early payment. Payments for products provided generally come in on time, but some customers require additional motivation, aside from a pending discount, to fulfill their financial obligation. If customers are allowed to habitually make their payments late, they will continue to do so and use the food supplier's money for other purposes until finally clearing their slate.

Food product suppliers need help managing their AIR to ensure they are experiencing maximum cash flow with minimum effort expended. Customers should be sent notification of new policy stating in affect, that in today's economic times, delinquent payers can no longer be tolerated and carried on the AIR, but will be referred to a collection agency, for further action. After customers are notified of the new policy, NCS should be activated at 45 days past due. Through diplomatic contact from NCS, late-paying customers will become on time paying customers, and nonpayers will be identified early, thus dramatically increasing the chances of payment.

The main concern in this industry regarding collections is customer alienation. Yet, it only makes good sense to motivate a slow payer to become an on time payer or another supplier's slow-pay problem. Food suppliers are reluctant to use strict percentage agencies as they tend to have little affect by the time they receive the account and, if they are successful, a healthy percentage is charged. Taking this situation into account, food suppliers typically hold their accounts too long before turning to third party intervention as a last resort. An effective collection program should not be viewed as a last resort option, but as a time activated system which eliminates the need for a last resort. By putting NCS in place with their own billing system, NCS clients replace acts of desperation to collect with simple and proven measures which produce results.

Account balances in the food wholesaler/manufacturer industry can be separated into two categories; large and larger. On accounts with an average balance of \$2,025, NCS

clients receive an average 67 percent recover. When accounts averaging \$6,720 are submitted to NCS, there is an average 84 percent recovery rate.

The decision maker in the food wholesaler/manufacturer market will be the controller or chief financial officer. These individuals can definitely identify with dollars lost due to slow and nonpaying accounts. Extension of credit to customers is necessary throughout the industry, however, prompt payment is essential to yield the highest margin of profit.

This is definitely not the kind of business where a NCS rep stops by cold calling and is ushered into the decision maker's office for an on-the-spot presentation. Some research on desired prospects necessary, then possibly a referral from an uncovered business associate might have the best impact. If a referral is not possible, draft a nice cover letter to your prospect and place a phone call two days after delivery: A professional, yet persistent, approach such as this will produce a positive response more times than not.

FOOD WHO LESALERIANUPACTURER MARKET REPORT

Average age of accounts submitted:	60 days		
	mid-Range	Large	
Average balance:	\$2,025		\$6,720
Average NCS recovery:	56%	84%	
Major problems and concerns:	customer alienation		
	high cost of percentage agencies		
	diplomacy of NCS contacts		
	reduction of staff time spent on collections		
Typical internal collection procedures:	past due statements, in-house collection letters		
	phone calls		
Key individual to contact for decision:	controller, chief financial officer		
Key individual to feet ARA numbers:	same as above		

FRATERNITIES and SORORITIES

The majority of colleges and universities in the U.S. have fraternity and sorority programs available for students to broaden their education experience. Although these Greek organizations are endorsed by and operate in conjunction with their school affiliate, they are separate entities and conduct their business as such. Members pay regular fees and in return gain camaraderie from their fellow students plus inclusion in various club related functions. Some fraternities and sororities occupy their own house on or near their affiliated college campus. If members choose, or are required to live in the Greek housing, the additional cost for room and board is made part of the normal monthly dues.

NCS comes into the picture when club members fall behind in their dues payments. Typically fraternities and sororities will have several active members who are seriously delinquent in their financial obligation to the club. NCS has also been instrumental when contacting short-term members. Every semester, new students will join a fraternity or sorority as part of their personal search for the ultimate college experience. Frequently, these students quickly discover that there is more to college than having a good time with their fellow club members. Upon withdrawing from the school's enrollment and moving back to their hometown, short-term members leave behind unpaid dues.

The average account balance is around \$400, as monthly dues tend to be in the \$50 range. Depending on the fraternity or sorority, costs for room and board will bring charges for dues up to \$400 to \$600 a month.

When prospecting fraternities and sororities, contact the school's student information center. Many colleges will print student directories each year, including all the Greek organizations and their respective officers. These directories are usually made available for a nominal fee or free of charge.

The club treasurer will most always be the contact person in this market. They are elected by their fellow club members. When setting an appointment, let the treasurer know that you are aware of their cash flow problems and have a guaranteed method for correcting their unpleasant A/R situation.

Oftentimes, a treasurer can make a decision on the spot and write a check, but sometimes the approval of the other officers is necessary. Prior to presenting, be sure to ask the treasurer if anyone else's input is necessary for a decision. If so, request that they be available for the meeting so you can make a one-step sale.

Greek organizations are most impressed by:

- NCS's overall results and recovery rate
- All money recovered goes straight to the club
- NCS's consistency
- Complete control over accounts assigned

- Nationwide coverage
- Online Status Reports

In addition to covering the above points in your presentation, stress commitment as well. Commitment is the strongest aspects of Greek organizations. Members make commitments to themselves and to each other, yet some still renege on their financial obligation to the club. NCS's low cost efficient program provides just the right stimulus for overdue members to bring their accounts back to current status.

Referrals can also be very valuable in this market. On any given college campus, the various fraternities and sororities engage in a number of social events. This interaction enables club members to become acquainted with members of other clubs. Greek organizations tend to be fairly, tight knit networks. It is safe to assume that the treasurer of one fraternity probably knows the treasurers of several others. Ask for referrals and you should be certain to get some solid leads.

FRATERNITY and SORORITY MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$400
Average NCS recovery:	55%
Major problems and concerns:	active members who fall behind in their monthly dues short-term members who leave the club with a delinquent account club commitment not being adhered to by club members
Typical internal collection procedures:	monthly statements verbal requests
Terminology:	active member of a fraternity or sorority who is currently participating in club functions
Key individual to contact for decision:	treasurer, president
Key individual to get ARA numbers:	treasurer

FUNERAL HOMES and MORTUARIES

The passing of a loved one is never easy. Along with the arrangements for funeral services, the bereaved must also contend with other matters concerning the deceased. The closing or change over of personal accounts, disbursement of property, and notifying friends and family are just three examples of the emotional experiences endured by those handling affairs-of the estate. Funeral homes are sensitive to the needs and concerns of individuals undergoing these difficult times. Therefore, perhaps no other businessperson is more concerned with diplomacy and courtesy in the recovery of overdue accounts than a funeral home director.

Providing its diplomatic services as an understanding alternative to traditional in-house methods of recovering these sensitive accounts, NCS currently serves hundreds of funeral homes throughout the country. This market is wide open, as it is present in every community. However, it is unlike any other business due to the emotion and grief surrounding its clientele. Special considerations and tact must be applied when prospecting this profession. Remember that it is similar to other businesses in that its owners and operators understand the bottom line and the importance of well-maintained cash flow.

This is an easy area in which to market the services of NCS - much more than the average representative may think. Funeral homes are usually family owned and operated. Funeral directors tend to be very personable, compassionate people. They are warm individuals who understand with empathy the sorrow, hardship, and multitude of emotion family and friends feel in times of death. The director is very accessible to the bereaved, as he or she is personally involved in the arrangements of every ceremony. Coordinating matters such as visitation of the deceased in state and transportation to the cemetery, as well as providing services such as casket and headstone selection involve the director in nearly every aspect of the funeral.

The owner and director are often one-in-the-same at smaller funeral homes. Seek the owner otherwise when prospecting, as they are well aware of the home's financial situation. They will know the average service cost, how many funerals the home conducts in a year, its A/R status, and its annual write-offs. When presenting the service, emphasize NCS's first contact courtesy, diplomacy, and the thank-you letter. As previously stated, courtesy and diplomacy are two characteristics of this business. An owner will appreciate how NCS addresses this sensitive area.

Unpaid balances are the overwhelming type of delinquent accounts in this market. Bad checks and intentional non-pays are not typical. A down payment is generally made for the services of a funeral home, and subsequent policies regarding balance payment will vary. Some will offer more time as owners consider the tragedy and sadness brought to each individual by a death.

The average cost of a funeral is approximately \$6,500. After removing the down payment made in the typical case, the average balance turned over to NCS is in the

neighborhood of \$6,400. Despite these high balances, the return on investment with NCS is excellent. The 50 percent recovery is testament to the effectiveness of NCS's diplomatic contact series with regard to these delicate accounts. The bereaved are courteously contacted by the funeral home via NCS in the privacy of their home. Encouraged to make resolution; the individual gives the funeral expense priority and calls the home to make payment arrangements or submit payment in full for the balance owed. Explain this when stressing NCS's return on investment.

When preparing to prospect these operations, be ultra-conscious of the subdued environment within a mortuary. Show genuine care and concern not only for the business, but for its clientele as well. Although the owner is concerned about the money owed, they are understanding toward the loss experienced by their client -a loss which cannot be compared in dollars and cents. Internal collection efforts are not aggressive, usually involving monthly invoices and one or two phone calls. Clients are sometimes given up to a year to pay. Demonstrate how NCS empathetically brings the two parties together and collects without creating animosity.

Not working in a competition-driven trade, funeral home owners are a close-knit fraternity because of the nature of their business. People often pass on while away from home, or their destined resting place is located in another area. For example, an individual may have expressed wishes to be laid to rest in their hometown which includes a family plot. Their bodies must be prepared before making this journey. This is initially handled by one firm, then sent to the survivor's local funeral home for concluding arrangements. This reciprocal business, plus regular conventions and trade shows, creates a promising referral environment.

As a professional NCS sales representative; you have found in your daily prospecting ventures that people do not care how much you know 'and they know how much you care. This axiom could not be truer than in the funeral home and mortuary market. Exercise your interpersonal skills and compassionately introduce NCS's diplomatic and courteous means of affecting payment for these business owners and you will find genuine interest returned toward you as a professional and the unique service you offer - NCS Inc.

FUNERAL HOME and MORTUARY MARKET REPORT

Average age of accounts submitted:	120 days
Average balance:	\$6,400
Average NCS recovery:	50%
Major problems and concerns:	Diplomacy and compassion toward client situation Community image Delinquent account balances
Typical internal collection methods:	invoices, phone calls, write-offs
Key individual to contact for decision:	owner, funeral director
Key individual to get ARA numbers:	owner

FURNITURE STORES

"Come on in and have a seat!" How many times a day is this gesture made to begin a business transaction? Even on a social level, invitations from friends and family to join them at the dinner table or for a casual evening -as a "couch-potato" to watch videos relays the prominent role furniture plays in our daily activities. From the dining room table where we eat our meals, to the office chair and desk where we conduct our business, to the bed to which we retire at night and considering all the other matters of the day, furniture literally supports all the activities of our days. While the purpose of furniture in our daily activities may be taken for granted, these pieces also serve to portray a desired image in our homes and offices. Furniture stores, therefore, meeting these wants fill an endless demand for all types of household and workplace items.

The retail furniture industry is a perfect match for the services of NCS. Furniture dealers routinely extend credit to customers on individual and business levels.. Opening -a charge account at a furniture store is usually not difficult, and both parties receive what they really want. Customers get the furniture they selected in the showroom and retailers obtain a financial commitment of a specified number of monthly payments. Depending on the retailer and the amount purchased, payment plans can span anywhere from six months up to several years ahead.

Furniture retailers, in the natural course of extending credit, have accounts which fall a month or two behind. These delinquencies are cause for great attention so they do not become hardcore cases. When the first payment is missed, the customer is notified of the overdue payment by mail within 10 days. The notice frequently says that two payments must be made by the next due date.

Notices like these will generally motivate customers to contact their furniture retailer, especially if the financial burden is too great. The retailer will then typically make acceptable arrangements with the customer to get back on their payment plan. If these new arrangements are not kept, or 60 days pass since the last payment, NCS's third party impact should be introduced to generate results.

It is essential to the overall collection process that NCS be employed at the proper time, regardless of the industry in which it is being used. The key time in the furniture industry is immediately after two payments have been missed, and before costly repossession action is taken. NCS's low-cost service enables furniture retailers to reduce their in-house collection efforts, utilized the impact of a third party, and pay a nominal flat fee of under \$25 per account.

When employed in this manner, NCS has proven to reduce repossessions and bring customers current in their payments. Motivating customers to reach a current status in their payments and reducing in-house collection costs are the two primary concerns of furniture retailers. Working furniture store accounts averaging \$1410 in balance, NCS recovers an average 49 percent.

NCS is also instrumental in recovering money due in hardcore cases where repossession action must be used. The value of the furniture repossessed in these cases may be appraised lower than the total amount owed. The difference between the appraised value and the total amount owed is termed a deficiency balance and is the responsibility of the customer.

Deficiency balances are commonly tough collections, yet NCS has been effective 60 days after the repossession. This cooling off period is suggested to give customers time to get back on their feet, as they would not be too inclined to pay any amount immediately after the repossession.

The decision maker in the retail furniture industry is usually the owner or general manager. In cases of corporate ownership, individual store managers many times possess autonomy to render their own operational decisions. If a single individual owns several locations, the company controller may be needed for a decision. Regardless of ownership, NCS should always be presented as a natural extension of the billing process which reduces in-house costs and the need for repossession.

FURNITURE STORES MARKET"REPORT

Average age of accounts submitted:	90 days
average balance:	\$ 1410
Average NCS recovery:	49%
Major problems and concerns:	slow-paying accounts nonpaying accounts deficiency balances reduce in-house costs reduce need far repossession
Typical internal collection procedures:	past due statements, in-house letter, phone calls, repossession
Key individual to contact for decision:	owner, general manager, controller
Key individual to get ARA numbers:	same as above

GIRL SCOUT COUNCILS

Girl Scouts of the USA has been present in our society for some 75 years and their continued success as an organization is chiefly due to responsible decision making. In recent years, the Girl Scout organization has recognized the value of NCS and has been experiencing the assorted benefits that accompany our collection program.

Each year nearly three million Girl Scouts across the nation participate in their largest fund raising project, Girl Scout cookie sales. Millions of dollars are earned in each state through the annual event. The scouts take orders for the cookies and turn in the list to their troop leader. The cookies are later supplied to the scouts who deliver them by hand to their buyers and collect \$4.00 for every box.

The money collected by the scouts is passed on to their troop leader, then on to a cookie manager who finally delivers it to the council: The council then audits the amount turned in and redirects the proper portions back to the individual troops.

Girl Scouts of the USA Council (around 800 troops)
Cookie manager (responsible for 10 to 15 troops)
Troop Leader (responsible for 10 to 15 scouts)
Girl Scout

The cookie selling structure is diagramed above. Upward of 200 councils make up Girl Scouts of the USA and a typical council will consist of around 800 troops. Every year cookie managers are selected by the councils to perform as distributors. Their garages became cookie warehouses overnight as they distribute the inventory among 10 to 15 troop leaders. The troop leaders then give the scouts their respective cookie allotments for delivery to the customers.

Prior to participating in the cookie sale program, all scouts are required to obtain their parent's written permission. Upon signing the permission notice, the parents assume complete responsibility for turning in \$4.00 for every box of cookies with which their child is supplied. Considering the average number of boxes sold (97 per scout), many parents will hold the money for their child until the next troop meeting.

Occasionally, even parents with good intentions fail to turn in the cookie money by the deadline printed on the permission form. In these cases, NCS has been an effective tool to recover lost money.

The individual troops can really feel the pinch when one or more of their scouts fail to turn in their cookie money. Troops receive 40 cents per box sold to fund special activities for their scouts and any money not collected is subtracted from the amount remitted to that troop. The following outline is a common scenario.

Troop is responsible for \$5,492.00
(12 scouts selling 97 boxes each)

Council remits to troop at 30 cents per box)	992.00
Less one scout's money not turned in	-491.00
Troop's total raised through cookie sale	\$501.00

As can be observed, money not collected or turned in can radically affect the success of a troop's cookie sale. Troop leaders are volunteers, not bill collectors. In most cases, they do not have the skills required to successfully collect overdue cookie money. To help troop leaders with this frequently unpleasant problem, many councils have purchased the NCS system and made them available to troop leaders upon request.

The Girl Scout cookie program is set up in such a manner that the councils always get their money while the individual troops absorb any of the losses. When laying the groundwork for the cookie sale, councils on the system explain to their troop leaders that NCS is available should any troublesome cases arise. Some scout councils are supplying their leaders with simulated claim forms to fill out when problem delinquencies are experienced. Leaders send the debtor information to their council where the system user transfers it to a genuine claim form and submits the account for collection. Some councils charge their troops a \$25 fee for each account collected to offset the system's cost.

The fall is a great time of year to approach Girl Scout councils as the annual cookie sale begins in February. The decision maker will generally be the executive director. It is imperative that this person understand that losses are incurred each year and now is the right time to make a move that will prevent future losses.

Along with overdue accounts from cookie sales, some councils are using NCS on NSF checks and money owed for camps, special activities, and merit badges. NCS provides troop leaders with a convenient and inexpensive means of assigning their delinquent accounts for third party collection. When troops do not receive money owed, the scouts themselves are the ones who really suffer. Less money is available to fund their activities and the girls do not receive the full benefit of belonging to a scout troop.

GIRL SCOUT COUNCIL MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$501
Average NCS recovery:	56%
Major problems and concerns:	diplomacy money not turned in by scouts' parents, troop leaders, and cookie managers money owed for special events
Typical internal collection procedures:	phone calls,, form
letters Key individual to contact for decision:	executive
directorKey individual to get ARA numbers:	executive director

GLASS SHOPS

whether in our autos, workplaces; or homes, glass is a commodity common to everyone. Until a glass window or store front becomes damaged, people pretty much take them for granted. Repair and replacement of this often overlooked advantage of modern living is periodically required to maintain top levels of energy, efficiency and safety.

Fortunately, for businesses and individuals alike, a multitude of glass shops operate in every NCS marketing area. These typically single proprietorship businesses represent a great starting point for new NCS salespeople. The decision makers, business owners, are accessible and, with a little study, the intricacies of the business itself are easily comprehended. In addition, all glass shops have a need, and NCS satisfies that need like nothing else available.

There are three general areas in which glass companies operate. Most companies offer various services in each category, if not all of them.

Auto

- repair or replace sun roofs
- mobile service available
- foreign and domestic
- sliding back glass

Commercial

- store front
- showcase glass
- entrance door
- shelving
- glass counter tops
- replacement and maintenance

Residential

- insulated glass
- table tops
- screen repair
- greenhouse windows
- tub and shower enclosures
- skylights
- mirrors
- custom etched designs

Although maintenance for some glass windows prolongs their usage life, the majority of repairs result from breakage, either accidental or intentional. When a storefront window is broken, possibly in a burglary, a glass shop is called upon to make satisfactory repair. Depending on the size of the space to be filled, the piece of glass usually has to be

custom cut and is not immediately available for installation. In the interim, a piece of plywood is frequently used until the new window is completed.

In the case described above, an insurance claim is typically involved to cover the cost of replacement. Many glass shops bill insurance carriers directly, relieving the policy holder of the financial burden of immediately satisfying their debt. As in any slow-paying insurance situation, NCS can be used to speed a claim's processing. After 90 days, a NCS contact sent to the insurance carrier regarding a specific account achieves tremendous results. It is remarkable how businesspeople can employ NCS to move themselves to a top priority with a slow-moving insurance carrier.

In addition to insurance-based accounts, glass shops also experience NSF checks and nonpays. Speedy and timely assignments to NCS are essential to maintaining a satisfactory recovery rate. System users need to follow a firm 60 to 90-day assignment policy on accounts unresponsive to in-house billing. As with all NSF check situations,, once returned by the bank, the check writer should be contacted by phone and asked to satisfy their bill in cash within five days. If the check writer fails to pay in cash, or was not reached by phone, the account should go straight to NCS. Upon hearing from NCS within a few short days of their interaction with the glass shop, bad check writers will realize the serious nature of the pending debt. They will also see that the glass shop has not hesitated to involve a third party in order to resolve the situation. NCS glass shop clients enjoy all of the derived benefits from a highly cost-effective collection program.

GLASS SHOP MARKET REPORT

Average age of accounts submitted:	90 days
Average balance:	\$800
Average NCS recovery:	61%
Major problems and concerns:	insurance claims NSF checks non-pays 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