

Nevada News

Volume 1, Issue 1

January 2011

Happy New Year!

It's hard to believe another year has come and gone. While the majority of Americans are probably excited 2010 is gone, I still believe there is much more to be thankful for. We here at Nevada are thankful for the continued support from you are valued customer. We not only appreciate your support, we truly appreciate your feedback on how we can better our products and services. Please, please continue to share how we can be a better business partner. We wouldn't be where we are today without you!

Best Wishes on a Prosperous New Year!

Rick Farrell Joins Nevada Computer

Please join us in welcoming back Rick Farrell to the Nevada Family. Some of you may remember the name. Rick worked for Nevada from 1995 to 2000.

Over the past 10 years Rick worked for Dun & Bradstreet as a Credit, Collection, and Marketing Specialist. He was responsible for partnering with small business up to fortune 500 companies to mitigate credit risk, increase collections and effectively market their products and services to increase profitability.

Rick will be responsible for sales in the U.S. and Canada. Don't hesitate to reach out to him anytime to pick his brain on his Credit, Collections, or Marketing experience.

Product Highlight "Offsite Back-Up"

What is the most valuable asset to your business? Without a doubt it's your CUSTOMER DATA.

Nevada Computer now offers an automated off-site back-up integrated with WaterFlex. We know how hard it is to remember to back-up every night. Even when you do, many of you are not taking it off-site.

We finally realized that changing behavior is tough; ask your significant other! We decided that we would make it cheap and easy for you to back-up and have it off-site.

We work with you to set-up the service once and every night your data will be backed-up and off-site.

What would be the cost to your business if you lost your Accounts Receivable and Customer Information? Nevada's Off-site back-up starts at \$10 per month.

Call Us Today For Peace of Mind! 800-294-6222

INSIDE THIS ISSUE

- 1** Happy New Year!
- 1** Rick Farrell Joins Nevada Computer
- 1** Product Highlight
- 2** Collecting Money in a Down Economy
- 3** Collecting Money in a Down Economy cont.
- 3** WaterFlex Update: Recurring Work Orders
- 3** Calendar of Upcoming Events

Collecting Money in a Down Economy

By Rick Farrell

Yes collections are harder than ever! Many of you have limited resources and time to truly focus on collections. I've even seen cases where you know who the customers that won't pay are, but don't take any action to either collect the money or your equipment. I can assure you, there is a simple practical way to collecting the money you're owed. This will be a 2 part series working from the back to front of Credit and Collections. Our next issue will discuss how to build an upfront credit approval process.

In this first article, I'll walk you through a repeatable process to prioritize your collections. I've partnered with companies of all sizes to build this process, and it works! I've personally witnessed organizations increase their collections by over 20% in the first month.

As many of you are experiencing during these tough economic conditions, customers who have always paid on time are suddenly unable to pay. I'm sure we've all heard many reasons for the inability to make payments. We wouldn't be human if we didn't sympathize with many of the reasons. The harsh reality is you're in business to make money and need to quickly and efficiently identify who has the ability to pay and who doesn't.

I've partnered with several hundred companies over the past 10 years in helping them build a quick and easy process to prioritize collections in a good and bad economy. The economy really has no effect on how good your collections are. It's the methodology that makes the difference. Many of you, as with many of the companies I've worked with, can't get passed creating a collection list by "Days & Dollars," What do I mean by that? Most dollars owed by the most days past due.

The scenario I've seen over and over is: I have 15 minutes during my busy day or week to focus on collections. I pull out my list and start calling those accounts with highest dollars owed and most days outstanding. At the end of the 15 minutes I reach 1 person out 8 accounts dialed. Magically I hear, "Check's in the mail." Great, I've been trying to get them to pay for weeks. Tomorrow or the next week when I have another 15 minutes I'll start with the new #1 and the scenario repeats itself over and over. Anyone know the definition of Insanity? It's doing the same thing over and over again expecting a different outcome. Meanwhile at month-end you get your receivables report and can't for the life of you understand why you're dollars past due are increasing.

I can tell you why! This is the good part. You're never going to get anywhere unless you can identify who has the propensity and ability to pay you. Oh, you may get lucky and get a hold of someone who you catch off guard and they promise to pay you. Can you get lucky consistently?

What do I mean have the propensity and ability to pay? The propensity to pay is the willingness; the ability to pay is they have money. How you might ask? Using the same information every bank, credit card, and insurance company uses to approve credit and/or set your rates. The Credit Score! Only in this case it's a Collection Recovery Score. The secret's out!!! By prioritizing your collections by Credit Score you can quickly and efficiently identify those accounts that have the propensity and ability to pay. So, if you take your list of past due accounts and sort them from highest to lowest credit score, you quickly identify those accounts who are paying everyone else on time but YOU.

What I've found are the high credit score accounts typically are a one call collection. They've lost their statement, they forgot to put the check in the envelope, or they just plain forgot. The fact is they want to pay their bills and can.

Continued on page 3

New WaterFlex Enhancement: “Recurring Work Orders”

Our next WaterFlex update is a small break from tradition in our normal update sequence. Normally when we create an update with a major feature we give it at least a “dot” update such 8.6. This release will be a build release 8.5.0.658. Even though it doesn’t get its own “dot” release, there is a major feature we would like to point out – Recurring Repair Orders.

Many of you are probably currently using the tickle reminders to help you schedule recurring work such as filter changes, annual maintenance, etc. While this works well, it is a multi step process, especially if you want to update the next service date from the date the service was actually performed: run the tickle report, either create a label for a reminder card or generate the repair order. When the work is actually completed you update the repair and change the next tickle date to reflect the next actual date to perform the service.

With the recurring repair order option, you create a “repair template” which contains the complaint codes and reason for call remarks. Then you indicate how often the service is to be performed. Depending on the options you set you can have WaterFlex either create a label for a reminder card, or a repair order based on the repair template. When you update a repair order created from a template the next scheduled date for the template is updated from the date the work was performed.

You don’t have to change the way you are currently doing recurring repair orders, but if you want to we have included a program to convert your tickles to recurring repair templates. You can read more about recurring repair orders in the documentation installed with the update.

In addition to the recurring repair orders there are several smaller changes with this release:

- Improved alignment on generic laser repair orders.
- Ability to print multiple copies of a generic laser repair order
- Option to breakdown ACH submission by credit card type.

continued

Collections continued:

As you get lower down the credit score ladder you will start running into those accounts that by credit score standards are iffy, then flat out bad.

The high collection scores should be easy to get through. Where you need to spend most of your time is the middle of the road accounts. They could easily be a good account or just as easily be a bad account. That’s where the work comes in and part 2 of this series.

For the bad accounts you need to determine whether they are worth spending any more time on. Most of them should be written off as bad-debt or turned over to a 3rd party collection agency.

Sound easy enough? It is in theory, but the results are only as good as the focus you put on it.

Next question: “How do I get the collection score on each of my accounts?” All you need is to export a file of your customer base into excel. The fields required are: Account #, Name, Address, City, State, Zip, and phone number. You then contact Jen Day below to set-up the project and to discuss pricing. You will send her your file. She will run it through their matching and append process then deliver the spreadsheet back to you with the credit score appended. Once you have the file back you will sort on the credit score column from highest to lowest. This is a simplistic description of the process. Jen will give you the deep dive on the details.

I’m confident in this process. I know it works! This process works both on consumer as well as commercial accounts. Please feel free to call or email me anytime.

Rick Farrell
Nevada Computer
800-294-6222
rickf@nevadacomputer.com

Jen Day
Account Executive
Experian
224-698-8410
Jennifer.day@experian.com

NEVADA CALENDAR OF EVENTS

WQA-AQUATEC

PLACE: SAN ANTONIO, TX
WHEN: MARCH 8TH – MARCH 11TH

CULLIGAN 75 YEAR

PLACE: ORLANDO, FL
WHEN: APRIL 14TH-17TH

NORTHWEST BOTTLED WATER ASSOCIATION CONVENTION & TRADE SHOW

PLACE: SEATTLE WASHINGTON
WHEN: MAY 11-14, 2011

Miscellaneous

Did you know you can view all WaterFlex Manuals under the “Documentations” Tab in WaterFlex

Nevada has launched a new more comprehensive website at www.nevadacomputer.com.

If you would like to receive our Nevada News electronically, please send your email address to rickf@nevadacomputer.com.

WaterFlex Update Continued.

You must currently be on WaterFlex version 8.5 to receive this update. To check your version click on **Help** and then **About** from the WaterFlex menu. The version number will be displayed in the popup box. If the version is 8.0 or earlier you should install the WaterFlex updates to get you current. If you don't have the update disks, call our support office and we will get them out to you.

How do I get this update?

There are 3 ways:

1. If you have the option to check for WaterFlex updates enabled in company/branch parameters you should soon see a notification that an update is available. In order to minimize the traffic to our FTP server we stagger you all out over the course of a month, so the notification may not show up right away
2. You can manually check for updates by selecting Utilities-> Management Utilities -> Check for WaterFlex updates
3. You can request to have a CD sent to you by calling our support office.

We hope you enjoy the new features of WaterFlex version 8.5.0.658