

Title:

How Factoring Your Invoices Can Help Your Business Grow

Word Count:

395

Summary:

Are you clients taking up to 60 days to pay their invoices? Learn how to finance your invoices and get paid in days.

Keywords:

factoring, invoice factoring, factoring company, receivable factoring

Article Body:

If you own a business that sells products or services to commercial customers or to the government, you must be familiar with the maxim - hurry up and wait. That is what you always end up doing after delivering your services. You hurry up and wait up to 60 days to get your invoices paid. In the meantime, you still have to cover rent, supplier payments and employee salaries. Hurry up and wait, indeed.

But this is a major challenge if you are a business owner. It slows down your growth, significantly. Why? Well, could you take on a large order and afford to wait months to get paid? Could you afford to buy the supplies, pay the staff, cover rent? This is why this is a major challenge. And in many cases, it can drive you out of business.

And yet, when faced with a financial challenge, what does a business owner do? Most will go to the bank, hoping for a business loan. But business loans are very hard to obtain and not very flexible. Plus, banks give loans based on your business past rather than your future opportunities. Many times, what you need is a financing product that will be focused on your true sales potential. And that product is invoice factoring.

Invoice factoring eliminates the 60-day payment wait, providing you with funds right after you invoice your client. Imagine this. You deliver your product or service to your customer. And then, instead of waiting up to 60 days to get paid, you get paid in 2 days. How quickly could you grow then? How many clients could you take on?

And how does factoring work? Well, it's very simple. Once you have delivered your product, you send an invoice to your client and a copy to the factoring

company. The factoring company advances you a substantial portion of your invoice, usually within a day.

The factoring company's advance gives you the breathing room you want and the money you need to pay business expenses and take on new opportunities. This allows you to grow your business. Once your client pays their invoice to the factoring company, the transaction is settled.

Factoring is easy to obtain. The biggest requirement is that you do business with solid credit worthy customers. So, if you need financing and do business with great customers, consider factoring your invoices.