

Furniture Stores Everywhere Are Now Greatly Increasing Their Profits and Cash Flow By Factoring

By Brian Strugs

Nowadays, there are many furniture store sales campaigns that allow furniture-buying consumers to obtain longer and more advantageous credit terms. Sometimes, consumers do not have to begin making payments on the furniture they obtained until 6 months or sometimes up to 3 years later.

Consequently, there are many furniture stores that have net profits held up in a state of non-profitable suspended animation. This is because those accounts receivables, which in this case is specifically referred to as Consumer Retail Installment Agreements, have not began generating payments; and worse, will not and cannot produce any profit until the first payment date. This means that no matter how large and profitable the furniture store, their bottom-line net profits and the ability to buy more furniture to sell is greatly and severely curtailed and reduced. On the other hand, they may be unwillingly forced into obtaining more purchasing and operating capital by establishing or further tapping into a preexisting bank line of credit. Bank loans increase the expenses of a business by the amount of interest incurred and simultaneously reduce the bottom-line value and profitability of that business. Additionally, loans from banks or other lending institutions require collateral, limited by and based on your banked cash and your fixed assets.

It is not necessary to wait on payment schedules to begin collecting cash. There is a process called Factoring that can literally rescue and enormously boost, expand, and prosper furniture stores (and many other kinds of businesses). With Factoring, all of the previously mentioned problems and more are avoided and eliminated, plus you will not incur the debt-producing damage of a loan because Factoring is not a loan. Basically, Factoring is the process of purchasing the accounts receivables (or in this case the portfolio of Consumer Retail Installment Agreements) from a company for up to 95 percent of the face of the Installment Payments, and minus a small fee.

This is done by a special unconventional funding source company called a Factor. After the business (in this case a furniture store) has received their lump sum of cash from the Factor, the consumers attached to the purchased portfolio of consumer Retail Installment Agreements will then owe and pay their payments to the Factor. Factors base their decision to Factor a business not based upon the credit status or reliability of that business, but instead, on the creditworthiness of its customers. Therefore, the credit and status of the business that is Factoring is never an issue. Technology has even allowed us to reach the point where it is now possible to establish online Factoring services that will allow a continuous flow of invoices to be Factored and paid to a business in real-time. This is an easy system to set up because the Factor does all the due diligence and paperwork, while your business simply monitors the flow of transactions via one of our web sites.

If you already have a large bank line of credit and wondering why you would need to Factor, consider the fact that Factoring works in synergy with traditional credit lines. In fact, many of today's Fortune 500 companies implement this type of financing to supplement their working capital needs. Factoring can reserve the bank credit line for "as needed" situations, thus extending credit life. If you are already Factoring, we can get you lower rates.

A highly recommended company that specializes in helping furniture stores to receive and benefit from the process of debt-free Factoring financing is Profit Increase Funding, Inc. They have over 150 funding source companies with billions of dollars to invest. Contact Profit Increase Funding, Inc. to obtain a free, no obligation consultation by email, telephone or visit the website as follows:

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Act Now! Call 24 hours a day or visit the website to get started, to get cash, and to obtain more profits!

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