

# News Release

## ***For Immediate Release***

### **Business Credit: Making the Worldwide Economy Go 'Round**

*National Credit Education Week Is Timely Reminder of How Business Credit Fuels the Worldwide Economic Engine*

*April 20, 2004: Columbia, MD*—While most Americans are familiar with consumer credit, they are often completely unaware of Business Credit, the single largest source of business financing by volume, even exceeding bank loans—the economic fuel driving the worldwide economy. The National Association of Credit Management (NACM) is using *National Credit Education Week* to educate the public regarding the importance of Business Credit.

Credit is a privilege granted by a creditor to a customer to defer the payment of a debt, to incur debt and defer its payment, or to purchase goods and services and defer payment. Without Business Credit, America's economic system as we know it would not exist. Business Credit is, in reality, the capital required to conduct business. Billions of dollars' worth of goods and services are transacted daily, through the Business Credit process.

For most companies, accounts receivable is the first or second largest asset on their balance sheet. This asset is the lifeline of any company: cash flow. The impact of an account that must be written off due to failure is significant. Not only is inventory, product or services lost, but additional costs are incurred in time. As the terms bankruptcy and financial reporting have become more prevalent in the language of business, the role that credit departments play within every company and the contribution that credit management professionals make on a day-to-day basis have gained importance and recognition.

While the role of a credit professional may vary from company to company, the key job of every credit professional is to manage and mitigate the risk associated with extending business credit and to manage accounts receivable, all while maintaining a competitive edge in a complex, global business environment. Sound credit management practices contribute to the overall success of any company.

NACM-National and its network of Affiliated Associations are the leading resource for credit and financial management, providing education, information, products and services for effective business credit and accounts receivable management. NACM sponsors the largest gathering of credit professionals nationwide at their annual Credit Congress: an opportunity for attendees to attend educational sessions, earn credits toward professional certification, and learn about technological advances, cutting edge information, and new services and products to help them in their career. This year's 108<sup>th</sup> Credit Congress is being held in Phoenix, Arizona; May 16-19 at the Phoenix Civic Plaza.

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The National Association of Credit Management (NACM), headquartered in Columbia, Maryland supports more than 25,000 business credit and financial professionals worldwide with premier industry services, tools and information. NACM and its network of Affiliated Associations are the leading resource for credit and financial management information and education, delivering products and services which improve the management of business credit and accounts receivable. NACM's collective voice has influenced legislative results concerning commercial business and trade credit to our nation's policy makers for more than 100 years, and continues to play an active part in legislative issues pertaining to business credit and corporate bankruptcy.

If you or a colleague are interested in obtaining a press pass for NACM's 108<sup>th</sup> Credit Congress in Phoenix, May 16-19, please e-mail Norma Heim at [normah@nacm.org](mailto:normah@nacm.org) to request one.

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