

Title:

How To Finance Your Canadian Trucking Company

Word Count:

388

Summary:

Do you own a trucking company? Are you based in Canada? Read this article to learn how to finance your growing trucking company.

Keywords:

freight bill factoring, freight factoring, trucking company factoring, freight broker factoring

Article Body:

The Canadian trucking industry has been in a period of growth. In recent years, many entrepreneurs have launched small and midsize trucking companies and have gone to the roads, trying to build a better future.

Many company owners succeed. Others fail. What is the difference between them? Being able to find high paying loads? Lack of opportunity? Probably not. I think that the biggest reason many trucking companies fail is plain and simple: lack of proper financing.

But, if you are a small or mid sized company owner, where can you get the money to finance your business? From the bank? Not likely. First, a business loan is not always the right type of financing for a trucking company. Second, business loans are just hard to obtain and very inflexible. Let's look at the situation from an owner's perspective.

The biggest challenge that trucking companies have is slow paying customers. Customers that want to pay their freight bills in 30 to 60 days. If you consider that most of your expenses need immediate payment and can't wait, you can see why the numbers simply don't work.

What you need is a financing program that finances your sales and eliminates the 60 day wait, providing you with funding as soon as you invoice your customer. The solution to this problem is to factor your freight bills. But your local bank does not offer freight bill factoring. Freight factoring is offered by a factoring company.

Freight bill factoring accelerates payment for your freight bills and provides

you the money you need to pay fuel, expenses and drivers. It gives you the cash flow you need to take on new loads, hire drivers and grow your business. It's simple to use and works as follows:

1. You deliver the loads and invoice your clients
2. You send a copy of the freight bill to the factoring company
3. The factoring company advances you up to 97% of your invoice
4. You get the money to grow your business, The factoring company waits to be paid
5. Once the client pays, the transaction is settled. Any held reserves are rebated back

As you can see, freight bill factoring enables you to get the money you need, when you need it. It streamlines your cash flow and helps you run and grow your trucking company more efficiently.