

Rayzor Edge



Clearing the way for reliable cash flow.

Solution:

Invoice Factoring

30 second summary

When Ray Bowman, owner of tree clearing company Rayzor Edge, expanded into commercial contracts, traditional funding options weren't sufficient to support his growth plans.

Though he didn't have experience with alternative funding at first, Ray partnered with Greg Norris from Liquid Capital because he provided more than just cash. Unlike other factoring companies, Greg took the time to understand Ray's business, his funding needs and helped him understand the ins and outs of invoice factoring.

With Greg's help, Ray has doubled his sales over the past year, strengthened relationships with subcontractors, gained a trusted business advisor and accessed the working capital needed to fund his growth plans.

Tree trimming develops new growth

Rayzor Edge Tree Service provides professional, environmentally conscious tree services for commercial and residential properties in southern Ontario. But Ray Bowman, Owner and President, wanted to grow his business faster than his working capital allowed. As a small company, he was constrained by cash flow, which prevented him from taking on bigger jobs and taking his commercial tree services business to the next level.

When he first started the business, Ray mostly did residential jobs that took a day or two, so he was paid quickly and could move on to the next job. But two years ago he started moving into the commercial market, providing services such as tree-clearing for developers — which created some unexpected funding challenges.

“For a small company, longer invoice payment terms are a real problem. I didn't have the cash flow capabilities to take back-to-back commercial contracts, especially with subcontractors working for me. If I can't pay my team quickly, then I'm not going to have any faithful subcontractors that are willing to work with me”

Ray Bowman, Rayzor Edge Tree Service



Cash flow crunch limits growth rate

A commercial job might take weeks or longer, and Ray would have to wait anywhere from 30 to 120 days to get paid by his corporate clients.

This limited the number of jobs he could accept and his line of credit with the bank wasn't enough to support the growth of his commercial tree services business.

That's when a business consultant he was working with recommended Liquid Capital. Ray did his due diligence and met with several invoice factoring companies, but after meeting with the other factors, he was wary of being treated like a small fish in a big pond.

“Liquid Capital and Greg Norris stood out to me right away. He took the time to understand my business and my opportunities. There were no surprises and no hidden fees. Most importantly, Greg treated me with mutual respect.”

Ray Bowman, Rayzor Edge Tree Service



Solution: New funding partner improves cash flow for accelerated growth

Ray started working with Liquid Capital in August 2020 — and he hasn't looked back.

For larger commercial jobs, Rayzor Edge requires the services of several subcontractors. With this factoring arrangement Ray can pay subcontractors in a timely manner, resulting in improved relations, and as a result, improved service for their clients.

“Now, when I need a job done, my subcontractor is available — he's getting paid so he's willing to go out of his way to work with me.”

Liquid Capital has provided much more than cash to this growing business, with Greg advising Ray from a business perspective. And while doubling sales has been a game-changer, Ray also appreciates the counselling and support that saves him from unwarranted risk.

Greg also helped Ray negotiate a better arrangement with his bank.

Rayzor Edge had an operating line of credit that was secured by its accounts receivable, equipment and even Ray's house, which far exceeded the size of the loan. Greg negotiated with the bank on Ray's behalf to have them release his accounts receivable. This allowed Ray to factor his commercial invoices with Liquid Capital and use the extra working capital to help fund his rapid growth.

“As a small business owner, it's helpful to know someone's got your back because you're so reliant on yourself for so many aspects of running the business. Having somebody that I can turn to for advice is worth a lot.”

Ray Bowman, Rayzor Edge Tree Service



Nowhere but up from here

Since working with Greg and Liquid Capital for the past year, gross sales are up 100 percent. “We pretty much doubled our sales,” says Ray. “And we’re just getting started.”

“Before working with Greg and Liquid Capital, we just didn’t have the cash flow to support our growth. We were confined to doing basically a job a month or so. Now with Liquid Capital behind us, we’ve freed up our cash flow to continue to grow — and there’s no ceiling on it.”

Most importantly, his bottom line has grown, allowing him to take on back-to-back contracts, which previously wasn’t possible.

“I fully intend for us to be partners for the foreseeable future as we maintain our upward

trajectory. There are a number of pieces of equipment that I’d like to acquire, and our relationship with Liquid Capital can help us with that, too,” says Ray.

“There’s no question I would recommend Liquid Capital to anybody in the same predicament. Greg is fantastic to work with and working with Liquid Capital has opened so many doors. I recommend that invoice factoring is not viewed as a last resort, but as part of a smart financial toolkit to help businesses grow.”

Ray Bowman, Rayzor Edge Tree Service

To learn how Liquid Capital and invoice factoring can help your business, contact **Greg Norris at **905-717-8324** or visit **www.lcadvisorscorp.com** today.**

