



## Is Your Business A Tight Ship?

Think Spring, or maybe spring cleaning. Now is the time that you may be doing some extra cleaning around your vessels, ports, marinas, or equipment to get it in tip-top shape for the summer. To run a tight ship, it has to be clean in order to operate at peak performance. Have you ever applied that same principal to your back office operations? If not, don't worry – that just means there's room for improvement. This edition of our newsletter is intended to highlight some business tools that can help your business operate at peak performance.

- **Shipping Management System** – The payment cycles in the shipping industry are notoriously slow. If you had a system in place to track shipping contracts, documentation, invoices, payments, and disputes for every individual shipment, would that help streamline your administrative efforts? If it sounds too good to be true, we can show you a tool to help you manage this. Users have found that a system like this significantly reduces the time it takes to get paid, makes the management of disputes much easier to follow through to resolution, and makes document retention very simple and electronic. Now that's a tight ship.
- **Expense Review** – With tax time behind us, you've probably gotten a good look at your full year 2009 expenses. Your accountant may be more focused on minimizing your tax burden, rather than making sure you are getting good value from the various services that you're spending money on throughout the year. Here

are a few areas that we suggest you check to see if you're overpaying:

- **Payroll Administration:** Some payroll companies offer an expensive package of services that may include features that are above and beyond what a small business might need or that you may not be using, such as 401(k) administration or other benefits program features.
  - **Interest:** This number can be scary if you have large lines of credit or multiple corporate credit cards. Look at how you use those credit lines to make sure that you know which ones have the highest interest rates so you can pay them down first.
  - **Insurance:** It may seem boring, but it can be a significant cost to your business, so talk with your agent regularly to make sure that you are properly covered for what you need, and that you remove coverage that you don't need. For example, if you have recently sold any assets, make sure your insurance agent adjusts your premium accordingly.
- **Cash Flow Budget** – If you don't know how much cash you'll need over the next 6 to 12 months, how do you know you won't run out? We recommend that you have a cash flow budget for at least the next 12 months to make sure that you have enough money available to fund operations, equipment acquisitions, and a cushion for those unexpected expenses that always seem to come up.

**Do you have questions** on any of the topics in this newsletter? Call us anytime at **(518) 641-1740**.



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