

Entrepreneur's startup helps rescue businesses

by Beth Duckett - Mar. 24, 2010 11:02 AM
The Arizona Republic

Robyn Barrett is a Paradise Valley resident whose company, **Factors Southwest**, helps Arizona's small businesses with their financing.

The company, located near Shea and Tatum boulevards, provides commercial funding that might not otherwise be available.

"For small business, credit is dead," said Barrett, managing member of the company. "(Businesses) can't get lines of credit through the bank. Most of the guys have tapped out their credit cards."

In exchange for instant money, small and medium-size businesses turn to Barrett's company to pay their bills by selling their accounts receivable at a discount.

Factoring has been around for hundreds of years, and often does well in a stale economy.

Barrett, a Phoenix native, will share her insight of the current banking industry at a Women in Banking committee luncheon next month in Scottsdale.

As keynote speaker, she will cover the five "Cs" of credit - cash flow, collateral, capital, character and conditions.

"Right now, cash flow is the biggest problem for small businesses," Barrett said.

After six years as an employee for Dial Corp., where she analyzed budgets, Barrett ventured into the world of corporate finance at Finova Group Inc., which filed for Chapter 11 bankruptcy protection in 2001.

After leaving the company, Barrett said she was uncertain what to do next.

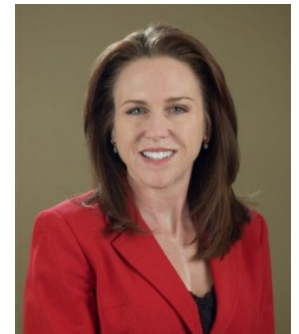
"I sat around and looked at my husband. I said, 'I guess I can go back into banking,'" Barrett said. "He said I should really start a factoring business."

Factors Southwest, founded by Barrett in 2001, provided about \$25 million last year to 30 to 35 companies. It employs four full-time workers and one part-time worker.

About 90 percent of its clients are based in Arizona, Barrett said.

"We prefer to be a local lender," she said. "We do any industry, as long as they do an earned invoice. But we don't do construction, trucking and medical."

Barrett said **Factors Southwest** is considering ways to give back.



Jane Larson/The Arizona Republic
Robyn Barrett

The company is offering a \$1,000 scholarship to a student with entrepreneurial inklings at Arizona State University, Barrett's alma mater.

The deadline to apply is June 1.

"We just got our first nomination form in," Barrett said. "The idea is that we're going to keep growing it. I'm hoping to make it bigger and get more involved."

Women in Banking luncheon

What: A networking luncheon open to anyone in the business community.

Who: Keynote speaker Robyn Barrett will discuss how to secure a business loan and things bankers miss when monitoring many business loan customers.

Where: Scottsdale Resort and Conference Center, 7700 E. McCormick Parkway.

When: Networking, 11:15 a.m.-noon; lunch and keynote speaker, noon to 1 p.m.

Cost: \$20. Reservations can be made online at www.rmaaz.org or call Emily Ampran at 602-763-1875.

ASU scholarship

Barrett's business is offering a \$1,000 scholarship this fall to a student with entrepreneurial notions. Visit <http://students.asu.edu/node/7049> for details.