

# 5 Reasons Factoring is Perfect for Telecom Companies

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In 2016 we saw the telecommunications industry becoming more and more competitive. Telecom is booming. With wireless, VOIP and cable communications startups continuing to rise, the need for quick access to financing increases. A perfect funding solution for telecommunications companies is factoring.

## **Factoring = Quick Cash**

Going through the loan process can take time. And often that is time that growing telecom companies cannot afford. By selling your invoices to a factor, you receive your capital immediately, reducing wait time for company expansion.

## **Your Terms, Not the Bank's**

The more invoices you choose to sell, the more cash you obtain. With traditional loans, there are set limits. With factoring, you are in control of your finances. You determine how many or how few invoices to sell and ultimately how much capital you want to receive.

## **Credit where Credit's Due**

When applying for financing, a company's credit score is imperative for risk management. However, what happens if your telecom business is new and does not have years of credit reporting? Typically they are either denied or given small loans with high terms and conditions. Factoring takes the pressure off your credit score, while helping to increase it.

## **Debt-free Business Means Unlimited Growth**

Because factoring is not a loan, there is no debt to repay. The funding company takes full payment from your customer, not you. With no debt looming, financial decisions are made more quickly, making it easier to grow your business.

## Streamlined Finances Free Your Time

Choosing factoring places all back-office, financial operations in the factor's hands. They will collect capital, manage invoices and complete customer credit checks, freeing-up your time to focus on growth and expansion.

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The telecommunications industry will only continue to rise with thousands of companies vying for their share of profit margins. Start your telecom business a step ahead of the rest by choosing to fund it through factoring.

[Thermo Credit](#) is here to become your telecommunications company's factoring partner. Our experts will guide you toward financial freedom and exponential growth.