7 cash flow lessons **from solar installers who've weathered the storms**

By The Strong Tail Solar Alliance

We're a group of equipment, financing, technology and service providers working together to help local and regional solar installers **lower costs** and compete.

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7 cash flow lessons from solar installers who've weathered the storms

Two solar company owners and a banker share practical lessons for **protecting cash flow, managing risk, and keeping your business running** when the market slows.

1. Keep jobs coming, even at tighter margins

Your rent, insurance and payroll don't shrink when sales slow down. More jobs at slightly lower margins can beat holding out for a few high-margin projects. Aim for enough profitable work to cover overhead and keep crews busy.

2. Find other work to fill the gaps

Solar sales aren't always predictable, but your crews still need steady work. Solar Trek offers pool heating and generators to smooth out the ups and downs. A steadier workload makes staffing easier and eases the pressure to chase the next sale.

3. Protect your prices or your cash

Solar Trek buys equipment in bulk to lock in prices. TGE Solutions orders job by job to keep cash out of inventory. Both work, but each carries a different risk. With prices rising, know which one your business can better afford.

4. Don't let your funder put your business at risk

When a lender or financing partner stops funding, your cash flow can grind to a halt. Don't rely on a single funder, and do your homework before trusting someone with your money. A trusted introduction isn't a substitute for due diligence.

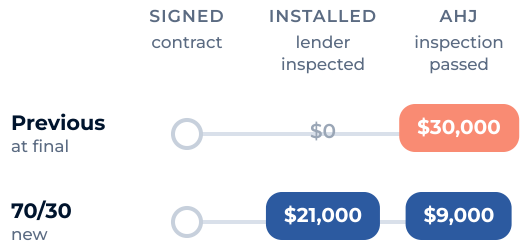
Two ways to manage equipment costs

Both approaches work, depending on which risk you're willing to take.

	SOLAR TREK	TGE SOLUTIONS
Approach	Buys modules and inverters in bulk	Orders equipment for each job
Why	Locks in costs before prices rise	Keeps cash available for operations
Advantage	More predictable pricing and margins	Less capital tied up in inventory
Tradeoff	**Cash tied up in equipment sitting on the shelf**	**Vulnerable to price increases before installation**

Get paid sooner with 70/30 funding

A $30,000 Climate First Bank residential solar loan



70% after installation is complete, the lender inspection is satisfied and the homeowner approves payment. **30%** after a passed AHJ inspection and required documentation.

5. Don't let inspections hold your cash hostage

A failed inspection or slow AHJ can leave thousands tied up in a finished job. Climate First Bank's 70/30 funding releases 70% after installation and lender inspection, and the rest once the AHJ inspection passes. That's cash for your next job.

6. Put unexpected costs in your contract

Even a good site survey can't catch everything. Hidden wood rot, extra electrical work and site cleanup eat into margin. Spell out how unforeseen conditions and added work are handled so you're not stuck with the cost.

7. Turn orphaned systems into new customers

When an installer goes out of business, its customers still need service. Charge a fair rate, get a signed agreement before you send a crew, and treat them like long-term customers. Today's service call can become tomorrow's battery, roof or referral.

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