



THE LEADERⁱⁿ
CASH FLOW
SOLUTIONS



Money Lines

Financial Solutions for Emerging Companies

First Vancouver Finance Helps Machine Shop Dodge Industry Crossfire

One of the unfortunate and seemingly unfair effects of the financial crisis and credit crunch has been how many solid businesses that followed all the rules have gotten caught in the crossfire.

A custom machine shop in Cambridge, Ontario is a good example. By keeping a tight rein on expenses and managing finances prudently, the owner had been able to maintain his long-standing bank relationship and line of credit. That is, until another machine shop in his area went out of business about a year ago—and his bank suddenly decided that his business now presented too much of a risk.

“Things were becoming ridiculous with the bank when it came to personal guarantees, decreases in my line, etc.,” says the owner. “If I didn’t find some other financing alternative, I was looking at business insolvency.”

Hit By Shrapnel

Judi Johnstone, vice president, First Vancouver Finance, the Canadian affiliate of Commercial Finance Group, says this situation isn’t uncommon these days. “Sometimes, good businesses are impacted by repercussions that affect an entire industry,” she says. “Banks today are having to take a closer look at a lot of industries, and rightfully so. But sometimes it’s easier to dismiss an industry as a whole than to cherry pick the good companies they want to work with.”

Unfortunately, the failure of this client’s big competitor affected how his bank viewed the entire industry. “The business itself wasn’t any riskier than it was before, but the bank was reducing its exposure in the overall industry,” Judi explains. “We actually see this a lot—good, viable companies, but their entire industry is painted with a broad brush stroke.”

Fortunately, this owner had met Judi four years earlier. At the time, his bank line of credit was serving his financing needs well, but he filed her name away for the future “just in case.” He decided to contact Judi to see if she could suggest any financing alternatives that might work for his business.

“Judi sat down with me and we went over factoring in detail—how it works, the pros and cons, everything. It looked to me like there were a lot more pros than cons.”

New Business

We are pleased to have funded or were prospecting the following new client types last month:

- Mfg and Distribute Hispanic Food
- Import Export Exotic Wood
- Perfume Manufacturer and Distributor
- Distributor of Italian Food Sauces
- Stainless Steel Water Bottle Wholesaler
- Graphic Arts Producer
- Ladies Hand Bag Wholesaler
- Dry Cleaning Uniforms
- Live Stock Water Recycling
- Aftermarket Auto Lowering Kits Fabricator
- Landscaping
- Wiring Systems Assembly
- Recycled Plastic Film
- Mfg Gearless Generator for Wind Turbine
- Temperature Controlled Box Manufacturer
- Crane Manufacturer
- Home Depot Service Provider
- Industrial Label Manufacturer
- School Calendar Software Manufacturer
- Mechanical Services for Buildings
- Dried Fruit Manufacturer
- Vacation Insurance Provider
- Lightweight Garden Pot Wholesaler
- Health Food Distribution
- Flexible Meat Packaging Wholesaler
- Uniform Shoe Distributor
- Commercial Power Washing
- Retail Display Staging
- Flagging Company
- Trailer Repair
- Digital Training Programs
- Auto Body Repair
- Wholesale Office Furniture

Much of our business comes to us from financial professionals like you. Thank you very much for your trust. Please continue to send us your financially challenged customers.

(Continued)

Brighter Days Ahead

Within just a few weeks of beginning a factoring relationship, the business had already surpassed its bank line of credit with First Vancouver Finance. "They are now poised to take advantage of new growth opportunities as the economy starts to turn around," Judi says.

The owner is thrilled. "First Vancouver Finance saved my rear end—there's no doubt about it. Our workload is picking up again and our debt is decreasing very rapidly. Now, we want to weigh the opportunity to get discounts by paying our bills earlier to help offset the cost of factoring. I couldn't ask for better people to work with than Judi and First Vancouver Finance."

This business owner is diligent in monitoring his finances, Judi adds, "so he has a real appreciation of the benefits of our services. He's seeing the results of being in control of his cash flow on a day-to-day basis."

First Vancouver Finance offers a variety of financing options that can help your business keep the cash flowing. If you would like for us to do a presentation that explains these options in more detail, please contact us at (800) 663-0721. You can also learn more by visiting <http://www.fvf.ca>.