

# THE SOURCE

March 2011

Financing America's Fastest Growing Companies<sup>®</sup>

## New Client Highlights

Amerisource is pleased to announce it closed and funded **15 new client relationships** in January and February 2011. Below are highlights of two of these new clients:

**Manufacturer of  
Industrial Machinery  
in New York**

*has completed a*

**\$1,000,000  
A/R Finance Facility**

*through  
Amerisource Funding*



**REFERRAL SOURCE**

- Company's consultant

**SITUATION**

- Component parts manufacturing company; in business since the 1940s
- Recent losses due to reduced sales volume
- New orders coming from solid customer base, resulting in doubling of monthly sales
- Existing bank unable to increase line of credit to accommodate sales increase due to recent losses and corresponding impact on the balance sheet
- Significant customer concentration

**APPROVAL PERIOD**

- 2 business days; additional 11 days to fund

**RESULT**

Amerisource was able to approve a line of credit to fund this manufacturer's increasing working capital needs and keep the machines running! Through an intercreditor agreement with the client's bank, the bank maintained fixed asset financing and the deposit relationship with the client. The client's immediate needs were met and additional working capital was provided to keep up with the influx of orders!

## Manufacturer of Furniture in North Carolina

has completed a

**\$300,000**  
**A/R Finance Facility**

through  
Amerisource Funding



### REFERRAL SOURCE

- Company's consultant

### SITUATION

- Furniture manufacturer; in business since 2003
- Company was seeking an asset-based loan with borrowing base availability against accounts receivable and inventory
- Company had a working capital facility with a bank; the bank was seized by the FDIC and was not able to increase the company's line of credit to support their growth
- With an increase in sales, the company's need for immediate cash to support additional needed inventory was vital

### APPROVAL PERIOD

- 3 business days; additional 20 days to fund

### RESULT

Brought in by the company's consultant, Amerisource approved a line of credit and partnered with an inventory lender that allowed the company to increase inventory levels and support new sales growth. The combination of the facilities gave the Company enough availability to pay-off its current lender. Amerisource also supports the company's credit and collection function, which was key to improving the overall turnover of receivables, further improving cash flow!

## Monthly News Recap & Highlights

### Business and Industry News

03/23 [Fed's Clash with Bank of America Raises Concerns](#)

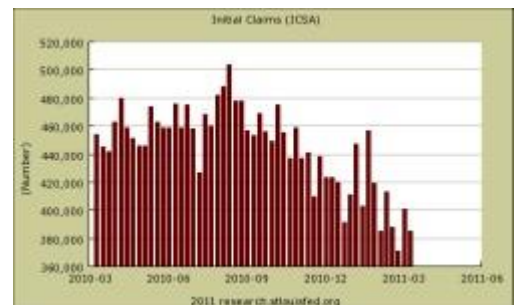
*The New York Times DealBook*

After announcing an increased dividend to shareholders earlier this month, Bank of America found that the Fed did not back their plan as submitted in January, most likely due to the bank's mortgage business. The Fed recently approved dividend increases for a group of banks after conducting a second round of stress tests on the 19 largest U.S. banks...[Read more.](#)

03/18 [Unemployment Claims Four-Week Average Lowest since July 2008](#)

*Department of Labor*

The seasonally adjusted initial jobless claims for the week ending 3/12 was 385,000 (down 16,000 from the previous week). This makes the four-week moving average (386,250) the lowest it has been since July 2008, providing evidence that the job market is on a more solid footing...[Read more.](#)



Courtesy of [www.economicpopulist.org](http://www.economicpopulist.org)

03/15 [Fed Holds Current Rate Steady](#)

*Federal Reserve*

Although stating that the economy is stronger than it was during the Federal Open Market Committee's January 2011 meeting, numerous concerns led the Fed to maintain the current target range for the federal funds rate at 0 - 0.25%...[Read more.](#)

03/07 [IFR-US High-Grade Loans Move Toward Pre-Crisis Terms](#)

*Reuters*

Investment-grade lending is expected to top \$90 billion this quarter with a number of refinancings in the pipeline.

Most of that volume has so far been driven by fewer, larger deals in the A and BBB rating categories...[Read more.](#)

03/02 [Where There's Smoke, There's Fraud](#)

CFO

"If I were out of retirement today, I'd be bigger than Bernie Madoff." That's how convicted felon Sam E. Antar feels. He and his cousin Eddie Antar, former CFO and CEO of Crazy Eddie (a consumer-electronics chain no longer in existence) were behind one of the largest frauds in the 1980s, bilking investors and creditors out of hundreds of millions of dollars...[Read more.](#)

## Amerisource Community Outreach

Amerisource and its employees are committed to giving back and enriching the communities in which we live and work. Recent causes supported or sponsored include:

03/26 Sponsor: [AGC 20th Annual Fair & BBQ Cookoff](#)

03/21 [Kim and Don Richards Family Foundation](#)

03/08 [National Multiple Sclerosis Society](#)

03/04 [Make-A-Wish Foundation](#) of the Texas Gulf Coast & Louisiana

03/01 [Houston Junior Women's Club](#)

---

## Interesting Data

**\$13,024,000,000,000**

The amount Americans have in pension fund reserves, according to Fed flow of funds data. The amount is very close to the peak seen in 2007.

Source: [Business Insider](#)

**6.6 million**

Number of tickets available for the 2012 Olympic Games in London. Ticket prices range from £20 to £2,012 (approximately \$32 to \$3,250).

Source: [BBC](#)

**\$3.8 billion**

Estimated yearly cost of lost productivity due to March Madness.

Source: [Yahoo! Business](#)

**31%**

Percentage of people who admit to lying on a resume.

Source: [Business Insider](#)

**Hawaii**

**The happiest, healthiest state**

The "happiest, healthiest" state in the U.S. with a well-being index score of 71.0 based on factors such as frequency of exercise (57.6% exercise frequently), number of uninsured (only 10.6% of the state's population), frequency of consuming produce (59.3% frequently eat fruits and vegetables) and obesity (only 20.1% are obese)

**\$4.3 million**

The amount fetched for a 1952 Ferrari 340 Mexico Vignate Coupe in a recent Florida vehicle auction. The auction broke records with total sales of \$24.3 million worth of classic performance and luxury cars.

Source: [Fox News](#)

Source: [Business Insider](#)

## 200,000 RSVPs

Number of RSVPs received in 24 hours after an Australian girl posted her birthday party invitation on Facebook. The event was soon cancelled.

Source: [Fox News](#)

32%

The percentage of homes bought entirely with cash in January 2011. This represents an increase over the previous year's figure of 26%; according to the National Association of Realtors.

Source: [CNN Money](#)

## \$78,200

Price per square meter of real estate on China's Severn Road, making it the most expensive real estate in the world (equivalent to \$8,700 per square foot). Severn Road ranked 8th priciest in 2009, but the cost per square meter has risen 9%, vaulting it to the top spot in 2010 and 2011.

Source: [Business Insider](#)

#2

Diet Coke has become the country's second most-consumed soft drink, topping Pepsi for the first time. The top position still belongs to regular Coca-Cola, with 17% market share. (Diet Coke and Pepsi have a 9.9% and 9.5% market share, respectively.)

Source: [MarketWatch](#)

## 500

The number of newsroom jobs lost in the 2010 decade. This represents a 30% decline from 1,500 to 1,000 jobs since 2000.

Source: [State of the Media](#)

80%

Percent of toddlers who go on-line weekly. So what are they doing online? According to a recent study, 60% of children under 3 years old are watching videos online and 30% are using video chat.

Source: [Huffington Post](#)

---

## Closing Thoughts

Spring has sprung in South Carolina! Although we're enjoying warm days and azalea blooms in the Southeast, it's hard not to think about all that's going on a little farther from home. The situation is still unfolding after the natural and nuclear disasters in Japan.

With [54](#) nuclear reactors in a country of [145,882 square miles](#), Japan's newly-extended [12 mile](#) radiation evacuation zone (the U.S. has enacted a 50 mile evacuation zone for its citizens) only covers a small part of the island-nation, but it is possible that the damage extends farther, with reports of minor radiation on the [U.S.'s East Coast](#) and [radioactive seawater](#) spreading about a mile north of the Fukushima plant. On the other hand, with [104](#) nuclear reactors (in a total of 31 states) and a total square mileage of [3,537,438.44](#), the United States would be affected differently if a similar disaster were to occur on our soil. Fifteen of those 104 reactors are located in the [New Madrid Seismic Zone](#), however many point out that what has occurred in Japan is extremely unlikely to affect the U.S. in such a catastrophic manner if a natural disaster such as an earthquake were to occur close to a nuclear power plant.

And, of course, the continuing unrest in the Middle East and North Africa, with particular emphasis on Libya, has the world on edge. Without question, the human losses and effects in both places are unthinkable, and I think we

all share in these countries' grief for those who have been lost and displaced.

The economic effects are also worth noting. Oil prices have spiked in the wake of airstrikes on Libya by a western coalition including the U.S. Oil is now trading at close to [\\$104 a barrel](#) with prices unlikely to decline any time soon, as the unrest continues in many Middle Eastern and North African countries. It is estimated that Libyan oil production has dropped from [1.6 million barrels to 600,000](#) per day and is likely to remain both low and volatile for years, according to [analysts at J.P. Morgan](#).

It is unlikely that we know exactly what is to come from the events across the globe and how they will affect our lives, both professionally and personally, thousands of miles away. For now we will watch, wait and [help](#) however we can.



Lynn Collins  
Regional Market Manager

## About Amerisource

Founded in 1984 and with offices nationwide, Amerisource is one of the largest and fastest-growing independent commercial finance companies in North America. Amerisource provides working capital financing and outsourced management services to small and middle market companies with financing needs from \$50,000 to \$10,000,000.

Core products include asset-based lending revolvers, accounts receivable factoring, seasonal bank "over-lines", outsourced A/R, credit and collections management, debtor-in-possession ("DIP") financing, trade finance for importers, and export factoring.

Amerisource also provides portfolio management and servicing for banks through its private label program America's Back-Office for Lenders™, portfolio acquisitions and liquidations, and rediscount lines of credit.

Amerisource Funding, Inc. | 7225 Langtry Street, Houston, Texas 77040 | 713 863 8300 or 800 US MONEY  
[www.amerisourcefunding.com](http://www.amerisourcefunding.com)

Have questions or comments?

Contact the editor at [kcotton@amerisourcefunding.com](mailto:kcotton@amerisourcefunding.com) or 713 863 8300 x 246