



THE SOURCE

October 2011



Financing America's Fastest Growing Companies™

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NEW CLIENT HIGHLIGHTS

Amerisource is pleased to announce it closed and funded **18 new client relationships in July and August 2011**. This brings year-to-date total new funded commitments to just over \$40 million. We've highlighted two of these new clients below.


**Machining and
Fabrication Company**
in North Carolina

has completed a

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

with

ameriSOURCE®
Freedom to Grow

REFERRAL SOURCE

- Company's banker

SITUATION

- Machining and metal fabricator; in business since 1997
- Company had a very profitable business prior to 2008 and had moved into a new, larger building while maintaining the mortgage on the original property; the Company's bank financed both properties
- As the Company's business slowed due to the recession in 2008, it fell behind with the bank and payroll taxes



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APPROVAL PERIOD

- 1 business day; additional 9 days to fund

RESULT

The Company's bank brought in Amerisource to help the Company bring its bank payments current and pay off past due payroll taxes. As the Company's business continues to improve, Amerisource's credit line is available to help finance additional growth.



Wholesale Packaging Company in California

has completed a

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

with



REFERRAL SOURCE

- Company's consultant

SITUATION

- Distributors of steel strapping for packaging; in business since 2010
- Company was able to quickly establish large credit limits with suppliers despite being a young business. But, these limits were not high enough to accommodate sustained sales growth
- Company growing quickly and needed additional working capital to sustain continued growth

APPROVAL PERIOD

- 1 business day; additional 12 days to fund

RESULT

Because of Amerisource's working capital infusion, this Company has been able to continue its business growth in spite of inadequate supplier credit limits. Additionally, the improved cash flow has enabled the Company to pay suppliers quickly to obtain discounts and further credit support.

Awards and Recognition



3-Time Winner



Top Private Companies
5-Time Winner



Southwestern Bell

Special Award for Jobs Creation
3-Time Winner



2-Time Winner



4-Time Winner



3-Time Winner



MONTHLY NEWS RECAP & HIGHLIGHTS

Business and Industry News

10/24

[Small Business Owner Optimism for the Future Drops to Lowest Point in 2011](#)

Yahoo! Finance

Small business owners reported a slight drop in optimism for an optimism index score of -3. The past two index readings showed small business owners at 0, indicating neither optimism nor pessimism, according to this Wells Fargo/Gallup Business Index performed in early October...[Read more.](#)

10/24

[Pepperdine University Study Shows Business Confidence Drops 34% over Last Six Months to New Low of 19%](#)

MarketWatch

According to a recent State of Small Business Report, small business owners' confidence has dropped 34% from Spring 2011 to Fall 2011. Those same business owners have expressed pessimism moving forward about the overall economy, with only 29% expecting an improvement in business conditions in the next year...[Read more.](#)

10/23

[It'll be a Grinch's Holiday Season When the U.S. Credit Rating Gets Downgraded Again](#)

Forbes

If Moody's Investor Service or Fitch Ratings downgrades the U.S. credit rating, forecasts show that the impact will be greater than what was seen after the recent S&P downgrade. The Congressional super committee has a Thanksgiving deadline to identify \$1.2 trillion in deficit savings, and without meeting that goal there is a real possibility of yet another downgrade...[Read more.](#)

10/22

[AMR Shares dip, analyst says bankruptcy is likely](#)

NewsOK

Unless AMR Corp. (parent company of American Airlines) obtains more cash or a break from lenders, bankruptcy may be in the future for the company. Shares recently dropped 6.6% to \$2.59; other U.S. airlines have also seen a recent drop in stock price, but have declined less than half as much as AMR...[Read more.](#)

10/18

[Delaware Bankruptcy Capital Status May End with Proposed Law](#)

Bloomberg

If Delaware loses its status as the premier venue for U.S. bankruptcy cases, it could cost the state \$100 million per year. A bipartisan bill has been sponsored by the leaders of the House Judiciary Committee to do just that. The legislation's goal is to prevent court-shopping and force companies to reorganize at home. Delaware's two senators oppose the bill...[Read more.](#)

10/18

[Bank of America Loses Title as Biggest in U.S.](#)

DealBook - The New York Times

Bank of America continues to sell off assets and shrink its balance sheet, causing it to relinquish its title as the nation's biggest bank, now second to JPMorgan Chase. BofA now holds \$2.22 trillion in assets to JPMorgan's \$2.29 trillion. JPMorgan also tops the former leader in terms of branches and total deposits...[Read more.](#)

10/17

[Recent Trends in Small Business Lending](#)

Federal Reserve Bank of San Francisco Economic Letter

Small business loan portfolios continue to shrink, but among smaller banks, small business lending not backed by commercial real estate looks healthier than loans secured by commercial property. Additionally, small commercial and industrial loans at larger banks are showing signs of turnaround, hinting at stabilization...[Read more.](#)

10/17

[New U.S. Bankruptcy Ripples May Emerge in Tough Economy](#)

Business Recorder

Nearly three years after the recent financial crisis began, corporate failures may see a resurgence. A combination of an unsteady economy, weak consumer spending, a shaky junk-bond market and tight lending practices are a serious threat to many struggling companies...[Read more.](#)

10/06

[Groundbreaking Study Shows the Strength, Resiliency and Viability of the Middle Market and Further Defines this Critical Market Segment](#)

The Street

A recent study by Ohio State University and GE Capital found that middle market firms have been surprisingly resilient throughout this economic crisis. The study also found that middle market firms generate \$3.84 trillion of the U.S. private sector GDP and 80% of them expect to grow over the next 12 months...[Read more](#).

09/21

[How to Decide if Entrepreneurship is Right for You](#)

The Wall Street Journal

Thinking about starting your own business? Here are five questions to ask yourself before going out on your own: 1) Am I passionate about my product or service? 2) What is my tolerance for risk? 3) Am I good at making decisions? 4) Am I willing to take on numerous responsibilities and 5) Will I be able to avoid burnout?...[Read more](#).

INTERESTING DATA

55%

The percentage of middle market firms that say they face challenges when it comes to accessing money from the capital markets.

Source: [The Street](#)

Wausau, WI

The city whose residents have the best average credit score in the U.S., with an average score of 789, compared to the nation's average of 749. The city with the lowest average credit score is Harlingen, TX, with residents averaging only 686.

Source: [Main Street](#)

67%

The percentage of BlackBerrys sold to people **outside** of the U.S in recent years. There are currently more than 70 million BlackBerry users worldwide.

Source: [New York Times](#)

Cheese

The most popular pizza topping in the U.S. Other toppings in the top five list include pepperoni, tomato, onion and mushrooms.

Source: [Nation's Restaurant News](#)

Coca-Cola

Ranked the #1 global brand of 2011. The beverage company is followed by IBM, Microsoft, Google and GE – with no change from the top 5 ranking order of 2010. Notably, Apple cracked the top ten for the first time.

Source: [Interbrand](#)

103.9%

The U.S. wireless penetration rate... meaning that there are now more cell phone subscriptions than people in the United States. That rate has jumped 9% since mid-year 2010.

Source: [BGR.com](#)

Charlie Chaplin

The first actor to appear on the [cover](#) of Time magazine (in 1925). Chaplin reportedly once appeared in a Charlie Chaplin look-alike contest...and lost!
Source: [Biography Central](#)

60%

The decline of Google+ traffic since its September 20 public launch, according to some estimates.
Source: [Daily Mail](#)

73.8%

The percentage of people who rate "a speaker who reads the slides to us" as their biggest PowerPoint annoyance. Also making the list: "full sentences rather than bullet points" and "tiny text."
Source: [ThinkOutsidetheSlide.com](#)

Florida Institute of Technology

The fastest-growing private, nonprofit college campus in the U.S. From 2004 to 2009, FIT saw a 76% increase in enrollment.
Source: [The Chronicle of Higher Education](#)

87.9% decline

The change in sales (2001-2010) seen by the most rapidly-shrinking restaurant chain in the U.S.: Bennigan's Grill & Tavern. After filing for Chapter 7 in 2008, all 160 corporate-owned locations closed, but 138 franchised storefronts remained open. However, as of 2010, only 35 of those franchise locations remain open.
Source: [MSNBC](#)

71%

The percentage of middle market firms that state they are challenged by regulatory compliance.
Source: [The Street](#)

CLOSING THOUGHTS

QE3? We'll know after the FOMC's next meeting which ends November 2, and Ben Bernanke will hold his first press conference since June. So far, the signs from many Fed officials lead to speculation that the quantitative easing will happen, but others (like Chicago Fed president [Charles Evans](#)) have proposed that the Fed commit to keeping the interest rate at 0% until either the unemployment rate drops below 7% or the outlook inflation over the medium term rises above 3%. However, the economy is predicted to grow between [1.5% and 2.5%](#), which would likely preclude any further quantitative easing.

While many eyes are on the economy, many others have been speculating about the 2011-12 NBA season. The lockout has forced the organization to cancel another two weeks of scheduled games, resulting in the loss of nearly a month (202 games) of the regular season. Bloomberg estimates that the lockout will cause a loss of [\\$1 billion](#) if the entire season is lost due to an impasse between the two sides. Can't we all just get along?



Andy Allaire
Regional Market
Manager

And, unfortunately for Netflix, the leaves aren't the only things falling this season. The company, one of the highest performing just a few months ago, has seen a [60% drop](#) in the past three months after a now infamous price increase and splitting of the company's services. The company had estimated a subscriber drop of 600,000 users, but has already seen [810,000 subscribers](#) leave the service and Q4 is projected to see an even greater loss.

At Amerisource, we wish you more treats than tricks as we head into the holiday season and begin wrapping up 2011. Our goal is to send 2011 out with a bang and make it one for the record books. If you know of a business that could benefit from our services, please give us a call. We'd like to help as many companies as possible to start off 2012 on the right financial foot!

About Amerisource

Founded in 1984 and headquartered in Houston, Texas, Amerisource is one of the largest and fastest-growing independent commercial finance companies in the country. Amerisource provides working capital financing and outsourced receivables management 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.



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