

THE SOURCE

July / August 2012

ameriSOURCE[®]
Freedom to Grow



Financing America's Fastest Growing Companies™

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NEW CLIENT HIGHLIGHTS

Amerisource is pleased to announce it closed and funded **11 new client relationships in May and June 2012**, contributing to total new funded commitments of just over \$20 million. We've highlighted two of these new clients below.

\$200,000
A/R Finance Facility



Petroleum & Lubricant Wholesaler

Illinois
May 2012

REFERRAL SOURCE

- Amerisource client

SITUATION

- Wholesaler of petroleum and lubricants with 25 employees; in business since 2009.
- Newer company with experienced management team starting to achieve velocity in sales growth and needed working capital to finance ongoing operations and growth.
- One of the Company's suppliers was a long-term customer of Amerisource and recommended Amerisource as a solution to their financing needs.

APPROVAL PERIOD

- 5 business days; additional 3 days to fund.



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Awards and Recognition



3-Time Winner



Top Private Companies
6-Time Winner

RESULT

With Amerisource's financing in place, the Company has been able to maintain its sales growth momentum and continue to pursue its expansion plans.

REFERRAL SOURCE

- Company's consultant

SITUATION

- Provider of drilling and blasting services with 35 employees; in business since 1969.
- Company had successfully emerged from a Chapter 11 bankruptcy and was achieving steady growth in revenue.
- Company had maintained its bank line of credit throughout its bankruptcy and emergence, but the bank had reduced the Company's availability post-petition. The Company now needed a larger line of credit to sustain its new sales growth.

APPROVAL PERIOD

- 2 business days; additional 5 days to fund.

RESULT

After many years in business, including a successful Chapter 11 reorganization, this Company needed more financing than its bank line of credit was able to provide. With help from its consultant and Amerisource, the Company is back on track and looking forward to a great year.

\$1,250,000

A/R Finance Facility



Drilling & Blasting Services

Georgia
June 2012



Southwestern Bell

Special Award for Jobs
Creation
3-Time Winner



2-Time Winner



4-Time Winner



3-Time Winner



BBB
Rating:
A+

as of 8/27/2012

[Click for Review](#)

MONTHLY NEWS RECAP & HIGHLIGHTS

Business and Industry News

08/22

[Fed Says Additional Stimulus May Be Needed](#)

The Boston Globe

Many participants at the Fed's most recent meeting felt that a new, large-scale asset-purchase program could provide support for an economic recovery in the U.S. Members also voiced opinions that such a monetary accommodation could be warranted soon...[Read more.](#)

08/14

[Europe Contracts, Concerns Widen](#)

The Wall Street Journal

Recently-published data shows the euro zone's \$13 trillion economy is shrinking; this contraction could worsen a global economic slowdown and create more roadblocks for Europe in restoring confidence in the Euro...[Read more.](#)

08/04

[Growing Firms Need to Look Beyond the Big Banks for Credit](#)

The Economist

Like their counterparts in America, Britain's banks are still not lending to businesses as much as they used to. Bank credit is likely to remain low even when business confidence recovers, according to *The Economist*. Basel 3 makes small business lending a costly venture...[Read more.](#)

08/01

[Small-Business Borrowing Falls in June](#)

Reuters

This summer lending to small businesses fell to the lowest level since October, which suggests that the economy's slowing is likely to continue without any action by policymakers. The Fed says it is still considering additional stimulus initiatives to bring down unemployment and re-start growth...[Read more.](#)

07/25

[Former Citigroup CEO Weill Says Banks Should Be Broken Up](#)

Bloomberg

Creator of Citigroup Sandy Weill believes that banking and investment banking should be separated, eliminating banking conglomerates like the one he created. In order to prevent another financial crisis, Weill joins regulators, investors, analysts and lawmakers in calling for the break-up of "too big to fail" banks...[Read more.](#)

07/21

[Growth Cooled as Americans Curbed Spending: U.S. Economy Preview](#)

Bloomberg

In Q2 the economy expanded at its slowest pace in a year due to Americans cutting back on their spending. GDP rose at a 1.4 percent annual rate after a 1.9 percent gain in Q1. Additionally, consumer purchases (accounting for about 70 percent of the economy) are weakening....[Read more.](#)

07/17

[Fed Dims View, Weighs Its Options](#)

The Wall Street Journal

Fed Chairman Ben Bernanke has delivered another bleak assessment of the U.S. economy but said little about what, if anything, the Fed would do about it. Bernanke was vague, saying "We haven't really come to a specific choice at this point"...[Read more.](#)

07/11

[NSBA Survey: Small Business Financing an Ongoing Problem](#)

WLNS - 6 News

Cash flow issues continue to haunt small business owners, according to a new survey from the National Small Business Association. Nearly half of small business owners report that they needed funds at one point in the last four years and were unable to find any lenders for those funds...[Read more.](#)

07/06

[The Risk Is Back for Corporate Cash](#)

CFO

The U.S. government's Transaction Account Guarantee (TAG) program has been in place since October 2008 and has provided unlimited insurance on businesses' noninterest-bearing transaction accounts (like those used for payroll processing) since. When the program expires at the end of 2012 noninterest-bearing transaction accounts are insured up to \$250,000, forcing treasurers to start managing their cash transaction accounts more closely to guard against greater counter-party risk...[Read more.](#)

07/06

[Big Customers Are Taking Longer to Pay](#)

The Wall Street Journal

Small businesses are waiting longer for commercial customers to pay their invoices because many large companies are hoarding cash to bolster their own working capital. Beginning with the recent recession and becoming worse in recent years, this trend is putting increasing pressure on small business owners...[Read more.](#)

07/01

[BofA's Blunder: \\$40 Billion-Plus](#)

The Wall Street Journal

Four years ago, Bank of America purchased Countrywide for \$2.5 billion. That decision has already cost BofA more than \$40 billion in real estate losses, legal expenses and settlements. One banking and finance scholar even calls the purchase "the worst deal in the history of American finance"...[Read more](#).

06/28

[Optimism Among Large Company CFOs Tumbles Again; Corporate Performance Expected to Slow](#)

MarketWatch

CFO's optimism on the global economy continues to be low. Although optimism last quarter increased, continual bad economic news forced CFO optimism to decline again this quarter in this quarterly survey...[Read more](#).

INTERESTING DATA

34%

The percentage of home purchasers in July who were first-time homeowners. First-time homeowners account for 40% of purchasers under normal economic conditions.

Source: [MarketWatch](#)

\$140,500

The average amount of money seniors who become victims of financial abuse lose to misleading marketing schemes or other scams.

Source: [CNN Money](#)

Angela Merkel

The world's most powerful woman, for the second year in a row, according to *Forbes*. Hillary Clinton takes the #2 spot on the list and Brazilian President Dilma Rousseff is #3.

Source: [Forbes](#)

New York Yankees

Baseball's most valuable team, worth \$1.85 billion. Second to the Yankees in value are the Los Angeles Dodgers. The Dodgers are worth \$1.4 billion and have increased in value 75% since last year.

Source: [Forbes](#)

92 years old

The age of the oldest CEO of a business listed on the NYSE or NASDAQ. Mr. Melvin Gordon has been the CEO of Tootsie Roll since 1962.

Source: [The Wall Street Journal](#)

\$175-\$200 million

The estimated economic impact of this year's Republican convention in Tampa. The Democratic convention organizers declined to publish an estimated economic impact of that event, but the party's last convention (held in Denver) was estimated to boost the local economy by \$150 million.

Source: [The Wall Street Journal](#)

40%

The estimated percentage of the U.S. workforce comprised of Generation Y by 2020, far outnumbering any other generation. Generation Y (aka Millennials) is defined as those born in the 1980s and 1990s.

Source: [The Wall Street Journal](#)

\$290.5 million

The net worth of the wealthiest member of Congress, Texas Representative Michael McCaul. McCaul's father founded Clear Channel Communications. Massachusetts Senator John Kerry is second on the list with a net worth of \$198.8 million.

Source: [CNN Money](#)

58%

The percentage of employment attributable to workers over 55 years old in the past year, making unemployment for workers over 55 years of age 6.2% in July 2012. The unemployment rate for workers aged 18 to 29 years was 12.7% for the same time period.

Source: [MarketWatch](#)

AmEx

Voted America's favorite credit card for the sixth year in a row for customer satisfaction. Just missing top honors was Discover Card, followed by Chase in the #3 spot.

Source: [CNN Money](#)

48%

The percentage of all mortgage borrowers under age 40 who are underwater on their mortgage, which is about twice the rate of borrowers who are older than 40.

Source: [CNN Money](#)

19 million

The number of Americans who live in areas where high-speed Internet isn't available, meaning 6% of the U.S. population lacks broadband access.

Source: [The Wall Street Journal](#)

21%

The percentage of U.S. adults who have at least one tattoo, according to the Centers for Disease Control and Prevention.

Source: [USA Today](#)

74,000

The approximate number of pages in the U.S. tax code. This year, taxes and other receipts will cover only 2/3 of federal spending.

Source: [Forbes](#) and [The Wall Street Journal](#)

CLOSING THOUGHTS

With 70 days left to election Tuesday, we are bombarded more and more with political headlines, advertisements and the phrase "super PAC." Both candidates are in full fundraising mode, raising upwards of [\\$20 million](#) a week. Fundraising is an important facet of both Romney and Obama's campaigns because [historically](#), the candidate who raises the most money is most likely to win. Only Bill Clinton (1996) and Ronald Reagan (1980) had campaign committees who raised [less](#) than their opponents and still won the presidency.

Kids are headed back to school around the country, and retailers are experiencing the back-to-school shopping rush. This year an estimated [\\$30.3 billion](#) will be spent in the U.S. on back-to-school clothing and supplies, with the average family with kids in primary, middle or high school spending [\\$688.62](#), up from \$603.63 last year. If you factor in college students as well, combined K -12 and college spending will hit almost [\\$84 billion](#) this season, making back-to-school spending second only to the winter holidays in terms of consumer spending.

Whether the results of the presidential election favor Obama or Romney, there will continue to be many issues that small and middle market business owners face as the economy struggles to get back on track. At Amerisource, we pledge to continue offering businesses the **Freedom to Grow**® by offering financing without onerous contract terms or monthly minimum. If you know of a business that would benefit from our services, please let us know!



Donna Hinrichs
Regional Market
Manager

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.

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