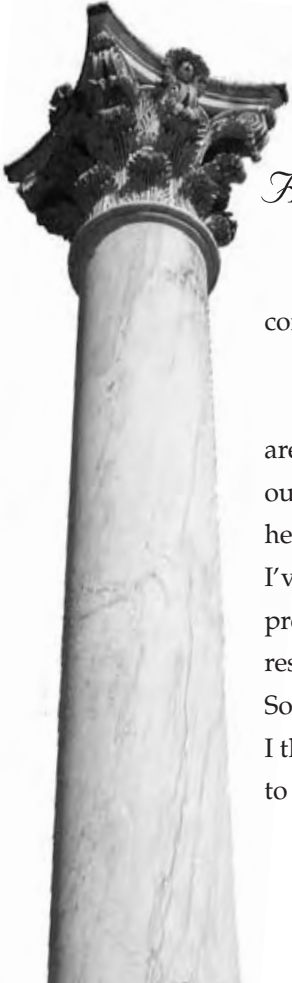


SPRING 2008

# The Community Lender

from FOSTRIAN | Business Capital Corporation

*Fostrian Business Capital is a commercial lender specializing in working capital loans to emerging companies through the factoring of their accounts receivable.*



*From Jeff:*

I hope all is well with my friends in the financial community!

Fostrian and most of the recipients of this newsletter are in the business of helping and promoting the growth of our small business clients. The more resources we have to help our clients, the better. Through my marketing travels, I've become familiar with companies, non-profits etc. that provide services to small business, and that constitute good resources for a small business to have in its arsenal of tools. Some of these resource types are not on everyone's radar, so I thought sharing what I've learned would be a good subject to deal with in this Spring 2008 newsletter.

Winter has passed.... enjoy the spring and summer!

# RESOURCES.... RESOURCES.... RESOURCES....

At Fostrian, we're keen on doing everything in our power to assist our clients in their growth and overall development. One key element of this mission is to have good resources available to whom we can refer our clients when a client has a need. In the following text, I'll share some of these types or organizations, and where appropriate, list specific "players" (companies, non-profits, governmental agencies etc) that I'm familiar with and think have earned credibility in the marketplace.

## Community Lenders/Micro Lenders

These organizations are generally non-profit firms whose mission is to provide debt capital to businesses with needs that the private market is not fulfilling. The goal is to help small businesses, and in helping small businesses, to create jobs and overall economic development in the communities where these small businesses are located. The loans available tend to be inexpensive and in the smaller dollar range. These organizations often also provide business counseling and other support help to their clients.

*Players:* Chicago Community Ventures; Accion Chicago; Business Empowerment Center (Gary Indiana); CEDA; the Bi-State Revolving Loan Fund (Rock Island, IL)

## Small Business Development Centers (SBDCs)

SBDCs are generally backed jointly by the SBA, the state and the organization where the specific SBDC is housed. Their services are free of charge and include assistance in developing/writing a business plan, the procurement of government contracts, obtaining financing, accessing educational programs and materials, and overall one-on-one business counseling.

## SCORE (Service Corps Of Retired Executives)

Similar to the SBDCs, SCORE is a non-profit organization, affiliated with the SBA and provides free business counseling to small business. SCORE has 389 chapters nationwide and is staffed with 10,500 volunteer retired executives.

## Part-time CFO/Accountants

All small businesses need a good accountant and skilled financial oversight. But many aren't large enough, or don't have enough work, to support a fulltime Controller or CFO on the payroll. There are companies out there that can solve this problem by providing a part-time Controller and/or CFO to these small businesses.

*Players:* McD& S Business Services; Complus, Inc.

## Minority Owned Business Assistance

There are a slew of agencies whose specific mission is to provide assistance to minority owned businesses. They do anything from help with procuring large contracts to assistance in arranging financing to one-on-one general business counseling. For those interested in finding out what help is available, a search on the web or a call to a Chamber of Commerce, the city, county, state, SBA etc. will unveil many



of the agencies in our market area that are ready and willing to help minority owned businesses.

*Players:* Gary (IN) Minority Business Opportunity Center (Gary MBOC); Chicago Minority Opportunity Center (Chicago MBOC)

## Business Evaluation Specialists

There are times when it is important for a small business owner to know the real value of his/her business. It might be when he/she is planning to sell the business, or thinking about bringing on a partner, or settling with a deceased partner's estate, etc. In these situations, it can be difficult for an owner to determine what the actual value of the business is. There are business evaluation specialists out there that can help determine a business's value, AND that appreciate small business as an important element of their clientele.

*Players:* Filotto Professional Services; Cray, Kaiser LTD.

## Export-Import Bank of The United States

The objective of this agency of the federal government is to promote exports from American companies of all sizes. In pursuit of this objective, it offers to companies, for a fee, credit insurance on the company's foreign receivables. This takes the credit risk out of the export equation and smoothes the road for companies pursuing export opportunities. These insurance guarantees also help companies to obtain financing. By in effect strengthening the company's foreign receivables, the Ex-Im Bank has helped the company create collateral (foreign receivables) that a lender would now be willing to lend on, where the lender wouldn't have prior to these foreign receivables being insured.

There are many organization types out there that can help small businesses. These are just some that I've had some dealings with recently, and that I wanted to share with you in this newsletter. If you have any questions, or want more specific information, please feel free to call me anytime.

*Jeff Jentgen*  
President

Fostrian Business Capital Corporation