

Panel 2: Emerging and Alternative Sources of Credit

**Kevin Catalano, Loan Portfolio Manager, Albany-Colonie Regional Chamber
(No PowerPoint)**

**Joe Landy, Senior Loan Officer, Community Loan Fund
(No PowerPoint)**

**Derek Deneckla, Founder, Food Shed Investors NY, Slow Money NYC
(PowerPoint Included)**

**Brian Weiner, VP - Business Development, Bibby Financial Services (Midwest), Inc.
(PowerPoint Included)**

**Erica Dorn, Entrepreneur + Food Business Consultant
(No PowerPoint)**

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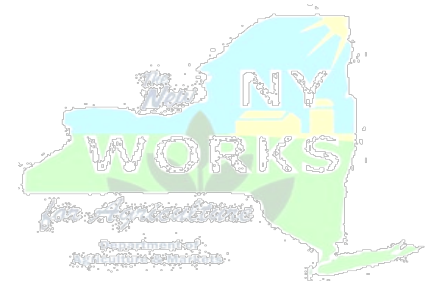
**Food+ Beverage
Enterprises**

Tuesday, June 24th

Kevin Catalano

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Albany-Colonie Regional Chamber

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Joe Landy

Senior Loan Officer

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Email: Joe@mycommunityloan.org



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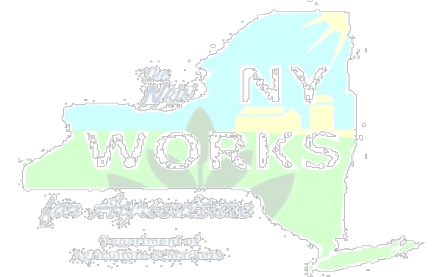
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Derek Denckla

Founder

Food Shed Investors NY & Slow Money NYC

Email: Derek@denckla.com





Funding Small Food & Farm Enterprise

Access to Capital: Food + Beverage Enterprises

Empire Plaza, Albany

June 24, 2014

What is it?

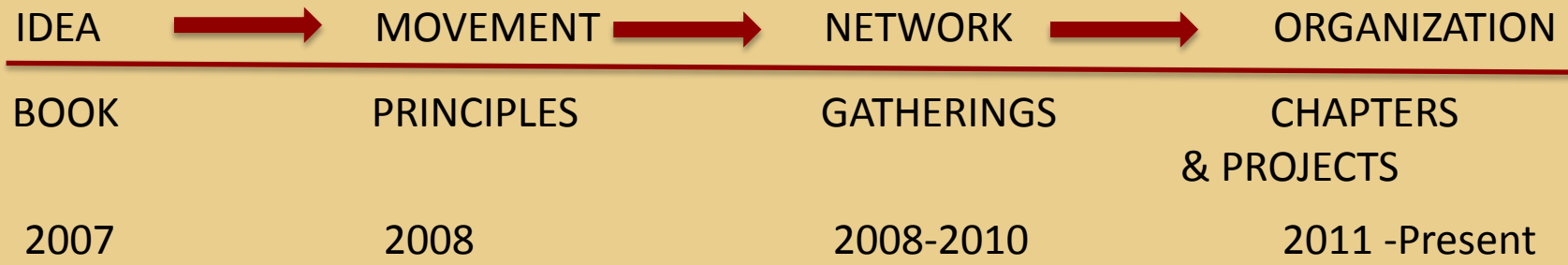
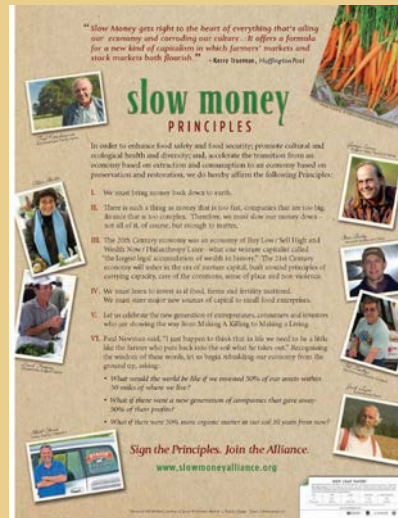
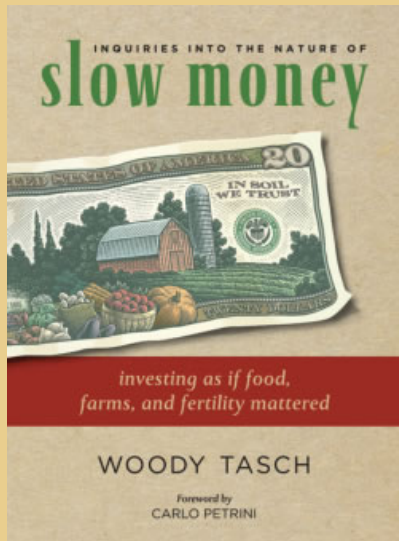


**ANGEL
INVESTOR
NETWORK**

**INVESTMENT
FOCUSED ON
SMALL
LOCAL
SUSTAINABLE
FOOD &
FARM
BUSINESSES
SERVING
NYC
FOODSHED**

Office: 232 East 11th Street, NY, NY 10007

WHAT IS SLOW MONEY?



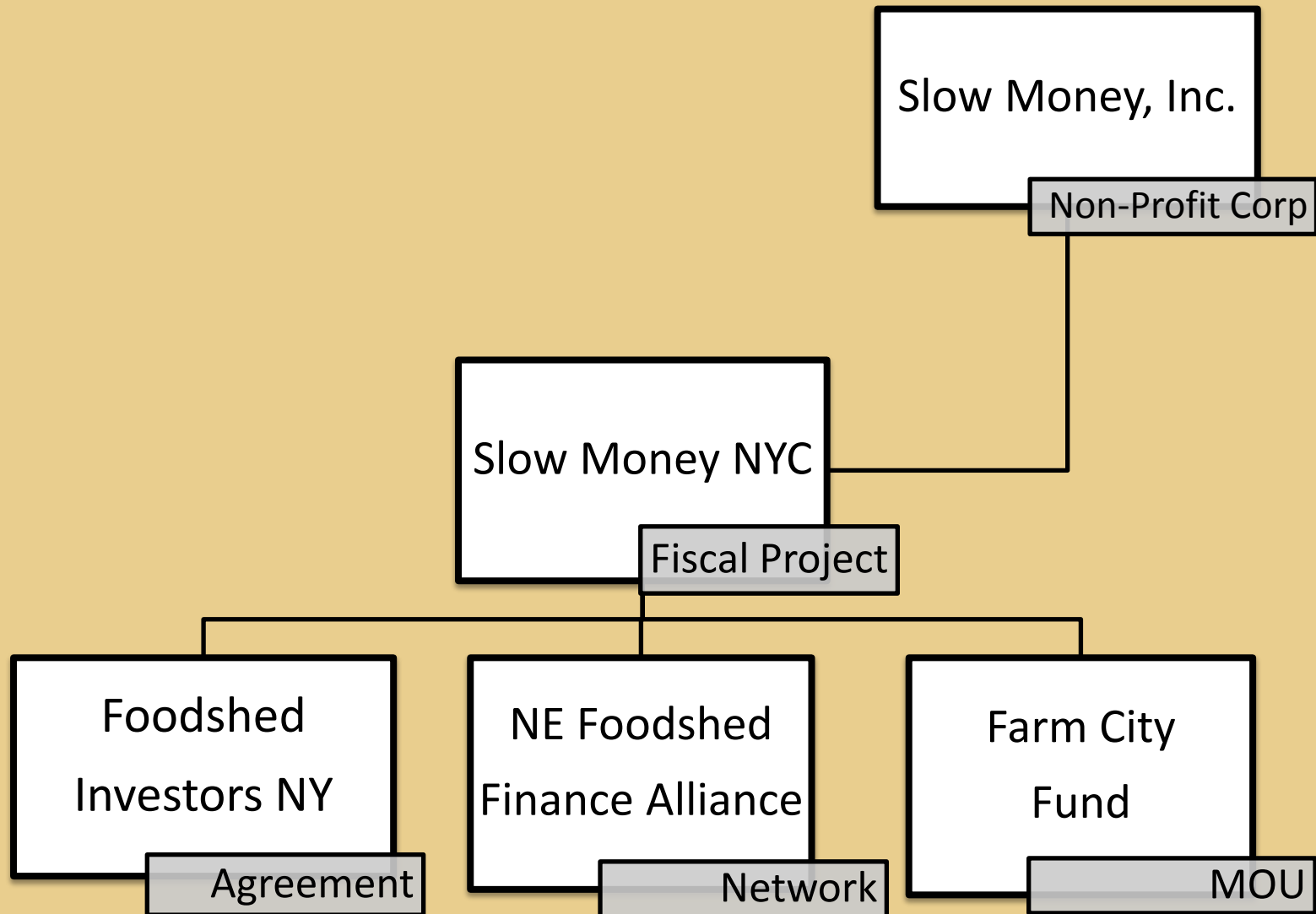
**Invest as if
Food,
Farms and
Local
Economies
Mattered**





Mission

To build a diverse network focused on aligning money and values through investment in local, sustainable agribusinesses in the New York City foodshed.



FOODSHED INVESTORS – SELECTION CRITERIA

#1: Local?

#2: Sustainable?

#3: Small?

#4: Viable?

Degrees of Separation from Soil?

0°  Production & Harvest

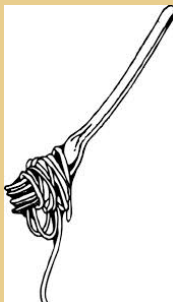
1°  Distribution

2°  Process & Pack

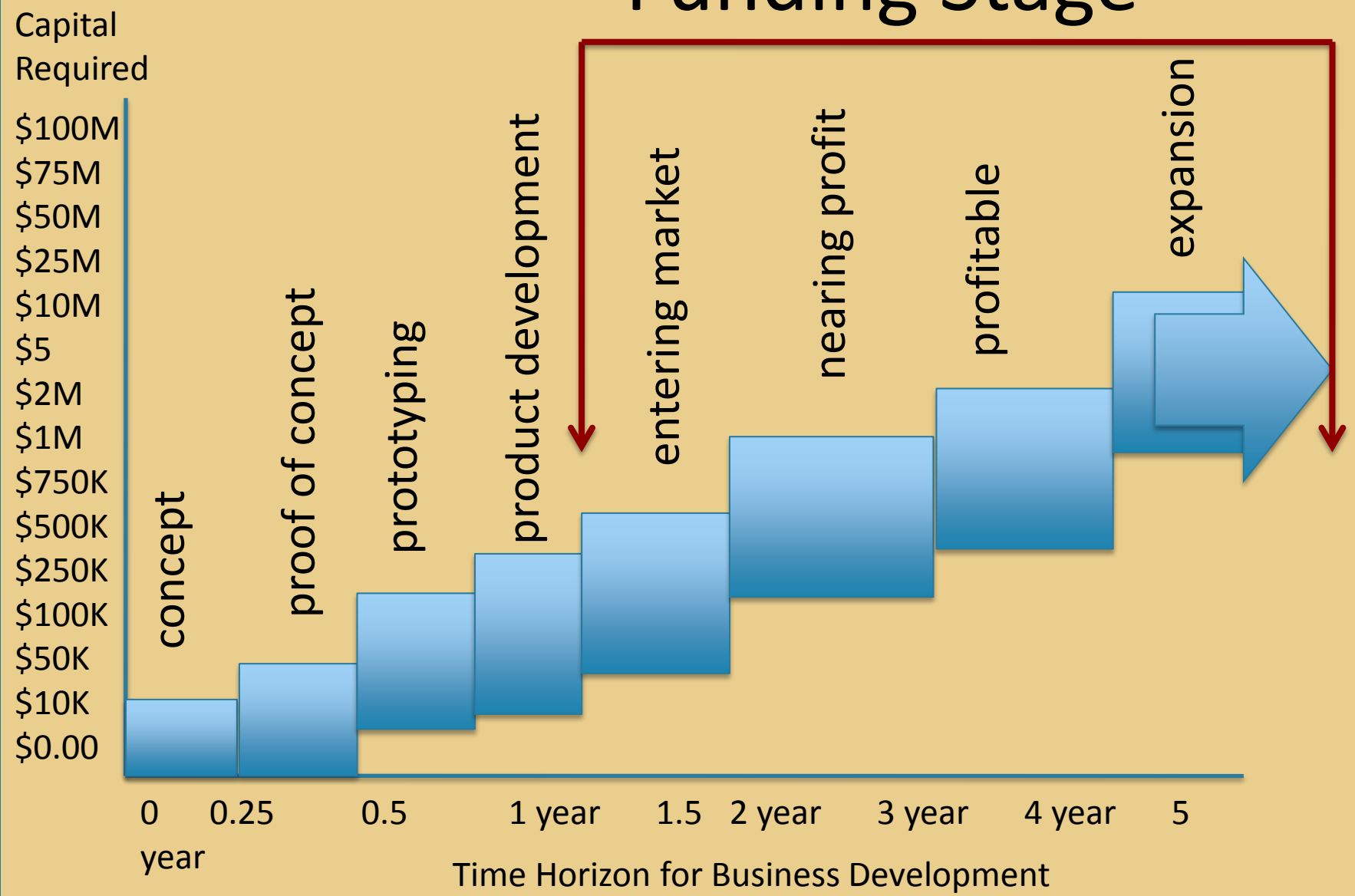
3°  Market & Brand

4°  Deliver

5°  Retail

6°  You

Funding Stage



CONTACT

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Network Director

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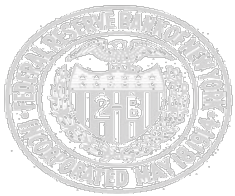
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Brian Weiner

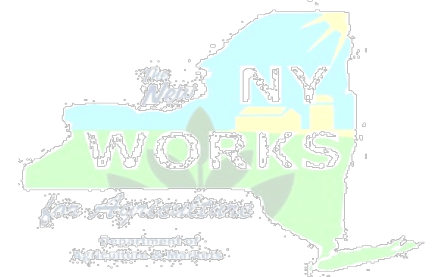
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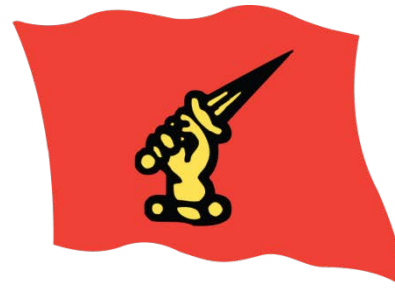
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BIBBY

FINANCIAL SERVICES



Your Invoice **Finance Experts**

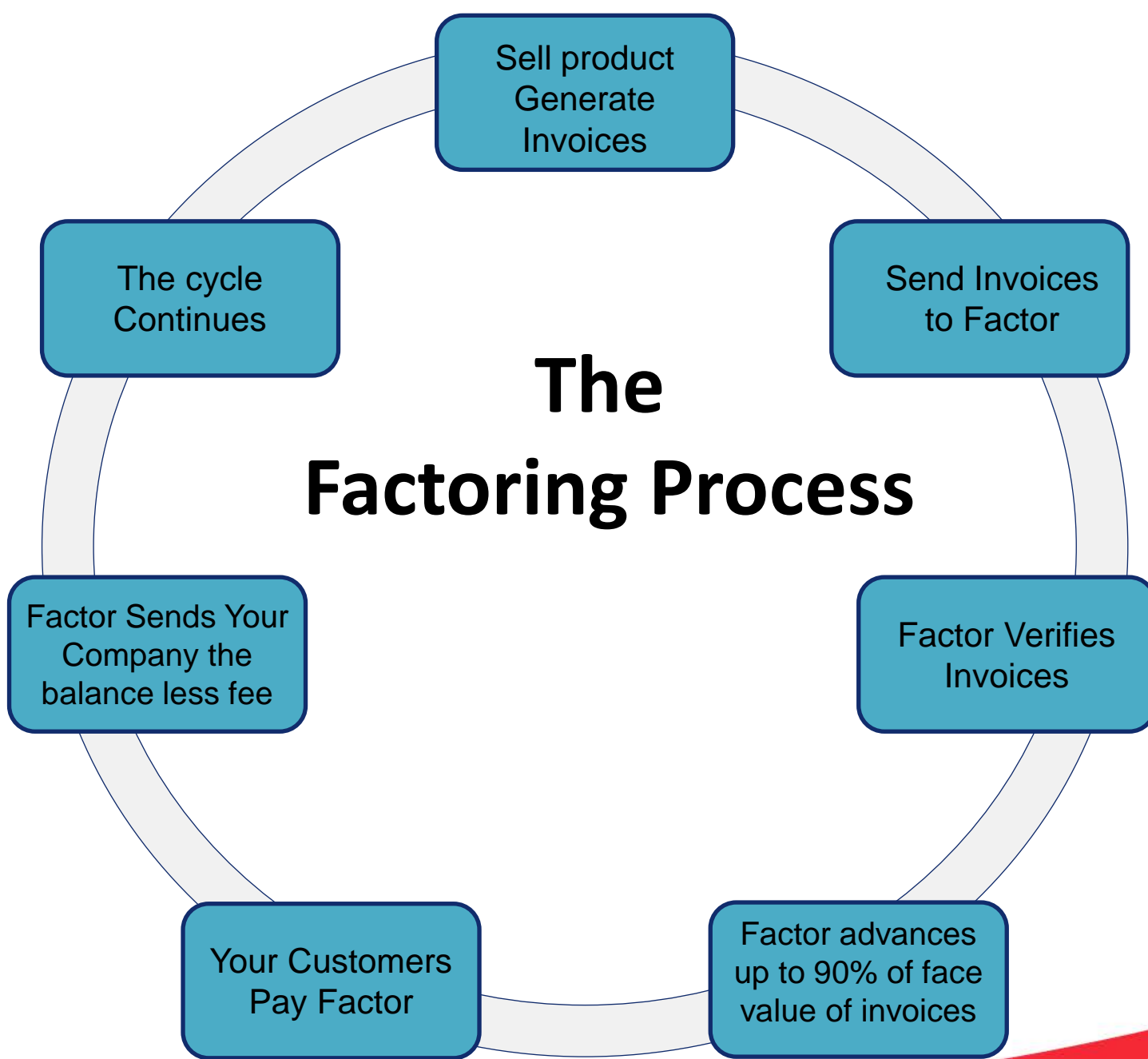
Factoring 101

Factoring:

Is a flexible funding and collections service which releases cash early that is tied up in outstanding customer invoices.

Factoring is not a loan.

The Factoring Process



Factoring has been around for a long time.

Ancient Greece
Around 444 B.C.



The Factoring Industry started in the USA in the early 1900's.



- US Factoring Market share in 2011 was over \$88 billion.
- 40% of the factoring volume came from the Northeast.



Who factors ?

- Companies that are in turnaround or bankruptcy.
- Companies with double digit growth.
- Companies with seasonal needs.
- Start ups.
- Companies that have suffered a financial setback.
- Exhausted line of credit.

The Numbers (how it works)

Day 1

Invoice Amount	\$1000.00 (delivered and billed)
Advance (80%)	\$ 800.00 (normally the next day)

Day 30

Check Received	\$1000.00 (posted daily)
Advance re-paid	(\$800.00)
<u>Transfac's fee (2%)</u>	<u>(\$ 20.00)</u> (fees calculated on gross)
Rebate	\$180.00

Original Advance \$800.00

Total Proceeds \$980.00



- Traditional (notification – recourse)
- Non – recourse
- Non – notification (confidential)
- Hybrid

Are there different types of factoring ?

Factoring Points ?

- You can factor even if you have a loan from bank.
- Factoring is not treated as debt on a balance sheet.
- Factoring frees up your AR department as the factor chases and collects outstanding invoices.
- Manufacturers use factoring to purchase raw materials better by paying faster.
- As compared to providing a 2% 10 days payments to your customers – factoring is very cost effective.



- 
- Agriculture
 - Food & Beverage
 - Transportation
 - Manufacturers (light & automotive)
 - Temporary Staffing
 - Apparel
 - Start-up Businesses

Specialty Industries covered

Brian Weiner

Vice President of Business
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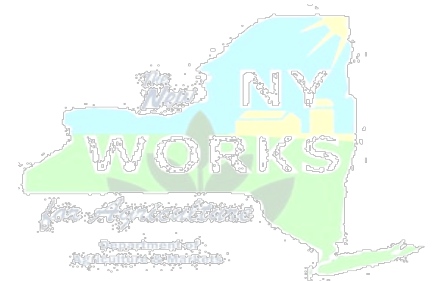
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