

CREATIVE WAYS TO FINANCE YOUR BUSINESS

BY RACHEL HERSH



Rachel Hersh, Northeast Region Sales Director
Prestige Capital Corporation

In the 16 years that I have been in the accounts receivable finance industry, I have worked with companies across a wide range of industries and sizes. What often surprises me is that a vast majority of business owners have never heard of using accounts receivable financing to create cash flow for their business.

Although banks are the traditional venue for capital, when companies are turned down by their banks either because their business is too new for bank financing, or because their financials are not strong enough to repay the loan, they often think that their only option is an equity investor.

Although for some companies, equity is a good option, for many it is not a necessary step early in the company's growth. Companies do not need to dilute equity when all that's needed is cash flow.

I had the pleasure of meeting with Daymond John; one of the investors on Shark Tank, and his associates at an awards dinner and he mentioned that many of the entrepreneurs that he works with are not familiar with factoring in the early stages of their business. He then invited me to speak at his boot camp for entrepreneurs.

Looking out at a room of over 150 early stage companies, they were encouraged to learn that if they could get their businesses off the ground and obtain orders, we would be able to assist them to find purchase order funding and then factor those invoices.

"Wow, I wish that I knew this when I had my last company that didn't succeed," said one of the business owners. That is a comment that I hear quite often, which is why I welcome every opportunity to educate business owners on the options that are available to them.

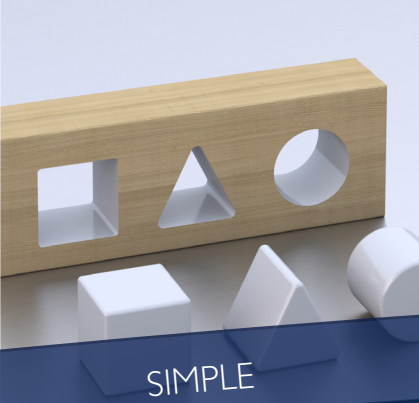
A question at a recent finance seminar summed it all up when a business owner in the room asked the banker attending the seminar why banks won't even lend money to a company that has obtained a large order. The banker quickly stated, "because banks are historians and factors are fortunetellers!"

What he meant by that, is that banks are required to review financials, and past company performance to determine if a company is qualified to repay a loan. A factor on the other hand is purchasing receivables which are a reflection of what the business is doing right now, as well as working in conjunction with purchase order companies to actually fill orders for future delivery.

By working with purchase order companies and factors, a company can look to their future, rather than their past to grow their businesses.

Those conversations that we often have with early stage and fast growth companies are exciting as we catch the energy of the entrepreneur who is bringing a product to market; finally receiving the orders that they were seeking and who are now finally speaking to a partner who will help move their business forward.

At Prestige, we have assisted many companies whose products are now household names, in food, beverage, liquor, consumer products, technology etc. We are proud of their growth and are pleased to have assisted in providing the first rounds of financing for them. They are also pleased when they come to understand that it is easier to obtain financing from factors and purchase order finance companies rather than equity and our financing services do not dilute the company's equity. That company is then a much better candidate for equity or traditional debt financing when their company has a stronger sales history.



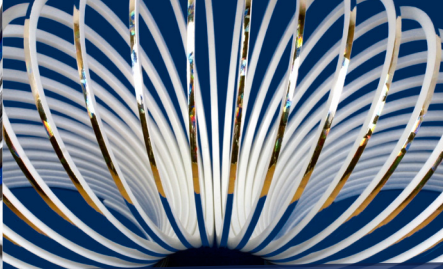
SIMPLE



FAST



STRAIGHTFORWARD



FLEXIBLE

Are you seeking cash flow for your business?

Prestige Capital Corporation can help. We are a commercial finance company specializing in factoring for small and medium-sized companies. Our financing turns accounts receivable into immediate cash for companies who do not qualify for traditional bank financing, or who don't have time to wait for a bank's lengthy underwriting process. Fast financing can help meet payroll requirements, purchase inventory, supplement an equity raise, or take advantage of new growth opportunities.

What we do

We purchase invoices from a broad spectrum of businesses whose accounts receivable range from \$100,000 to \$10 Million. With our funding resources and our knowledge of finance, we can structure innovative funding solutions to meet unique circumstances.

Why Prestige?

- No Closing Fees
- No Financial Statement Requirements
- No Legal Fees
- No Long Term Contracts
- No Minimum Factoring Fees
- No Minimum Invoice Fees
- No Operational Audits
- No Traditional Personal Guarantees

prestigecapital.com

OUR PRODUCTS

FACTORING

CREDIT PROTECTION SERVICES

FACTORS ASSURANCE PROGRAM

BACK OFFICE SERVICES

Rachel Hersh / Sales Director

P. 917.902.3496 E. rhersh@prestigecapital.com

