

\$HOW ME THE MONEY

(The Art of the Deal)

- *Challenged for Capital*
 - *Frustrated by Lack of Funding*
 - *Looking for Leverage*

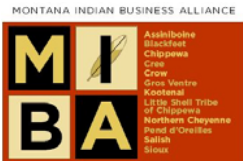
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Through a fast-paced interactive discussion and exchange of ideas we will explore the opportunities (or lack thereof) that companies at all levels face while in search of the elusive ‘pot of gold’ to inject into their operations in order to move their business forward.



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Relationship



Reduce: Fear

Mitigate: Risk

Build: Trust

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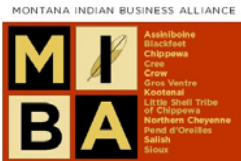
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Sufficient Collateral

$$\begin{array}{r} \$10,000 \\ \text{Loan} \end{array} = \begin{array}{r} \$10,000 \\ \text{Land} \\ \text{Building} \\ \text{Equipment} \\ \text{Equity} \end{array}$$

Deal is Done!



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Insufficient Collateral

\$10,000	≠	\$3,000
Loan		Equipment
		\$2,000
		Equity

Reduce: Fear
Mitigate: Risk
Build: Trust



Relationship

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Business Plan

(Commercial Loan Application)

Narrative

Realistic
Assumptions
Sales
Expenses

"Numbers"

Positive cash flow
Service the debt
1.25 : 1.00 (25% cushion)
Personal financial statement
Credit report

Build the relationship by educating
the banker about your business



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How To Write A Quality Business Plan

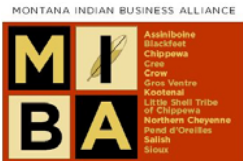
(Commercial Loan Application)

Know your business and/or business idea

Know your sales volume & costs

Marketing research

Marketing plan



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Positive Business Plan

- Financials are clear and easy to explain
- Cash flow covers operating costs and repayment of debt
- Marketing plan is easy to read and no longer than 2 – 3 pages
- Use of funds clear, i.e., marketing plan & financial plan “fit together”

Negative Business Plan

- Filled with unnecessary information and data
- Financials & marketing plan do not fit together
- No description of assumptions/ don't match the “numbers”
- Sales not realistic, i.e., starting at \$200,000 / month



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Marketing – Advertising – Sales

(Example)

Wash Tub – Ashland, MT

Marketing research – no laundry within 40 mile radius

“Customer Service” . . . open when he says it is!



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Communication

Reduce: Fear

Mitigate: Risk

Build: Trust



Relationship

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Communication

Talk to your banker

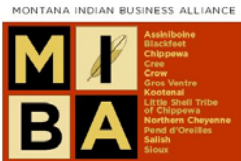
Be prepared

Do what you say you are going to do

If you can't . . . contact your banker

It's like a date – you are developing a

Relationship!



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How Can We Help?
(Technical Assistance)

Small Business Development Centers

Kalispell

Havre

Wolf Point

Missoula

Great Falls

Billings

Butte

Helena

Colstrip

Bozeman

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How Can We Help?

(Technical Assistance)

Other Organizations

C2 Business Solutions (Carol Cunningham)
Browning Community Development Corporation
Little Big Horn Extension Program (Crow Agency)
Crow Economic Development Corporation
Tribal Business Information Center (Fort Belknap)



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How Can We Help?
(Technical Assistance)

Classroom Education
Indianpreneurship

Access to Capital
Indian Equity Fund
\$7,000

MT Department of Commerce

Talk with business people in your region!



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Q & A?



If you would like more information, please contact:

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