Funding the Contractors!
What can we do collectively to help mitigate some of the hurdles “we” face, so we can all grow our business...

Wish list!

• Confirmed revenue streams on paper for the LENGTH of term to be financed.
• Continuity of revenue to maintain the debt servicing commitments.
Reality!

- If not a guarantee of contract term or rate….
- What additionally can we as suppliers to the market do?
- Short term guarantee’s till exposure for the lender is reduced.(3-6-12 months?) of a 3-4 or 5 year term..
- Deposit assistance/advance by way of reduced rate offered for an initial period?

Continued..

- Offer use of internal resource’s to better present/create our contractors application data…
- in many cases, particularly early on in the contracting venture, the data available is very raw at best….
continued

- Educate our young people coming through...
- Show what opportunities can be ahead of those who are entrepreneurial, and how to approach it with correct due diligence.

- We could run workshops to inform up and coming contractors what is required of them when funding is sort...
- Too many start up ventures make approaches without this knowledge and it has a host of detrimental effects for us all...

continued

- Historic **Poor ratios** of start up ventures getting across the line, add to the already **existing perception** that applications for forestry based funding are tough, or **too hard**....
- If we had educated many of these failed cases, they would possibly have never tried till they had the relevant criteria covered... and therefore retain the drive to be in business for themselves, and increase there confidence and understanding of the process from the outset..
Dealers of Machinery

Got good quality used equipment hanging around your neck?

Perhaps it’s better off out working than chewing its head off in the yard.

For the applicants that are not quite “Bankable”, we can in some cases get them started…..

An Important aspect!

lenders involvement as far as incremental review and tracking of set progress/milestones can assist.

If the contractor is a known quantity to the respective lender involved, and proven his/her performance to that lender it will only be a matter of time before the ducks will line up.
End of Presentation..
Thank you for your time!

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