



## DEAL SHEET 2009

As products, Factoring and Invoice Discounting provide flexible alternative financing solutions for businesses that require help with their cash flow. Factoring and Invoice Discounting provide robust financial solutions for businesses struggling to stay on top of their finances in this difficult economic environment. The Asset Based Finance industry provides finance to firms employing over 1.4 million people in the UK.

This Deal Sheet was produced by the Invoice Finance Committee, part of the ABFA, which aims to increase understanding and raise the profile of Factoring and Invoice Discounting in the UK and Ireland.

The Asset Based Finance Association (ABFA) is an Association which represents the Asset Based Finance industry (which includes Factoring and Invoice Discounting) in the UK and Ireland. Currently over 46,000 businesses are benefiting from over £15 billion in lending from this industry.

To find out more about Factoring and Invoice Discounting products, or to read more Factoring and Invoice Finance deals, please visit [www.abfa.org.uk/public/industryInformation.asp](http://www.abfa.org.uk/public/industryInformation.asp)



### VENTURE STOCK LOAN RECOGNISES THE VALUE OF LIQUID ASSETS

St Martin Vintners is an established independent wine wholesaler that serves the licensed trade and corporate hospitality sector. It also operates a retail outlet in Brighton and runs the highly successful Sussex Wine Club. When founder Martin Sneath announced his retirement, long-term employees Andy Rice and Gary Jenner stepped forward with plans for a management buy-out (MBO). Requiring finance for the MBO, they approached Venture Finance, the respected Invoice and Asset Based Lender. Venture assessed the MBO business plan and was impressed, recognising the potential of the company and its unusual and valuable stock in the form of fine wine. This influenced the decision to channel much of the funding through a Stock Loan, which grows in proportion to the amount of fine wine held.

The final funding package of £350k comprised Stock and Cashflow Loans and Confidential Invoice Discounting. Andy, now co-Director of St Martin Vintners, said: "Venture's flexibility in releasing funds through a Stock Loan meant we were able to secure a better funding package and generate sufficient capital not only to underpin the MBO, but also to make significant improvements to the business." These changes included a new credit control system to make the most of the funding facilities, new delivery vehicles and an e-commerce website.

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