FRANKLIN COUNTY CDC
COMMUNITY DEVELOPMENT CORPORATION

Franklin County CDC
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"The Franklin County CDC is an Equal Opportunity Provider"
Know Your Funding Team:
Are they in it for the long haul? Is there a Mission fit amongst all of the funders for the deal?

Choosing the appropriate partners with whom to participate as funders as well as all partners sharing a similar funding commitment, repayment structure, reporting requirement and mutually agreed upon contact person for the team is part of the cornerstone to a partnership the Borrower’s Principal(s) will both understand and respect.
Access to Resources (money, time, people, land, equipment, knowledge) Yours & others

Use Technology to streamline operations.

Take it seriously
Plan
Network

Competitive advantage
Add Value

Know when to bail
MANUFACTURERS BY THEIR VERY NATURE ARE CAPITAL INTENSIVE. THIS MEANS RISK SPREADING IS BOTH NEEDED AND PRUDENT.

**SOME DO’S:**

1) Does your funding team take the time to understand the business model?

2) Are your team members direct employees of their employer (beware of outside consultants working on a deal-by-deal basis)?

3) Are you funding team members open to singing an intercreditor agreement?

4) Is there an agreed methodology for disseminating important communications?

5) Is there a point person to make quick decisions if a time-critical decision must be made?

6) How stable are the organizations that are a part of your funding team (stability is most important for all stakeholders)?
Some Don’ts:
1) Rely on organizations that employ people on a consulting basis.
2) Rely on organizations that are willing to do a deal (s) outside of their stated Mission
3) Work with team members that do not take the time to understand the industry and business model.
4) Rely on organizations that employ the one capable employee without back up.
5) Rely on key funding time lines from funders unless they are capable of doing so.
6) Rely on key decisions to be made only after a meeting.
What is This? 
(You need to know this in order to understand the financing of manufacturers)

- **Manuf Co., Inc. Cost of Goods Manufactured Schedule For the Year Ended December 31, 20X0**

- Direct materials used
- Beginning raw materials inventory $ 6,200
- Add: Cost of raw materials purchased 49,400
- Total raw materials available 55,600
- Less: Ending raw materials inventory (5,800)
- Total raw materials used $ 49,800
- Direct labor 125,600
- Manufacturing overhead
- Indirect materials 4,100
- Indirect labor 43,700
- Depreciation—factory building 9,500
- Depreciation—factory equipment 5,400
- Insurance—factory 12,000
- Property taxes—factory 4,500
- Total manufacturing overhead 79,200
- Total manufacturing costs 254,600
- Add: Beginning work-in-process inventory 10,20
- 264,800
- Less: Ending work-in-process inventory (9,800)
- Cost of goods manufactured $255,00
KEEP UP WITH THE INDUSTRY TRENDS FROM A RECOGNIZED, TRUSTED, INDEPENDENT AND OBJECTIVE SOURCE

Here are some suggestions:

1) “CFO Magazine”
2) “The Secured Lender”
3) Industry Trade Group Web-sites and Publications
4) Access the Database of your Nearest College or University Research Library

Most importantly – read up and stay informed.