



Case Study 1: Saving millions with a creative loan proposition...

From the Financing Coach www.robseverson.com/blog

A CEO called me when he was in the process of financing a buyout of the majority shareholders of the business he was running. He had already met with several large banks in the area, and they were all telling him that he needed to bring investors in to make his transaction bankable. Investors would have cost him a ton of money so he came to me for some creative thinking about his situation.

After reviewing his plan, it became apparent to me that the cash flow would be adequate to support a debt deal without getting any expensive partners involved. He just needed to present his plan differently to sell a “debt only” proposition to lenders. I found an equipment finance company which made an outstanding offer to finance the fixed assets, leaving just the line of credit for his existing smaller bank.



Upon seeing the details of the financing proposal from the equipment lender, the existing bank then offered to do the whole package. This saved the CEO millions of dollars within a few years, because he didn't have to pay off any partners. This CEO is one of the most astute people I have ever worked with, and with just a little coaching from me, he has continued to be very successful.

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“A good guy to go to when you need financing.”

That's what my friends and clients have told people they have referred to me. My problem solving skills come from the years of experience I've gained in many different business disciplines. Best of all, I have built solid relationships with people from everywhere I've been. I have been fortunate to have spent several years in each of the following areas: accounting, auditing, data processing, commercial

banking, sales, management, consulting and venture capital. Each of these arenas provided the opportunity for new relationships, for learning how diverse people “think”, and to gain an understanding of what each can do for a business.

For informative articles and studies like this one, read my blog at www.robseverson.com/blog.