



scottish pacific
benchmark

"We've gone from eight staff to 28 and our turnover has increased by more than 230%"

Fruits of their labour

Above: Just some of the 28 staff at Central Victorian Providores, owned by Chris and Paula Cromwell (centre left)

When Chris and Paula Cromwell bought Central Victorian Providores they knew a little about the gourmet food market.

But they knew a good business when they saw one. And they knew that CVP was a good business with plenty of growth potential under their leadership.

It was a small operation based in Castlemaine, 120km from Melbourne and once home to the world's richest alluvial gold field.

They acquired the company from its previous operator in 1998 and established it as a niche provider of gourmet foods, focusing on the distribution of specialty products from regional producers to the Melbourne and interstate markets.

While they recognised the potential of the business they also identified the need to manage its cash flow to realise that potential.

"We had grown the business at an accelerated rate and wanted to continue that growth - but cash flow was a problem," says Chris. "We needed to pay our suppliers and staff but had to wait for payment from our clients."

Chris says the bank offering was too inflexible to allow for further sustainable growth.

"The business had a bank overdraft but it had a set limit and the banks weren't willing

to discuss an extension without mortgage security. Even then, there was no flexibility to allow for sudden growth.



"Our finance director, Mark Willington, was aware of the factoring option and made an approach to Scottish Pacific Benchmark."

Chris says the difference from dealing with the banks was startling.

"It became very clear, very quickly, that it was the ideal solution for us."

SPB provided a flexible cash flow facility to the company six years ago and CVP has been growing its business ever since.

"We've gone from eight staff to 28 and our turnover has increased by more than 230%,"

says Chris. "And the SPB proposition is self-funding because we've essentially outsourced our accounts receivable function to SPB's staff who are well-trained and manage our customers brilliantly. We still maintain our own debtors ledger but we don't have to recruit, train or supervise those staff."

Chris says the relationship with Scottish Pacific Benchmark has been excellent.

"We haven't had a problem in the six years. As a matter of fact, several of their competitors have spoken to us but nothing matched the service."



For more information about Central Victorian Providores, go to www.providores.com.au

What our clients say

"They were terrific. They saw the growth potential in our business, realised we were a good credit risk and offered us a facility that would grow with our business."

Allen and Brent Calderon
BLC Commercial and Rural Maintenance Services
St George's Basin, NSW



Right: SPB helped grow Brent Calderon's business



\$50-million for small business

As comment abounds about banks tightening credit, there remains an attractive funding alternative for Australia's SMEs.

Australia's largest non-bank provider of cash flow finance, Scottish Pacific Benchmark, has more than \$50-million immediately available to new clients who may be struggling to find the working capital they need.

SPB chief executive officer Peter Langham has moved to dispel rumours in the marketplace that funds were scarce for non-bank lenders.

"In fact, the opposite is true at the present time," said Mr Langham. "We have no shortage of funds for new clients who need cash flow finance and who meet our standard criteria."

SPB's cash flow finance (or debtor finance) allows small businesses to draw down against the value of their invoices within 24 hours of the invoices being issued. It works in much the same way as a bank overdraft, but is flexible enough to grow with the business.

"All of our clients are selling business to business and most are owner-managed businesses, those who do not have deep reserves to call upon," said Mr Langham.

He said Scottish Pacific Benchmark originates almost 95% of its business from referrals, with up to 25% coming from banks.

"We are currently seeing our level of enquiry from banks increase in the instances where the banks can not assist."

SPB's cash flow finance solutions can open up a range of opportunities for small business through unlocking the value of the client's invoices and ensuring a steady cash flow.

Compared with traditional bank finance, SPB offers more flexibility, more freedom and the opportunity for the facility to grow with the client's business, often without the business owners having to provide bricks and mortar security.

SPB has offices across Australia and New Zealand with local staff empowered to make local decisions.

An attractive funding alternative for Australia's SMEs.

Right: Church pastor John Leach and SPB credit officer David Coleman

Far right and bottom: Delivery of much needed medical aid to children in Kenya.

Interested in learning more about invoice discounting and factoring?

Senior members of the Scottish Pacific Benchmark team are available to make short presentations to your business or organisation that will outline the products and services we offer and explain how they can help you or your clients improve their cash flow and grow their business.

This newsletter is a business commentary produced by Scottish Pacific Benchmark which is the registered business name of Scottish Pacific Business Finance Pty Ltd (ABN 79 008 636 388) and Benchmark Debtor Finance Pty Ltd (ABN 94 082 607 654). All comments are the opinions of the editor and are provided for your interest only.

On your bike!

SPB's community spirit

The Melbourne office has been pedalling for worthwhile causes again.

Last year, state manager Tim Le Roy organised a team from Scottish Pacific Benchmark's Melbourne office to join in the "Around The Bay In A Day" charity bike ride to support The Smith Family. With support from clients, family and friends the team raised \$1,500 in donations, an amount matched by SPB, resulting in a contribution to The Smith Family of \$3,000 towards a range of valuable community programs.

Now one of the team, credit officer David Coleman, is on his bike again helping to raise money for important medical aid programs in the slums of the Kenyan capital, Nairobi.

David has been riding with fellow members of the Barrabool Hills Baptist Community Church, seeking to raise \$15,000 in sponsorship towards conducting two clinics in Kawangware and one in a rural area of Western Kenya.



Case studies



Industry Sector Mining and Quarrying Equipment and Supplies

Annual Sales \$6.5 million

Why Debtor Finance?

Directors did not have sufficient real estate equity to source traditional bank products. Debtor Finance provided a flexible funding source leveraged off the clients debtors.

Why Scottish Pacific Benchmark?

The clients Bank was no longer supportive after business accrued tax arrears. Scottish Pacific Benchmark was able to approve a cash-flow facility to meet accelerated growth.

Facility Size \$1,500,000

Source Finance Broker



Industry Sector Wholesale – Materials Handling Applications

Annual Sales \$3 million

Why Debtor Finance?

Business required a flexible funding product that could meet significant growth without real-estate security.

Why Scottish Pacific Benchmark?

Client did not meet bank minimum turnover requirements. Scottish Pacific Benchmark offered a flexible facility to fund the business expansion within 10 days of the first meeting.

Facility Size \$250,000

Source Direct

One call is all it takes 1300 debtor (332 867)

Visit us on-line at www.spbgroup.com.au or direct mail to GPO Box 9969 in your capital city

Scottish Pacific Benchmark has offices in Adelaide, Auckland, Brisbane, Christchurch, Melbourne, Newcastle, Perth, Sydney, Townsville, Wellington and Wollongong.