

# TEXTRON FINANCIAL Times

TIPS, TRENDS, AND INSIGHTS FOR TEXTRON FINANCIAL CUSTOMERS

P3-4: CASE STUDY:



GROWING PAINS CURED

P2: EXCITING CHANGES



AT TEXTRON FINANCIAL

## Division Spotlight

# Cash Crunch? Consider Factoring.

**A**re you waiting 30 to 90 days to be paid? Are you financing your customers due to slow and late payments? Are you losing business opportunities while chasing money you've already earned? Do you need a change in your financial structure? Factoring may be your answer.

Cash flow is the "energy" moving in and out of your business and the most critical item on any business priority list. Without sufficient cash flow, your business can't pay its bills, expand, or even stay in operation. And providing interest-free loans to your delinquent customers does not help the situation. Most entrepreneurs experience a cash flow crunch when their need to expand is hampered by the 30, 60, and 90-day cycles inherent in the accounts receivable loop.

What if your business was able to get cash for its invoices immediately? It can. The answer is factoring, the most powerful non-debt solution available for business cash flow problems. Today in America, domestic factors provide over \$125 billion in financing to small and large businesses alike. Yet factoring is still one of the least understood methods of business finance.

### What is factoring?

Actually, most business people are involved in factoring every day simply by using a credit card. Visa® and MasterCard® are the world's largest factors for retail businesses. When a consumer makes a purchase using a credit card, the retail store discounts the sales slip (bill of sale) to Visa® and MasterCard® by 2-5% and, in return, receives its money immediately.

Likewise, you can factor your invoices and accounts receivable, converting them into cash by selling them directly to a factoring company at a discount, just as a retail store sells its bills of sale to Visa® or Mastercard®. This process provides your business with immediate cash flow rather than the usual 30-90 day delay. It also creates the absolute and predictable income control you need to expand and flourish in your industry. Factoring gives you a powerful competitive edge.

### Should you be factoring?

Systran Financial Services, a subsidiary of Textron Financial, provides an array of working capital solutions to small businesses nationwide, including asset based lending and factoring services. Dave Retallick, president of Systran, explains that thousands of companies use factoring as an effective business financing tool. He encourages businesses to consider the following in determining whether to adopt factoring as a strategy:

- Do you do business with creditworthy customers?
- Are your receivables above \$15,000 a month?
- Is your invoice size typically above \$1,000?

*Factoring: an age-old practice of getting immediate cash by selling invoices. Visa® and MasterCard® are the world's largest factors for retail businesses.*

- Are the terms of sales 30-60 days?
- Is your cash tied up in unpaid invoices?
- Is payroll your largest expense?
- Are you growing, but also becoming increasingly short of cash?
- Do you want to expand without incurring debt?
- Do you want to expand without increasing overhead?
- Are you operating on a narrow profit margin?
- Have you been in business only a short amount of time?

If your answer is "yes" to one or more of these questions, you should explore factoring. *To discuss factoring and other financing solutions for your cash flow needs, please contact Systran Financial Services, a subsidiary of Textron Financial, at 800-824-2075.* ☎

Adapted from "Factoring: Cash Flow Solutions For the New Millennium," Eric Barnes, www.capitalfundsgroup.com, pres@capitalfundsgroup.com.

## Top Benefits to Factoring

Dave Retallick, president of Textron Financial's Systran division, emphasizes that as a source of business finance, factoring has no equal. Bottom line — it is the most immediate, readily available, and powerful tool for increasing cash flow to growing businesses.

- 1) It increases cash flow without creating debt.
- 2) It enables you to get cash when other financing is unavailable.
- 3) It brings in cash easily and quickly — in as little as 24 hours.
- 4) It gives you full control of your cash flow strategy.
- 5) It reduces overhead by eliminating collections and credit issues.
- 6) It eliminates the time and cost of accounts receivable maintenance.
- 7) It enhances customer relations and enables you to offer better credit terms.
- 8) It multiplies your potential sales growth as you implement marketing and sales plans.
- 9) It offsets its own costs by letting you pay bills quickly enough to receive trade discounts.
- 10) It gives you cash without taking away any business equity or control.
- 11) It offers you detailed credit reporting on current and potential customers.
- 12) It enables you to leverage your customers' credit for your own benefit.

## Fast Facts!

29%

Percentage of companies with sales over \$10 million that outsource a business function. (Source: Outsourcing Institute)

\$12,000

Initial investment by Jerry Greenfield and Ben Cohen to open their first Ben & Jerry's ice cream shop in Burlington, Vermont in 1978. (Source: Ben & Jerry's)

Over 9.1 Million

Women-owned businesses — accounting for more than a third of all U.S. companies — and this number is growing. (Source: Dun & Bradstreet)

25.5 Million

Estimated number of small businesses in the U.S. that employ over half of the country's private workforce, create three of every four new jobs, and generate a majority of American innovations. (Source: Small Business Administration)

71%

Percentage of U.S. companies buying procurement materials online. (Source: National Association of Purchasing Management)

7%

The drop in the DOW in 2001. (Source: Dow Jones)

23

Number of consecutive years, including 2001, that Textron Financial has posted record earnings growth. (Source: Textron Financial Corporation)

### TEXTRON FINANCIAL

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## Textron Financial Times

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The mission of Textron Financial is to help people and diverse businesses turn their goals and dreams into reality by supporting them with innovative financial products and solutions.

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Editors: John Carey, Angelo Fernando, Naomi Herzfeld, Adele Suddes

Comments and suggestions are always welcome. Please phone us at 401-752-3801 or email us at news@tfc.textron.com

[www.textronfinancial.com](http://www.textronfinancial.com)

Check-up Time:  
See Our Customer  
Survey Inside

check-up

## From the Corner Office

### Leading your company through challenging times . . .

Dear Valued Customer:

Never has being an effective leader been so challenging, and so valuable. A sliding economy combined with the United States' ongoing war against terrorism has produced serious earnings challenges for leaders of both small and large businesses nationwide.

How can company managers keep morale strong in these uncertain times? How do you assure employees that their jobs are safe as you look for greater efficiency and productivity?

Of course, there is no magic solution. Every company is different with its own challenges and unique culture. Still I'd like to share with you some approaches that have served Textron Financial well in helping us to build a stronger company culture in spite of significant market challenges in recent years.

**Be candid:** The logic that a company used to arrive at a strategic decision is as equally important for employees as the decision itself. My suggestion is be willing to discuss the business issues when communicating hard decisions such as layoffs or cutbacks. Be sensitive, but be honest when explaining the market situation and facts to your team.

**Be visible:** Walk around your office. Visit your field offices. Talk with employees. It's important for your employees to experience your leadership in person and to know that they are a part of a supportive team.

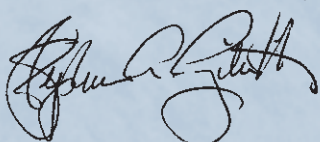
**Resist layoffs:** Resist the urge to solve short-term budget problems with layoffs. A knee-jerk reaction flies in the face of "treating employees as your most valuable assets." In situations where layoffs are unavoidable, make sure that you communicate often with employees to minimize surprises. At Textron Financial, we have a "Rumor Mill" link on our Intranet that encourages employees to submit questions about rumors for clarification from our executive management team.

**Focus on the customer:** When resources become scarce, the customer often suffers. Lower levels of staffing can negatively affect customer service and product quality. Identify who are your best customers and make them feel valued. Keep in regular contact with them and be more accommodating than you might normally be – they will repay you with loyalty.

**Celebrate improvement:** Make sure your employees are aware of positive results as soon as possible. Thank them promptly for any significant gains or improved results. Employees need to feel confident that the company is getting stronger and that they are still valued.

Hard economic times are challenges that often bring out the best qualities in good managers. These times can be viewed as business opportunities – opportunities to dig deeper for operational efficiencies, to look harder for wasted resources, and to develop young and effective managers – by emerging from this adversity with a stronger employee team and a healthier company than you ever thought possible.

Yours truly,



Stephen A. Giliotti  
 Chairman and Chief Executive Officer  
 Textron Financial Corporation

## Hoisting Mid-Sized Businesses

Is your business midsize? Although there is little consensus on the exact definition of a midsize business, if your company has between \$5 - \$500 million in annual sales and is too large for the tax and legal protection often afforded small businesses, then it is probably a midsize business.

Dun & Bradstreet reports that midsize companies constitute one of the fastest growing sectors in the U.S. economy, representing some 300,000 businesses. Yet many of these companies remain largely forgotten, underserved, and capital-challenged because their financing needs are not profitable enough for big banks and are too complex for local or regional lenders.



Textron Financial's Christopher Gouskos of Commercial Lending (far left) and Thomas Low of Floorplan Finance (far right) pictured with Andy Bodane (center left) and James Long (center right) of LongAgribusiness after the closing of a \$46 million line of credit transaction.

That's why Textron Financial established its Commercial Lending Division back in 1991. The Commercial Lending Division offers midsize businesses working capital lines of \$5 million or greater. The capital can be used for debt refinancing, capital expenditures, expansion and growth, mergers and acquisitions, and debtor-in-possession financing. The Commercial Lending Division works with the other lending arms of Textron Financial to provide its midsize customers with a single point of contact for all their business capital needs – whatever they may be.

A case in point is LongAgribusiness (Long), a midsize tractor manufacturer and importer based in Tarboro, North Carolina. Earlier this year, Long approached Textron Financial for a lending solution that would fund its purchases of imported new tractors and provide inventory financing for its retail dealers. Long was looking for an experienced middle market lender with multiple product capabilities, underwriting expertise, and industry knowledge. To achieve Long's goals, the Commercial Lending Division teamed up with Floorplan Finance, a Textron Financial division that has provided inventory financing to many industrial areas, including agricultural equipment, for more than 35 years. The Floorplan group established a \$30 million **outbound** line for Long's retail dealer inventory, while Commercial Lending created a \$16 million **inbound** inventory line for Long's imported new tractors. As a result, Textron Financial provided Long with a comprehensive \$46 million lending facility that dramatically increased its working capital and reduced overhead – giving Long the "hoist" it needed to enter the new year positioned for growth and prosperity.

To learn more about Textron Financial's broad array of financial services available to midsize businesses, please contact Hubert Frederick, the Sales Manager for the Commercial Lending Division, at 770-360-1647 or email him at [hfrederick@tfc.textron.com](mailto:hfrederick@tfc.textron.com). ☎

## Exciting Changes at Textron Financial

In today's business climate, companies must continually re-evaluate and adjust their strategies in order to stay profitable and provide customers with the best possible products and services. Textron Financial and its parent company, Textron Inc., are no exceptions.

Textron has determined that its group of companies can operate more efficiently and provide better customer service by transforming itself into a unified network of businesses that work in smooth coordination. To achieve this, Textron is currently making some important changes to its structure.

Two such organizational transformations at Textron Financial are the recent establishment of a Captive Finance Group and the realignment of its aircraft financing division, formerly known as Aviation Finance.

The new Captive Finance Group supports the sale of Textron products by providing financing and leasing services to customers of Textron's manufacturing segments, including Golf, Turf Care, and OmniQuip branches.

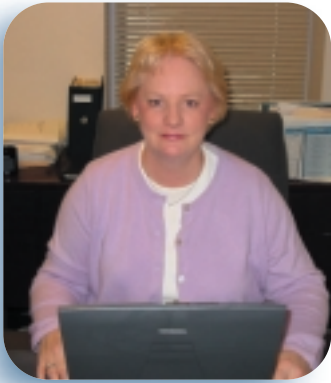
The aviation realignment merges Textron's three separate aircraft financing businesses — Cessna Finance Corporation, Bell Helicopter Financing, and the Aviation Finance Division of Textron Financial — into a single integrated unit. This newly formed division is still called "Cessna Finance," but now serves the financing needs of a much wider spectrum of aviation customers worldwide. Under the single "Cessna Finance" banner, we now provide financing for almost all makes and models of new or used helicopters, as well as turbine-powered, fixed-wing and general aviation aircraft.

Stay tuned for more news on transformation as the Textron family leverages its strengths across the entire Textron enterprise to better serve you – our valued customers. ☎



Textron Financial's Aviation Finance Division recently merged with Cessna Finance and Bell Helicopter Financing.

## Data Warehouse: Tools to Serve You Better



Marilynn Tucker is the Data Warehouse expert for Textron Financial.

Price and quality have been the staples of marketing for many years. However, today's customer also considers a new dynamic equally important — time.

At Textron Financial, we try to make our business processes as fast and as convenient as possible for our customers. We search constantly for new ways to better fulfill your financing needs and keep you a satisfied and loyal customer.

To streamline and focus the services we provide to you, we have developed a "data warehouse." A data warehouse "captures" customer information stored in various systems throughout the company and the nation, and links it to a single centralized location.

You can probably see how this benefits Textron Financial — but how does it benefit YOU?

- First, it means that any authorized Textron Financial employee can instantly identify your basic account information — even if you have multiple accounts with several divisions — and direct you to a representative who is most familiar with your business and can offer specialized assistance.
- Second, any employee who assists you will have a clear picture of your unique business and its needs. Account representatives can review your business relationships at the overall and detail levels, recommend additional options that may benefit you, and refer you to contacts at the appropriate Textron Financial divisions. With its data warehouse, Textron Financial can more easily offer you full-service, one-stop shopping for all of your business needs.
- Finally, the data warehouse offers enormous promise of things to come. It is a vital component of advanced customer-friendly technologies, such as access to up-to-the-minute online account information. Our Technology and Floorplan Finance Divisions already offer this online service — and the customers love it!

We hope that this virtual data warehouse is one more example that we are committed to providing our customers with individualized, helpful, convenient, and timesaving services. ☺

## How Much Are You Missing?

Listening doesn't come naturally to most people, especially harried managers. But if you rush to talk — and talk and talk — you are probably missing vital messages. How do you listen when you'd rather talk?

- When an employee or customer wants to speak with you, give your undivided attention. Strike a "listening posture" by aligning yourself with the speaker — either sitting or standing. Let go of distractions and keep still so the speaker feels comfortable opening up. Most of all, maintain eye contact. Never continue to work at your computer or otherwise when someone is trying to speak with you — to do so is unprofessional and rude.
- Don't feel obliged to pounce on everything you hear. Instead, nod politely or ask questions. Some speakers need prodding to reveal what's really on their minds. Your employees should not be afraid to tell you that they don't know how to do something or that they disagree with something you've said.
- Observe a speaker closely. Research indicates that at least 70% of how we communicate with others is nonverbal, so be certain to note any nonverbal cues. For example, if a customer is shifting his weight with his arms crossed, it may indicate that he is growing impatient with the situation. Or, if an employee laughs slightly whenever she mentions a deadline, probe further with a few questions. The laughter may be because she thinks the deadline is unrealistic.
- As you listen, you may think of dozens of things you want to say. Within seconds, you can get so preoccupied with trying to remember all the points that you want to make that you tune out. Pace yourself. When an important thought enters your head, jot down a one-word reminder.

Leading management experts agree that managers who listen to employees and customers have a more efficient workforce and a more profitable business. A suggestion: if you want to learn how well you listen, ask your direct reports for a fair evaluation of your listening skills. If you are disappointed at the results, make a deliberate effort to change.

Remember, knowledge is power. Listen to your employees. Listen to your customers. ☺

Source: Adapted from *Working Smart*, April 2000



## Case Study

### Growing Pains Cured

*Today's niche finance companies looking to grow their business can be hard pressed to find the necessary cash from traditional banking sources. Westburg Media Capital, a specialty finance company focused on the media industry, was no exception to this dilemma — until it met up with our Finance Company Services team.*

When you drive by a cellular tower or outdoor advertisement, a company called Westburg Media Capital may well be the financial fuel behind it. Based in Spokane, Washington, with satellite lending operations in Seattle, Denver and Chicago, Westburg Media Capital is an established, privately held lender focused on serving the U.S. media industry.

"Media" in the Westburg world is defined as cable TV, internet service providers, publishing, web hosting, outdoor advertising, radio and cellular towers. Westburg has built solid market awareness among growing media companies that need from \$500,000 to \$5 million in working capital.

Founded in 1997, Westburg has grown to a portfolio of \$80 million in outstanding assets with an average loan commitment size of \$1.5 million. In early 2001, in the face of a difficult economic environment and the growing market disfavor for finance companies, Westburg explored several avenues for growth. The possibilities included expanding existing bank financing, raising equity, or even selling the company.

"There was simply more demand in the marketplace than we had capital to lend. If we were going to continue to grow, we needed access to a steady pipeline of raw material, cash, to enable us to fund more loans for future customers," said David Westburg, CEO of Westburg Capital.

Enter Textron Financial's Finance Company Services (FCS) of Columbus, Ohio. FCS is focused on serving the financial needs of independent, middle-market lenders. The President of FCS, Mark Quinlan, got to know Westburg during his years of securing financing at RFC Capital, a company acquired by Textron Financial in 1999. When Westburg approached him to talk about financial alternatives, it became clear to Quinlan that FCS could improve Westburg's capital availability for the near term and also support its plans for future growth.

Turn to "The Solution" on page 4.

## Refer a Business Lead to Textron Financial and Earn a PalmPilot!

*How does it work? It's easy and will take you less than five minutes:*

- » Log on to Textron Financial's web site at [www.textronfinancial.com](http://www.textronfinancial.com).
- » Provide some brief information on: 1) the referred business, and 2) contact information for yourself.
- » If Textron Financial closes a business transaction with your referred business lead, then you earn a high-performance PalmPilot organizer.

Give us a look at [www.textronfinancial.com](http://www.textronfinancial.com)



## The Solution

Continued from "Growing Pains Cured" on page 3.

Throughout his earlier years at RFC Capital, Quinlan had learned firsthand that independent financiers had few viable funding options. According to Quinlan, "As an independent, we quickly developed a profile of the ideal lender, which unfortunately didn't exist in the real world. This experience of having been a 'customer' ourselves gave us firsthand knowledge the needs of other financiers."

Drawing on its unique perspective and experience, FCS proposed to Westburg an asset purchase program in which loans that originate at Westburg are sold to FCS, thus freeing up Westburg's large and thinly-priced bank line of credit. Westburg continues to service the assets for a fee, and has the option to buy them back in the future.

The ability of FCS to come through with a solution was enhanced by the nature of Textron Financial's structure, with multiple lending divisions working in cooperation and applying their particular expertise to create the best results possible for a customer. In this case, Textron Financial's Media Finance Division was instrumental in reviewing and underwriting the Westburg deal.

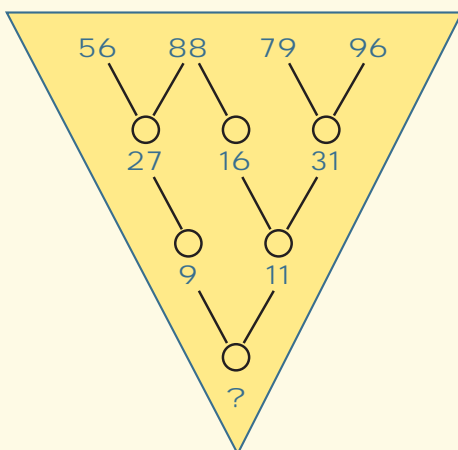
"The beauty of this arrangement is the 'behind-the-scenes' nature of the FCS involvement," said CEO Westburg. "We continue to provide day-to-day service, enabling us to stay close to our customers while our coffers of funds to lend are kept full."

Westburg CFO John Weller added, "This innovative program helps us to avoid both running out of road with our bank group and attempting to access the capital markets for additional debt or equity during an extremely inhospitable time."

With the backing of FCS, Westburg Media is now equipped to continue its progress in the dynamic world of media and communications finance.

*Finance Company Services (FCS) is a subsidiary of Textron Financial and provides lending programs to small and mid-sized finance companies, including rent-to-own, factoring and sub-performing loan liquidation and management firms. For more information, please contact Finance Company Services at 614-229-7979. ☎*

## Something Fun



What number belongs below the bottom circle?

Recycle: Share this newsletter with a friend.

Recycle to:

1:

2:

3:

## Textron Financial Divisions and Subsidiaries

### Asset Control

A full service, asset management company for internal (Textron) and external clients worldwide. Clients are primarily leading financial institutions and Fortune 1000 companies. Services include asset remarketing, certified equipment appraisals, collateral inspections, auctions, and recovery/repossession services.

Mike Livatino, Division President  
40 Westminster Street • Providence, RI 02903  
Phone: 401-752-5182 • Fax: 401-752-4848  
www.assetcontrol.com

### Capital Markets Group

Manages concentrations and generates fee income through the sale of participations of Textron Financial transactions with other institutional lenders.

Frank Ficca, Division President and Managing Director  
150 South Warner Road, Suite 250 • King of Prussia, PA 19406  
Phone: 610-254-9950 • Fax: 610-254-9960

### Captive Finance

Supports the sale of Textron products by providing financing and leasing services to customers of Textron's manufacturing segments, including E-Z-GO, Textron Turf Care, and OmniQuip branches.

Peter James, Division President  
40 Westminster Street • Providence, RI 02903  
Phone: 401-621-4410 • Fax: 401-621-2145

### Cessna Finance

Provides aircraft financing and leasing services to the worldwide general aviation community including multiple loan and lease options, refinancing, aircraft updates and refurbishments, equity advances, and dealer wholesale inventory financing.

John Newton, Senior V.P. Domestic Sales & Marketing  
220 West Douglas, Suite 300 • Wichita, KS 67202  
Phone: 866-232-5626 • Fax: 316-660-1272

### Commercial Lending

Provides financing to middle market companies through working capital lines of credit of \$5 million or greater. Financing includes working capital lines for refinancing, buyouts, acquisitions, capital expenditures, and debtor-in-possession (DIP) financing.

Christopher Gouskos, Division President  
4550 North Point Parkway, Suite 400 • Alpharetta, GA 30022  
Phone: 770-360-1441 • Fax: 770-360-1678

### Finance Company Services

Provides funding arrangements and consultative services for independent, middle market finance companies such as specialty lenders, leasing companies, and factors.

Mark Quinlan, Division President  
130 East Chestnut Street • Columbus, OH 43215  
Phone: 614-229-7979 • Fax: 614-229-7980

### Floorplan Finance

Provides inventory financing services commonly referred to as floorplanning (also called wholesale financing or floorplan financing) to manufacturers, shippers, and dealers/retailers.

John King, Division President  
701 Xenia Avenue South, Suite 300 • Golden Valley, MN 55416  
Phone: 800-328-0724 • Fax: 763-847-1896

### Floorplan Finance - Large Ticket

Provides inventory financing services for dealers or resellers primarily in the manufactured housing, recreational vehicles, and industrial equipment industries.

Thomas Low, Senior Vice President  
4550 North Point Parkway, Suite 400 • Alpharetta, GA 30022  
Phone: 770-360-9600 • Fax: 770-360-1486

### Franchise Finance

Provides financing services to national franchise store operators in the restaurant, petroleum, and auto aftermarket industries.

George Glines, Division President  
4545 South Wendler Drive, Suite 109 • Tempe, AZ 85282  
Phone: 888-513-8733 • Fax: 888-249-8733

### Golf Finance

Provides first mortgage loans for the acquisition, refinancing, and construction of golf courses and golf resort properties.

Ray Munoz, Division President  
4550 North Point Parkway, Suite 400 • Alpharetta, GA 30022  
Phone: 770-360-1464 • Fax: 770-360-1467

### Land Finance Company

Provides notes receivable, acquisition, and development financing for developers of residential home sites (primarily manufactured housing) and recreational land lots.

Jim Yearwood, Division President  
430 Main Street • Williamstown, MA 01267  
Phone: 413-458-1000 • Fax: 413-458-1020

### Media Finance

Provides financing services to broadcast, publishing, cable television, outdoor advertising, and other media operators for working capital, acquisitions, facilities upgrade, and debt refinancing needs.

Kathy Marien, Division President  
40 Westminster Street • Providence, RI 02903  
Phone: 401-621-5052 • Fax: 401-621-5054

### Resort Receivables

Provides acquisition, development, inventory, and notes receivable financing to developers, vacation ownership resorts, and timeshare properties.

Nick Mecca, Division President  
Commerce Center  
333 East River Drive, Suite 104 • East Hartford, CT 06108  
Phone: 860-282-7776 • Fax: 860-282-9053

### RFC Capital

Provides working capital, mezzanine financing, and other business value financing for providers in telecommunication, energy, and technology-driven industries.

Rich Rudek, Division President  
130 East Chestnut Street • Columbus, OH 43215  
Phone: 614-229-7979 • Fax: 614-229-7980

### Small Business Direct

Provides small businesses with revolving, unsecured lines of credit up to \$50,000, and term financing and lease services for small ticket equipment and vendor programs. Also maintains financing services for select franchise accounts.

Scott Hastings, Division President  
112 West Third Street, Second Floor • Little Rock, AR 72201  
Phone: 501-379-1252 • Fax: 501-370-9634

### Structured Finance

Provides: 1) Capital to investment grade and other rated companies through various leveraged lease and tax lease structures for financing long lived assets; and 2) Senior secured floating-rate cash flow revolving credit and term-loan facilities for rated companies.

Rod Weaver, Division President  
40 Westminster Street • Providence, RI 02903  
Phone: 401-621-4225 • Fax: 401-752-4827

### Systran Financial Services

Provides accounts receivable financing (factoring) and asset-based lending services for small businesses with funding needs of \$5 million or less. Also provides equipment financing and debt consolidation loans for its existing customers.

Dave Retaillick, Division President  
4949 SW Meadows Road, Suite 500 • Lake Oswego, OR 97035  
Phone: 503-675-5797 • Fax: 503-675-5794

### TBS Business Services, Inc.

Provides portfolio servicing for leasing companies, banks, and portfolio managers, including vacation interval loan portfolios for resort developers.

Jack Craven, Division President  
196 Richmond Street • Providence, RI 02903  
Phone: 401-752-3908 • Fax: 401-752-4884

### TBS Insurance Agency Services, Inc.

A national insurance agency providing a full array of commercial and personal line insurance programs.

Donna M. McGowan, Division President  
40 Westminster Street • Providence, RI 02903  
Phone: 401-621-2177 • Fax: 401-752-4861

### Technology Finance

Provides inventory and accounts receivable financing services to equipment resellers, distributors, and end users primarily in the telecommunication and information technology industries.

John Reed, Division President  
1180 Welsh Road, Suite 280 • North Wales, PA 19454  
Phone: 877-257-1010 • Fax: 610-491-8512

### Textron Business Credit, Inc.

(Formerly Westminster Development Bank)

Provides small business term loans for fixed assets, business acquisition or expansion, and debt refinancing. Organized to lend to small businesses eligible for financing under the U.S. Small Business Administration (SBA) Guaranty program and other government guaranty programs.

Mary Olson, Division President  
40 Westminster Street • Providence, RI 02903  
Phone: 401-621-5048 • Fax: 401-621-5054

### Textron Financial Canada Limited

Provides access to all Textron Financial commercial services for Canadian-based business operations. Products include asset based lending, vendor finance programs and factoring, equipment financing and leases, term loans, floorplanning, and aviation and golf course development finance.

Chris Sadler, Division President  
141 Adelaide Street West • Toronto, Ontario, Canada M5H3L5  
Phone: 416-203-3225 • Fax: 416-203-6404

## Financial Data

Indicator	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01
Prime Rate	6.50	6.00	5.50	5.00	4.75
Money Market Rate	3.49	3.21	2.58	2.18	1.94
3 Month T-bill Yield	3.35	2.38	2.05	1.92	1.71
30 Year T-bond Yield	5.48	5.48	5.32	5.12	5.48
30 Year Fixed Mortgage Rate	6.81	6.47	6.17	6.63	6.94
1 Year Adjustable Mortgage Rate	5.30	4.45	5.25	3.75	3.75
Dow Jones Industrials	9949.75	8847.56	9075.14	9851.56	10021.50
Standard & Poor's 500	1133.58	1040.94	1059.78	1139.45	1148.08
NASDAQ Composite	1805.43	1498.80	1690.20	1930.58	1950.40

Source: Wall Street Journal, Federal Reserve (month-end data)