

Small Business Development Center assists in financial restructuring

Cates & Erb, Omak

An established business can still need a hand. The owners of Cates & Erb, Inc., a construction company established in 1986, found themselves in need of professional assistance to refinance their debt and leased equipment. They had obtained short-term loans and lease-to-own financing to meet the needs of the fast-paced, unplanned growth of their company. As their business grew (now between 30 and 50 employees) their balance sheets suffered due to piece-meal financing of their assets. The SBDC advisor worked closely with Cates & Erb's CFO and their accounting manager to plan for refinancing. Over a three-month period, they developed a solid business plan, cash flow projections, and crafted a complete loan request package.

In November 2004, the client was able to successfully refinance with a SBA-guaranteed loan. As a result, the owner plans to obtain a larger line of credit and to increase its bonding capacity in order to bid on more and larger contracts. Cates & Erb is here to stay, and will continue to grow and thrive, thanks in part to the help of the Washington SBDC.



Small Business Development Center (SBDC). Certified Business Advisors provide no-cost, confidential advice on a variety of management topics. The Washington SBDC is a partnership between the US SBA, WSU, and local partners. The SBDC is located in the Economic Alliance offices at 320 Omak Ave, in Omak, WA 509 826-5107.

