



MCR Debt Advisory:

new service keeps funding in good shape

MCR has launched a new debt advisory service, which will assist corporate clients and lenders alike to ensure that the optimum funding solutions are in place. The new service is drawn on MCR's wide ranging corporate restructuring and lending experience.

Now that the slow economic recovery is underway, we are increasingly being asked to advise on appropriate debt solutions as businesses seek to position themselves strongly to exploit future growth potential. The launch of MCR Debt Advisory is our response.

All about timing...

We work closely with corporate clients, banks, asset-based lenders and other debt providers to assess clients' current arrangements alongside what is currently available in the market. Our approach is to spend a significant period of time initially understanding our client's business and their medium-term aspirations. Only then will we start to consider solutions.

We will then produce a straightforward proposal, providing our funding partners with exactly the level of information they need. We keep it simple, avoid jargon and cover all the key issues and risks within the business that need to be considered. Throughout the process we will work directly with banks and asset-based lenders or alongside management in negotiating the best funding package available. No two clients are alike so the criteria may be based on scale, flexibility or cost to suit specific needs.

Taking a longer-term view is critical. We always ensure that any solution is fit for purpose in the medium term, especially important against such an unpredictable economic backdrop. Our ability to build a deep understanding of our client's growth ambitions together with our detailed knowledge of the

merits of different funding solutions and providers allows us to ensure that the funding will work not only this year but also in future years to support the client's growth.

All about negotiating...

Renegotiation with current lenders, both on the renewal of existing facilities and the agreement to new facilities, will remain a major part of what we do in 2010. We will also work with clients and lenders to advise on capital and debt structures, the funding of acquisitions and assessing potential sources of funding for a range of business scenarios. Always taking a proactive role, we will represent lender clients at board level to ensure the interests of lender and borrower are aligned.

Refinancing can still be difficult but not impossible for the right type of opportunity. We can assist with debt/equity swaps or rescheduling of term loans, vendor loans and deferred consideration. Leveraged transactions remain a challenge, however in cases where there is a strong borrower, utilising a blend of standard debt, ABL funding and vendor finance will allow transactions to happen. As the need arises, we have the ability to draw on the wider MCR resource to provide turnaround and other restructuring services, enabling a more holistic approach. Above all MCR Debt Advisory is about avoiding an insolvency and getting a business refinanced with the existing or a new lender.

2010 will test us all, and the importance of adopting a flexible and agile approach will be critical to current and future business success.

All about relationships...

When it comes to working with funding providers, as our banking and ABL

partners already know, MCR takes a very focused and direct approach. Through our very close relationships we carefully select the most appropriate organisations to engage with. We know our funding partners well enough never to need to send a proposal to every lender in the market.

All assignments are director led by either myself or John Hunt from start to finish, and we share the same approach to building lasting relationships that will give us real insights into a client's short and longer-term aspirations. We have also established a specialist Hotel and Leisure Group and our new director Conrad Bigham, who not only specialises in hotel and leisure finance whilst working for two clearing banks but has also acquired further extensive experience on the client side through working as an independent debt advisory consultant.

Joining MCR in January 2010, I have over 20 years' experience dealing with corporate clients and proving funding solutions, having worked previously for two major UK clearing banks. John Hunt has considerable experience as a corporate finance advisor to a variety of corporate clients and joined MCR in 2008. He also has considerable experience working in industry and has, therefore, been involved in all aspects of corporate finance on both side of the fence. Our combined skills and creative, hands-on approach throughout the whole process produce a unique offering. I believe this winning combination will help to differentiate MCR Debt Advisory in the marketplace as clients and lenders trust us to keep their funding in good shape for continuing growth and success.



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