

Commercial Finance Association (CFA) Conference

Washington, 25 – 27 October 2006

Washington in the fall is a great time for sightseeing the capital of the USA. There is the White House, Capital Hill and the multitude of memorials along side the autumn colours of the trees is breathtaking. As I got there on Tuesday 24 October I managed a guided tour through the main sites. Whilst it is not London, there are some fantastic sights, buildings and memorials which I was able to encompass in four hours. Washington was clean and most of the people were friendly and willing to help. The underground train system puts our London Underground to shame with its cleanliness, feeling of space and easy to understand routes.

The capital provided an excellent backdrop to the CFA conference. This conference is a focal point for the US commercial funding lenders to meet. I last went to this conference in 2001 and the UK contingent was about 40 but this time it had reduced to about 15 with three of those exhibiting. The only reason for reduced numbers appears to be the number of conferences happening at a similar time to each other. Delegates came from all over the US and Canada, with a smattering from Europe with the biggest contingent from the UK. The delegates were from varied backgrounds including factors, banks, finance companies, valuers, accountants and business professionals.

The conference opened with a reception at the Smithsonian National Air & Space Museum. This was a fantastic venue and a great way to break the ice with about 700 people registered for the 62nd convention. The museum gives a history of flight

in room-size bites – progressing through the two World Wars of aircraft and missiles then into the age of space flight. The space area was devoted to the Russian and American race into outer space and then the landing on the moon along with space stations and unusual craft developed over the years. Everyone I spoke too was in awe of the venue and we were told it is the most visited museum in the world.

The next morning proceedings started with breakfast then guest speaker, Dr Alan Greenspan. His topics then provoked a lot of discussion through the rest of the day. After this, the conference split into various breakout discussion sessions which included "Large cap asset-based lending" and "Lending against intangibles". I went to the latter to hear how the US market lends against patents and brand names which was interesting and very different to how we generally view this type of asset, especially in the UK. Lunch arrived and we had a speaker followed by entertainment from Chris Bliss who was very funny. The day had finished apart from another session of networking which worked well.

This format followed into Friday, starting with breakfast. This was the last day and individuals had the choice of which sessions they wished to attend. These sessions started off with "The new wave of restructuring", "Save your deal (deposit account control agreement)" and "Know and understand your borrower". I went for the latter, learning that the US takes a greater look at the individuals behind a business – their history not only in business, but their personal lives as well. The second set of workshops that day covered "Relationships between

accountants and lenders", "Avoiding niche-falls" and "International financing". I chose International financing as I was interested in the interaction between laws from different countries and how funders deal with these complexities. Lunch followed with another guest speaker called Bob Woodward from the Washington Post who was a lively speaker and provided some excellent stories.

In addition, the conference set up a small exhibition for the attendees to visit and discuss products and services and provides an excellent networking platform for all. This forum was available to visit in between panels and presentations, coffee breaks and buffet lunches were held here to maximise the exposure for the exhibitors to the delegates. I found this arena invaluable for discussing the US and UK markets in an informal and relaxed atmosphere.

Friday evening was rounded off with dinner and entertainment by the Duke Ellington School of Arts which was well attended by the delegates.

Overall a good trip and a well-executed conference. It is well worth attending to see how the American market works and provided a comparison against the backdrop of my own knowledge of the UK/European commercial finance market.

Date of the next conference: 63rd Annual Convention, 7-9 November, 2007, JW Marriott Desert Ridge Resort & Spa, Phoenix, AZ.

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