ORANGE COUNTY BUSINESS JOURNAL

ORANGE COUNTY BUSINESS JOURNAL | DISTINGUISHED LEADERS – HUMAN RESOURCES | MARCH 25, 2024

2024 DISTINGUISHED LEADERS – HUMAN RESOURCES



As Vice President of Human Resources, Amy Yeager independently manages the company's HR operations with a hands-on and strategic approach. Her contributions to the organization's growth and success have been significant, as she has developed policies, procedures, and systems that have increased efficiency, compliance, and cost-effectiveness. Additionally, Yeager has instilled a culture of excellence and innovation that benefits the company and its employees.

During the past three years, she effectively managed the company's rapid growth, which included expanding to 13 states across the US and Canada and increasing headcount by 95%. Yeager implemented new programs to streamline procedures, such as enhancing the recruiting methods and new hire orientation to improve onboarding, writing and implementing HR policies, enhancing employee benefits offerings, establishing employee recognition programs, revamping the performance management and review processes, and implementing ongoing learning and development opportunities.

Yeager's contributions to the company's growth and success are immeasurable, as evidenced by her hard work and dedication, which have enabled the company to achieve its strategic objectives while maintaining compliance with relevant laws and regulations. Her innovative approach to HR management has created a culture of excellence and innovation that has positively impacted the company and its employees.

>> CLICK HERE to read Distinguished Leaders: Human Resources 2024 <<

Hello, world

According to a new report released at Modex by MHI and Deloitte, 55% of supply chain leaders are increasing their investments in supply chain technology and innovation. The 2024 MHI Annual Industry Report, "The Collaborative Supply Chain: Tech-forward and Human-Centric," shows that 88% of those surveyed plan to spend over $1 million, with 42% planning to spend over $10 million. The report provides insights into the latest trends and technologies revolutionizing supply chains and the priorities of those who manage them.

The report also highlighted the significant level of AI adoption and interest in the industry. 84% of survey respondents are planning to adopt AI technologies within the next five years. Furthermore, 51% of the respondents believe AI technologies will create a competitive advantage or disrupt their industry within the next ten years. As a result, company leaders are looking to integrate AI with their business processes to gain a competitive edge.

Generative AI can help optimize key supply chain processes, such as logistics, shipping, transportation, supplier selection/due diligence, and inventory management. These areas have the most significant potential application for AI in supply chain management. However, the report also notes that supply chain management faces a challenging environment due to inflation and rising capital costs.

Inflation concerns tempered growth as workforce and customer demand remain top challenges. 53% of this year's respondents identified rising prices due to inflation as a significant or extreme challenge to their supply chain operations. Inflation can increase the cost of raw materials, labor, and other operational expenses, squeezing profit margins. To offset these increased expenses, businesses must improve their efficiency and reduce costs elsewhere in their operations.

To solve these challenges, equipment leasing can effectively help companies modernize their supply chain and be in the best position to reap the benefits. Investing in AI technology can be wise for businesses that wish to secure their financial future in the current high inflation environment. Equipment leasing can help companies acquire the required equipment before prices rise again, providing stability to plan with certainty and allocate resources efficiently without worrying about rising costs.

With leasing programs, businesses can enjoy lower upfront costs and improved cash flow, giving them the flexibility to access equipment and technology with no down payment required. This preserves capital, which can be allocated to other expenses or investments, creating more cash reserves during economic downturns. Leasing programs have the potential to significantly increase a business's purchasing power, offering access to newer technology that might otherwise have been unaffordable. Additionally, payments are generally lower than traditional debt payments, enabling customization of the equipment configuration to match the business's unique requirements.

At First Financial Equipment Leasing, we specialize in helping businesses make the transition to new technologies attainable and affordable. Our lease financing programs can equip any business for success by keeping working capital where needed most. Investing in AI can help your business stay ahead of the competition and succeed in today's challenging environment. So, why wait? Contact us today to learn more about how we can help you achieve your goals.

Hello, world

A recent study released by the Equipment Leasing & Finance Foundation has analyzed fraud in the equipment leasing and finance industry, focusing on prevention, detection, and impact. The study found a rise of 10% or more in various fraud types, including identity theft and first- and third-party borrower fraud, among equipment finance companies in the past two years.

The study identified various fraud types prevalent in the industry, including identity theft, use of legitimate credentials by criminal enterprises, first-party fraud by borrowing company owners, impersonation fraud, and fraudulent invoice creation. The financial toll of these frauds varies across small, medium, and large lenders, and a notable percentage of respondents either do not track or are unaware of the specific financial impacts, indicating a gap in fraud management advancements and prevention.

Preventive strategies are vital to every company as they are exponentially more effective than investigative approaches. They include analyzing credit over-extensions, scrutinizing bank statements, verifying state-issued documents, and employing third-party solutions for identity verification. Fraud is a constantly evolving issue in the equipment leasing and finance industry. Lenders must stay ahead of the game by adapting and being vigilant in their fraud management practices to safeguard the industry effectively. This study highlights the need for continuous improvement in fraud management practices.

If your company plans to lease equipment this year, it is essential to ensure that you protect yourself. To do this, you should follow these guidelines: conduct proper background checks, verify physical addresses and listings in trade registers, perform credit checks, obtain bank references, audit accounts analysis, review payment history, and, for some, conduct share-register reviews. It is recommended that you do these checks periodically, even if the client has made legitimate leases in the past.

Before moving forward with equipment purchases, talk to one of our industry experts, and let us help you find the right solution.
Download the full report at http://tinyurl.com/yn68hz6v.Hello, world

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Your Dedicated Partner for Medical Equipment and IT Financing



Offering Customized Lease Programs that Help Boost Revenue and Achieve a Speedy Return on Investment.

About First Financial

- We are a privately held lender with a strong specialization in acquiring healthcare, IT solutions, and services. Our adaptive process is designed to effectively meet the demands of the ever-evolving healthcare industry.
- For over 20 years, we have provided financing solutions designed to conserve capital and offer affordable access to often expensive yet increasingly critical, advanced technologies and equipment.
- Part of a global network and the JA Mitsui Leasing family of companies. JA Mitsui is a joint venture of Mitsui & Co. (2022 revenue $96B) and Norinchukin Bank (2022 assets totaling $1.05 Trillion).
- Well-equipped to finance projects from $100K to over $50MM.

Benefits of Financing with First Financial

- Leasing conserves capital and provides 100% financing with no down payment required.
- Easy access to cutting-edge medical technology with minimal upfront costs.
- Bundle equipment and services, maintenance, extended warranty, and insurance in one payment.
- Eliminates the expensive inconvenience of managing outdated equipment.

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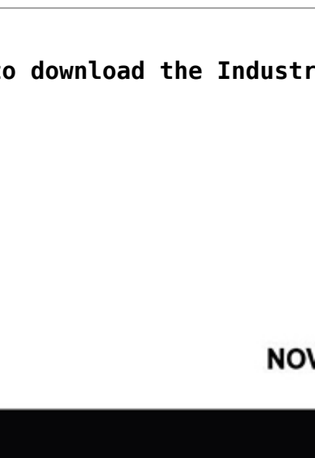

SDC SUPPLY & DEMAND CHAIN EXECUTIVE

November 27, 2023

Leveraging Creative Financing to Unleash the Power of Material Handling Automation

Creative leasing solutions can help blaze the trail for companies to modernize material handling and be in the best position to reap the benefits.





Steve Dodge,
First Financial
Regional Vice President

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*** Click to download the Industry Outlook: AC&T Magazine article. ***

AMERICAN CRANES & TRANSPORT AC&T

NOVEMBER - DECEMBER 2023


INDUSTRY FORUM FINANCE

ACT's annual Finance Forum participants discuss the economy, interest rates, supply chain issues, geopolitical conflict and a possible recession. **Hannah Sundermeyer** reports.

Industry outlook


DANIEL PORTER
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"We think it is important to be 'playing chess, not checkers' in 2024 and 2025."
JEFF WHITCOMB, First Financial Equipment

Click to download the Industry Outlook: AC&T Magazine November-December 2023 article.

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MATERIAL HANDLING WHOLESALER

An Employee-Owned Specialty Publications International, Inc. Magazine www.MHWmag.com October 2023 $10



Hayley Chavarria
Vice President of Portfolio Risk
First Financial Equipment Leasing

Hayley Chavarria serves as the Vice President of Portfolio Risk at First Financial.

With over 35 years of experience in the field, Hayley is responsible for a range of critical duties within the organization. These include overseeing all activities in the portfolio department, managing residual risks, and enhancing lease profitability. Additionally, she is responsible for asset, lease, and customer portfolio reporting, asset valuations, and devising profitable end-of-lease strategies.



Elise Hardy
Vice President of Sales
First Financial Equipment Leasing

Elise Hardy has made remarkable strides in her career at First Financial Equipment Leasing. Her unwavering dedication and hard work have led to her securing top-notch clients and doubling the company's material handling transactions. Moreover, as the first female Salesperson of the Year for 2021, Elise has proven herself to be a reliable and trusted advisor in the industry. Her achievements speak volumes about her expertise and professionalism, and she consistently ranks among the company's top producers.

>> Link to October 2023 Material Handling Wholesaler Magazine <<

Hello, world

Canadian Lenders Association

Our ambitious foray into clean technology and its pursuit of net-zero targets have taken center stage, echoing through Canadian government and corporate corridors alike. In a defining move, the Canadian government, in March 2023, unveiled a suite of investment tax credits (ITCs) aimed at accelerating the nation’s decarbonization drive, with the goal of achieving a net-zero emissions status by 2050.

Budgets & Boons

With the 2023 Federal Budget, eligible Canadian clean technology projects are set to receive a 30 percent refundable tax credit, a financial boon that stands poised to reshape the landscape of sustainable innovation. This credit can be leveraged by taxable entities for investments in a gamut of clean technologies and materials. The ITC covers a wide range of zero-emission technologies. While legislative details are still being fine-tuned, all investments in eligible technologies, initiated from the Budget’s proclamation on March 28, 2023, stand eligible for the ITC. The credit, however, is slated for a gradual phasing-out process, with rates reducing to 15 percent in 2034 and eventually tapering off to zero.

The Clean Technology Tax Credit holds tremendous promise, transforming up to now cost-prohibitive sustainable projects into financially viable ventures, and paving the way for clean tech projects to become cash-flow positive right from their inception. In essence, the financial outlay for these projects becomes offset by the expected energy savings or revenue generated.

For these ventures to succeed, creative financing proves crucial. It demands financial institutions that have a deep understanding of the industry’s nuances, capable of crafting flexible structures that minimize finance payments and maximize the potential for projects to become cash-flow positive.

US and Canada

Interestingly, Canada’s ITC framework bears a striking similarity to its American counterpart, which gives a sense of comfort to would-be American lenders that are already acquainted with the structure and intricacies of the system. The biggest difference is that in Canada, the ITC is refundable, meaning recipients receive the full amount regardless of how much income tax they pay. This allows more recipients to take advantage of the credit and also removes many administrative and operational hurdles for the lender. An example is the need to find a third-party tax equity partner that has a big enough tax liability to leverage the ITC.

One example of how lenders can use structure to align with current demand is to structure a lump-sum payment, equal to the ITC in year one. Timing would depend on when the ITC is expected to be received, with the borrower using their ITC to make the lump-sum payment. Credit can get more comfortable with a rapid reduction in overall exposure, and the lump-sum payment will reduce all other payments, allowing the project a better chance of being cash-flow positive.

For many smaller clean tech projects, if a customer has borderline credit quality, or more importantly, if the finance amount is right up against their exposure limits, that rapid reduction in exposure can often be a make-or-break change in terms of credit approval.

Tempered Enthusiasm

Yet, in the excitement that surrounds environmental, social, and governance (ESG) goals, these projects and investments need to make sense financially – for all stakeholders. While some lenders are enthusiastically expanding their cleantech lending portfolio to bolster their ESG credentials, others have reservations as they consider the underlying asset collateral to be weak, (i.e., on solar projects where the resale value of the panels is not strong). These lenders often still view renewable energy and clean technology as an emerging industry in Canada and are approaching this economic upswing with caution.

It’s imperative that the finance industry embrace the clean energy economic boom, utilize flexible structuring to incorporate the ITC’s and align their lending products to allow more projects to move forward. Canada needs companies to embrace the Clean Technology Tax Credit, but to do this, we need lending partners that can be resourceful, flexible, and move quickly to meet this marketplace need to bring these projects to fruition.

About the Author

Grant MacFarlane is Regional Vice President at First Financial Canadian Leasing, a JA Mitsui Leasing, Ltd. company that is very active in lending and structured finance for the renewable energy sector.

>> Link to Canadian Finance News article <<Hello, world