

VEDIC - CTD Loan Pool Collaboration

Background

VEDIC is a non-profit corporation organized by the Town of Valdese to create and retain jobs, increase economic opportunity in the region and strengthen the region's business sector by providing loan funds to businesses, both start-up and existing, in any county in North Carolina.

The CTD is a network of textile related companies that collaborate to meet the increasing demand for US textile production. The organization creates a one stop shop of resources for clients looking to produce domestic textile products and assists existing manufacturers (called partners) by providing the industrial ecosystem necessary for them to grow and thrive.

Purpose of collaboration

VEDIC and the CTD have formed a partnership to support each other and the growth of small to mid-sized manufacturing firms in the region, especially those in common sectors or clusters. Businesses that are networked together and share resources have more success. For that reason, leaders of VEDIC and the CTD strongly believe they can assist businesses across the state of North Carolina while supporting each other's mission and goals.

The relationship benefits VEDIC because the CTD's leaders offer technical assistance in key manufacturing sectors and will make referrals to VEDIC. The relationship benefits the CTD because it provides access to capital for CTD clients and partners and entitles them to a special, low interest rate.

Applicant Process

- CTD clients and partners are required to go through the normal VEDIC procedure for application. They should start with filling out the VEDIC Pre-Application, which can be provided by any member of the CTD Management Team
- The pre-application can be returned to a member of the CTD Management Team or can be submitted directly to VEDIC Director Chuck Moseley
- The applicant should request a letter of endorsement from the CTD Management Team, which will guarantee access to the special, low interest rate
- A member of the VEDIC team will then contact the partner for more information and a full application
- If the applicant is a startup company they should be prepared to provide a business plan. If an existing business, the applicant should be prepared to provide three years of financial information

Amount, Rates and Terms

The maximum loan amount is \$250,000; however, the average VEDIC loan ranges from \$25,000 to \$50,000. The rates and terms are completely dependent upon the type of business, the loan amount and the collateral available.

For more information

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