

# AGP Finance Forum

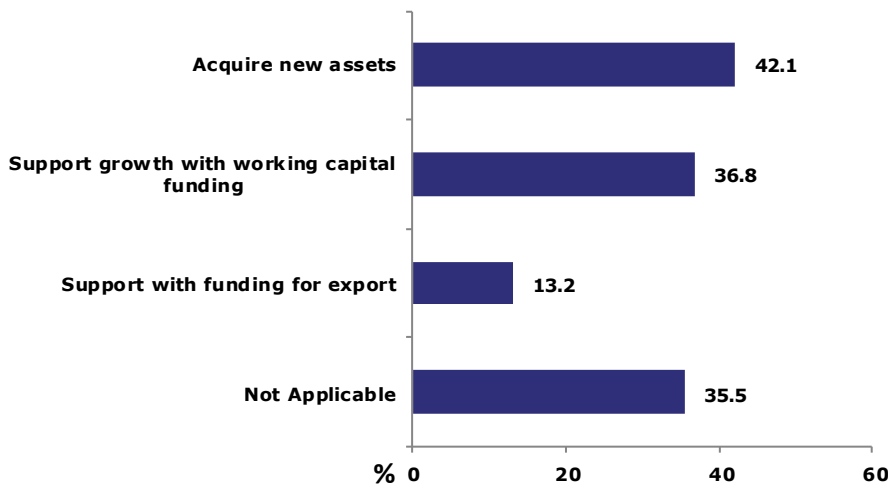
## SME Survey Results



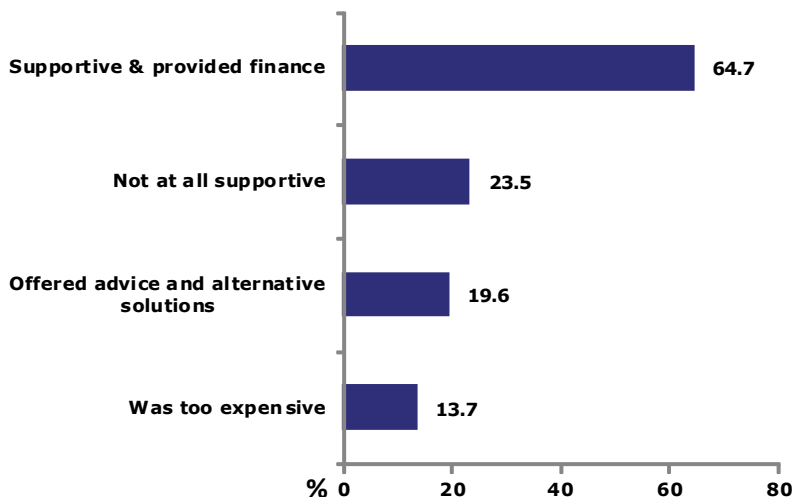
In 2013, the Aerospace Growth Partnership (AGP) surveyed\* the UK supply chain the business climate and their experiences at raising funds.

The AGP Finance Forum has used the results to focus its work on raising awareness, addressing potential barriers and developing alternative options.

Almost two-thirds of firms approached bank for finance in past 3 years, %



Almost two-thirds of firms found their bank supportive, %



**75%**

expect >10% growth over the next 3 years

**2 in 3**

that applied for finance found their bank supportive

**40%**

that couldn't get bank finance raised funds from non-bank sources

**63%**

would use government grants to invest in growth

**75%**

believe contract clauses are getting more onerous

**1 in 3**

get paid at 30 days or less

\* Survey was sent to over 500 SMEs across the UK supply chain, with 80 companies responding (16% response rate).

# AGP Finance Forum

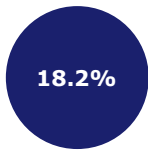
## SME Survey Results



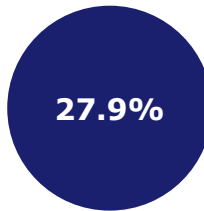
### Faster growing companies more willing to accept an equity sale

(% willing to consider minority equity sale to enable growth, by expectations of growth)

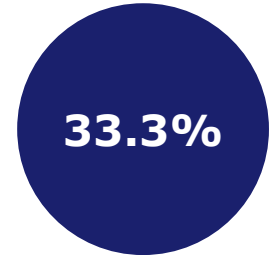
Expect 2-10% growth



All companies



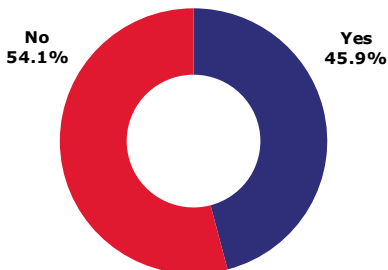
Expect >10% growth



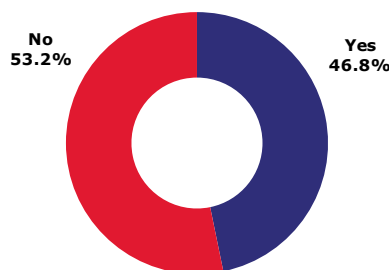
### Majority of suppliers unsatisfied with contract terms

(% able to satisfactorily negotiate the following terms in long-term contracts)

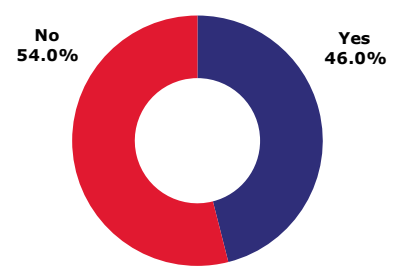
Liquidated damages



Break clauses for market pricing



Escalation clauses



### Majority of payment terms stretch to 60 days or beyond

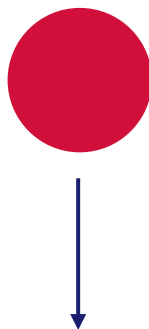
(% with payment terms (days with two largest aerospace customers))

<30 days



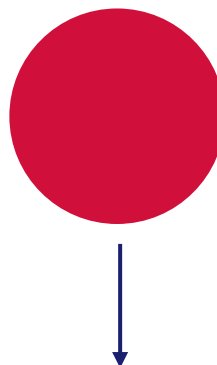
7.1%

30 days



25.7%

60 days



57.1%

90 days



14.3%

>90 days



2.9%