



Clovis Video Producer Gets Boost With Accion Loan

By Alfonso Ramos, Accion Loan Officer

Randy Johnston needed working capital for his Clovis video production business two years ago and approached his banker for a loan.

Johnston had a decade of experience producing infomercials and videos and doing web design and computer animation through his company, 12th Gate Studios, but he needed a small infusion of cash to meet his ongoing financial obligations so he could pursue opportunities to build the business's client base.

The bank wasn't able to accommodate Johnston's request because he hadn't been an account holder long enough to qualify. But his loan officer referred Johnston to Accion New Mexico (Accion), a nonprofit community development financial institution that specializes in serving entrepreneurs whose businesses don't yet qualify for traditional credit—startups, for example—and who seek a "microloan" of as little as a few hundred dollars or a larger loan of up to \$750,000.



"Accion works with specialized businesses like mine," Johnston said. "It's a feast or famine type of business."

For 12th Gate, the feast is on. Business is so good, in fact, that Johnston, who refinanced the original loan this year, aims to pay it off early in 2015.

A Good Fit

12th Gate contracts with numerous government agencies, including nearby Cannon Air Force Base, and with schools, police departments, construction companies, private investigators and attorneys to produce and edit instructional or informational videos and commercials. Peripheral services include photography and digital video mastering and duplication.

Like all Accion clients, Johnston brought vision and a distinctive skill set to the running of his business. A self-taught jack of all trades, he had acquired the technical skills necessary for his work beginning back in Denton, Texas, where he worked in restaurant design before going solo in video production. For business advice, he turns to an expert in the family: his father, a retired businessman.

As his business expands, Johnston is taking steps to structure it as a limited liability company. Eventually, he wants to gather all his entrepreneurial ventures under one corporate umbrella.

Johnston says Accion has been a good fit for his business's short-term capital needs. And, with an eye on growth, he adds it's comforting to know Accion and other New Mexico-based community lenders exist if he ever needs funding again.

Accion strives to make its credit process easy and accessible for existing or aspiring small-business owners. The organization's loan application can be completed in as little as a few minutes online, by phone or even through an in-person visit from an Accion staff member to a business's location. Accion also offers business development opportunities like regular workshops, networking events, mentorship and referrals to other community resources that provide technical assistance and training.

Building Communities

Since it began in Albuquerque 20 years ago, Accion has extended more than 5,400 loans worth more than \$39 million to some 3,300 small businesses throughout New Mexico. Loans can be as small as \$200 and as large as \$750,000.

Accion is a lending partner of the New Mexico Small Business Investment Corporation, which promotes economic development by deploying capital statewide. The capital comes from an allocation of the Severance Tax Permanent Fund and helps small creditworthy businesses create jobs and improve communities.

Accion is dedicated to helping entrepreneurs and business owners fuel income generation, asset creation, employment opportunities and financial success through business ownership. For more information about Accion, visit accionnm.org or call 800-508-7624.

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