

Starting Your Business Relationship

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SPEAKERS

Introduction, Wil, Christine, Terri

-
- W** Wil 00:00

In this episode of the Making Money Personal Podcast, Terri and I will be speaking with Christine Malloy, one of Triangle Credit Union's Commercial Loan Officers about the importance of entrepreneurs building a business relationship with their financial institution. If you're a business owner or are thinking about starting your very own business, this episode is for you. Stay tuned.
 - I** Introduction 00:27

You're listening to Triangle's Making Money Personal Podcast, where we engage in real talk about financial matters that affect our community. Today's episode is sponsored by Triangle Credit Union recently voted best credit union in New Hampshire.
 - W** Wil 00:45

Alright, welcome to the show everybody. Terri, how are you today?
 - T** Terri 00:48

I'm doing okay, Wil. Thanks so much. I'm doing okay. What about you?

W Wil 00:51
I'm excited because Christine is here to talk about business and entrepreneurship.

C Christine 00:56
Yes, I am.

T Terri 00:57
Welcome to the studio Miss Christine.

C Christine 00:59
Thank you, glad to be here.

W Wil 01:01
So, Christine, what do you do for Triangle exactly? Just so the audience can get to know you a little bit better.

C Christine 01:07
I am a Commercial Loan Officer, which basically means I originate loans, bring them in the door, process them and submit them to underwriting and walk through the process with the business owner and build relationships with business owners.

W Wil 01:25
Perfect.

T Terri 01:26
Do you frequently meet with, you know, if I'm a new business owner, Christine, and I have a need for some financial backing, you know, some new funds or something like that, if I called in here, would I typically end up... Would you be my first point of contact? I guess is what I'm asking.

C Christine 01:47

I am one of the first points of contact at the Commercial Loan Department, I receive the incoming phone calls as well as the leads from the branches, where I then call the business owner and just do a discovery interview to learn about the business and understand what their need is.



Terri 02:10

Okay, so you are a good, you know, you're a good first point of contact, then



Christine 02:14

Absolutely.



Terri 02:15

Okay, awesome. So if I'm a business owner, I've called you and you know, and then you have to call me back, what would be some of the - you just mentioned, like business discovery questions, can you kind of go over some of those things that you will be asking me,



Christine 02:29

A solid financial partner will offer all the necessary products and services to meet the needs of any business. And in addition, be very approachable and responsive with lending practices and decisions. Some of the products and services that we offer will require a true interview to make sure that we fit the needs of the member. We also, if they're looking for a loan, through that discovery process, try to understand exactly what they're looking for, learn the history of the business, the current trends, financial trends, the current ownership structure and the whole purpose. Then once we understand that it helps with underwriting and the risk analysis, then we also know what to ask the member, what we need for the different loan products that they're looking for, for example, we'll ask almost in every case, a minimum of at least two years of federal business taxes and personal taxes, recent sets of financial statements, all of those things help to determine the ability to repay the debt. It allows us to review the assets and the liabilities and to determine the loan structure and repayment terms. If it's a brand new business, though, it's a bit different. It's different because we do not have a financial history to examine. So our total lending decision would rely heavily on personal collateral, personal credit history, a strong business plan, and we would want to know how much cash the business owner was willing to inject in this new business.

T Terri 04:16
Okay. Is there a certain percentage that you would be looking for in terms of personal cash? You know, is there a, I guess, yeah. Is there a certain percentage?

C Christine 04:29
We like to say 10%. And depending upon the program, if we use the SBA, the Small Business Association, they have their own requirements as well.

T Terri 04:37
Okay. And can I just want to go back and touch base a little bit about the business plan. How formal does that business plan, usually, you know, have to be?

C Christine 04:49
We provide blank guided type forms for people to fill out if they don't have one. But a business plan doesn't necessarily have to be too formal, but it should have important ingredients, per se. For example, a strong business plan tells the story, it provides the vision and then also explains how and why they are going to be successful. A good plan includes competitive analysis, pricing, staffing needs, a long term planning, including economic downshifts and upswings. So we want to see that they have staying power, that they will be capable of paying the loan back over time and on a consistent basis. What doesn't look good is if somebody doesn't really think those things out. Not having a plan, not doing the research, then we question, you know, "How serious is this business owner?".

W Wil 05:51
Right.

T Terri 05:52
Good.

W Wil 05:53
So what kind of products and services does Triangle offer new businesses or even existing businesses that we have?



Christine 06:02

Generally financial institutions, Triangle, a bank, all offer business checking and savings accounts to transact business, whether by paper checks and cash or through electronic card transactions and online banking services. Other products and services include lending, which we just discussed, merchant services, payroll services and access to insurance and investment products. Offering various lending products such as loans for asset purchases, real estate purchases, or lines of credit to help with cash flow, all assist businesses with growth and equity opportunities.



Wil 06:44

Right. What should a person consider when looking for a financial institution?



Christine 06:48

Every business owner is unique. So choosing an institution can be as simple as easy access to a retail branch, or as important as securing a trusted relationship with a financial partner and loan officer. A solid financial partner will offer the necessary products and services to meet the needs of any business. And in addition be approachable and responsive. With lending practices and decisions. A business owner needs a lending partner that can provide advice when necessary, and truly appreciate the vision of the business. Some business owners also may choose to work with a smaller institution such as Triangle that houses not only their preferred loan officer, but also the operations of the commercial department, all at the same place. So having a full service local office can make the difference for some transactions, especially when there is a timing issue. So Triangle, for example, has a fully staffed local commercial loan office where the originators are located and all the necessary loan processing and underwriting takes place. It's all done right here in Nashua, New Hampshire



Wil 08:03

Right.



Terri 08:05

Awesome. Christine, have you had the opportunity, in terms of starting the, you know, working with a business from it's inception to the development and its growth?



Terri 08:14

Yes, I have. I've been with Triangle for about four and a half years. And during that time, I started working with clients that, for example, that wanted to become real estate investors. And they started with one property. And over the last four and a half years, they now have numerous properties five, or six or even more. I have helped businesses expand, that were very small. And they turned around and bought a competitor's business that was maybe triple their size, and which then helped them again grow and prosper and become much larger, through different programs and services and lending. We've also helped startups from the from the get go, who had a solid vision, where we took the chance and provided the funds for fit up equipment and cash flow to help them live this American dream. I'm working with a client right now that we just finished giving them a loan for a new business in Salem, New Hampshire, this particular woman worked in a different career completely during the day, but on the weekends, did what you love to do. So she came to me with this vision in this business plan saying, "I want to do, permanently in full time, what I love to do. So this is what I want to do." And we made it happen.



Terri 08:52

Ah, that is a good story. That's a good story. Wow, that's it is super cool.



Christine 09:52

And I just went out to visit with them today. And to see all the construction going on. And it was very exciting. And I just know that they're going to do well.



Terri 10:01

How long did you say you've been here?



Christine 10:02

Four and a half years.



Terri 10:03

Four and a half years. So have you worked with a business member for that length of time, like over the course of their growth?

C Christine 10:11
Absolutely. We have clients that like I said, have come to us with a vision, you know, they wanted to be investors in real estate. And we've helped numerous customers just develop their portfolio. We work with anybody that walks in the door, we're willing to talk to them, because we want to understand what their needs are, what their, you know, plan is, and to make sure that it's a good fit for Triangle Credit Union as well.

T Terri 10:47
Right.

C Christine 10:47
So, you know, our door is always open for discussion,

W Wil 10:52
Right.

T Terri 10:52
That's awesome.

C Christine 10:53
We're also currently working with a successful trade school with one that is currently only has one location in New Hampshire, the owners wanted to be able to serve more clients in other areas of the state. So they researched the needs of the communities, and decided to expand and build a second location near the coast. So they came to Triangle, and Triangle reached out to the SBA. And together we put together a loan program and structured it to build a complete second location for the school and basically double their business. And they're growing and we look forward to watching them succeed in are thrilled to be part of the success story.

W Wil 11:39
Perfect.

T Terri 11:40
I love this. I'm getting, like, all warm like, you know? So what did you say your official title was?

C Christine 11:47
Commercial Loan Officer.

T Terri 11:49
So you're really a dream maker. You know what I mean?

W Wil 11:52
Commercial Heart Officer.

T Terri 11:53
It's got to be so satisfying.

C Christine 11:54
That's why I really, truly, love what I do. I really, truly, do.

T Terri 11:59
That is awesome. I mean, you're making, like you said, like these people if this is their passion, and you're bringing the tools that they need to get it done. That's that's really cool. I love that.

C Christine 12:11
It is. It's a great job.

W Wil 12:14
Perfect. So, how long have some of the businesses been members with Triangle? And what's the longest to date?



12:24

Well, Triangle, I believe started lending in the mid 90s. Business lending, sorry. One of the first loans was to a local church. And I believe they are still members to this day, or in fact, I know they asked their members to this day. And you know, a large majority of our business members stay with us. And they refer clients to us over and over. And I truly believe Triangle has had great success in business lending because of the personal interaction, responsive and ongoing open communication with our members, along with offering the loan products and services that meet their needs.



Wil 13:06

Right.



Christine 13:06

So we're pretty successful and pretty proud of that.



Terri 13:10

Christine, can you talk a little bit more about why it's important for a business and a financial institution to have a strong relationship?



Christine 13:19

Absolutely. A strong relationship is everything in this business. If one of my clients has a specific need, such as to add an asset, or wants to start talking expansion ideas and calls me to discuss their plan, I am thrilled. It is a very, very good feeling, because I know that I have become their partner, their trusted advisor, and I can guide them towards their goals to ensure success for them, but also for Triangle Credit Union.



Wil 13:51

Right.



Terri 13:52

That's awesome. And so clearly, the relationship is mutually beneficial then.



Christine 13:59

Absolutely.



Terri 14:00

Awesome.



Wil 14:01

Hi guys, Wil here. We hope you're enjoying this episode and sorry to interrupt. But here's a quick word from our sponsor.



Introduction 14:07

Did you know that in 2018, small businesses made up 99.9% of all US businesses. Whether you currently own a small business or are thinking about launching one, at Triangle Credit Union, we have all the tools you need to help your business grow. We offer an array of deposit products and a variety of lending options, along with merchant and payroll services to simplify your finances. Recently awarded the SBA's 2019 Financial Services champion of the Year for New Hampshire and New England, we can take your business to the next level. At Triangle Credit Union serving our community is our business visit TriangleCU.org for more information.



Wil 14:53


So Christine, where can people go to learn more about starting a business? And what are some resources that might be available today?





Christine 15:00


First of all, as you all know, New Hampshire is a great place to do it. New Hampshire is pro business with numerous resources available. To start the new hampshire office of the SBA provides an incredible service through its program called SCORE. For those of you who are not aware of SCORE, it is a program made up of around 175 volunteer business experts throughout the state. They help with business plans and strategy and real world advice. The SBA also has a program specifically geared towards women at their Center for Women in Enterprise. The center assist women entrepreneurs with business development and growth plans. Another great resources to the Division of Economic Development. They offer advice and assistance to businesses such as technical training,


recruiting, procurement of federal and state contracts, and so much more. And I would be remiss if I didn't discuss Live Free and Start. It's an initiative that Chris Sununu, the governor of New Hampshire started, along with the Business Finance Authority and Department of Business and Economic Affairs, aimed at creating jobs and making it easier for companies to start, grow, and succeed in New Hampshire.


 Terri 16:21
Wow.

 Christine 16:23
It's a great program. There's websites about Live Free and Start that people can go on there and get a lot of information with regards to how to run a business, what to do, as well as the SBA obviously has numerous articles of information.

 Wil 16:44
We'll be sure to link those in the show notes, those are great resources.

 16:46
Absolutely. And finally, a solid resource for any business is their credit union, or bank. I personally have met with many business owners and entrepreneurs over the years and go over the process of business banking and lending. And, you know, discuss what do we look for to get approved for a loan, what kind of products and services are available, and how to develop a business plan and how to move forward to have success. So, you know, we're here for them. You know, my door was always open. I'm always here to answer the call. And, you know, I welcome anyone, you know, anyone that's looking or thinking about starting a business, I'd be very happy to talk to them.

 Terri 17:33
That's awesome.

 Wil 17:33
That's awesome.

T Terri 17:34
What is the best way to reach you, Christine?

C Christine 17:37
Probably the best way is by email. My email is CMalloy, which is M-A-L-L-O-Y@TriangleCU.org.

T Terri 17:47
Okay, good.

W Wil 17:49
Perfect.

T Terri 17:50
Christine, thank you so much for coming in the studio today and spending time with us. And you know, sharing your experience as a Commercial Loan Officer, and all of the good things that you guys are doing. And I do want to give a shout out to our Commercial Lending Team for receiving Credit Union of the Year from the Small Business Administration, that was in 2018. And most recently, they received another award, like literally, about a month or so ago. It's the Financial Services Champion of the year Triangle Credit Union. And that goes out to the Commercial Lending Team as well. So kudos to you guys for doing such great things in New Hampshire and for our membership, we really appreciate it.

C Christine 18:33
It's an honor to have received those awards. And, again, it's an honor to be able to serve the membership and develop relationships and provide the necessary lending to help businesses succeed.

T Terri 18:45
Excellent.



Wil 18:46

Alright, and that's going to wrap it up. If anybody has any questions or suggestions for a podcast, be sure to email us at tcupodcast@trianglecu.org. I encourage you to like us on Facebook, the Triangle Credit Union page on there. If you can, please rate and review our podcast on iTunes. That would be a tremendous help. Also, if you can share it on social media, Instagram, Facebook, Twitter, whatever you have we'll take it. We appreciate you hanging out with us today. Have a great day.