San Diego Business Journal Supplement

Small Business Banking and Finance

Platinum Sponsor

Torrey Pines Bank
Community Lenders Step It Up

Community banks are special because they usually have strong ties to local communities when it comes to small business lending. They not only interact with their borrowers in the bank, but around the community, and see the results of their lending decisions in new business start-ups, existing business expansion and job creation locally.

Size can make a difference! According to Ben S. Bernanke, Chairman of the Board of Governors of the Federal Reserve System, “Banks whose headquarters and key decision makers are hundreds or thousands of miles away inevitably lack the in-depth local knowledge that communities use to assess character and conditions when making credit decisions.”

There are approximately 6,000 community banks in the country according to the Federal Reserve. These banks account for 10 percent of the total business loans made and 64 percent of these loans were made to small businesses.

Most community banks continued to lend during the recession and tended to provide a greater proportion of small business credit. Why? Because community banks make their lending decisions differently than major banks. While all banks use borrower’s credit scores and financial statements this might not be the first criteria a community bank uses in determining whether or not to make a loan. Most community banks know their customers and also look at the borrower’s character when making a loan. Meaning if the borrower has paid back other loans, he or she is most likely to continue to keep a loan current until it is paid off.

The U.S. Small Business Administration (SBA) has suggested that banks making SBA guaranteed loans use this type of approval formula instead of just the standard financial criteria. All banks are heavily regulated and reviewed and are in business to make money for their shareholders.

Applicants struggling with credit issues and low sales will continue to have difficulty getting a loan. Businesses that are continuing to increase sales and have kept their accounts current should find community banks more receptive to doing business with them.

Locally, CDC Small Business Finance is successfully using the new SBA Community Advantage program. This is a program for borrowers who have had difficulty getting loans or for start-ups. The program provides funds for loans up to $450,000. This fiscal year, CDC Small Business Finance has already made 10 Community Advantage Loans totaling more than $1.5 million.

A new SBA lender, San Diego Private Bank, is another community lender, which has approved seven loans totaling $5 million. As of April 3, 2013, they merged with Coronado First Bank and remain focused on small business lending.

Seacoast Commerce Bank has made 13 loans, totaling more than $14.5 million. Community Valley Bank located in El Centro, is on the top ten list of lenders in the San Diego District and has made five loans, totaling $3.5 million.

Nationally, SBA Lending through the first half of the fiscal year remains strong and is 13 percent ahead of the pace at the same point last year. Loan approvals have exceeded $10.7 billion.

In California, 3,697 loans were approved totaling more than $2 billion. Locally, 925 loans were approved, for funding with a guaranty by SBA for $167 million, as of April 15, 2013.

Submitted by U.S. Small Business Administration

By: Ruben Garcia
SBA District Director
San Diego
www.sba.gov/ca/sandiego

Wells Fargo

Over $400 in savings is always good for business

You could save over $400 for your business with our Appreciation Advantage™ offers*

You work long and hard to make your business succeed. To thank you for your commitment to your business and your community, we’re offering you over $400 in savings with our Appreciation Advantage offers. You can save on financial services you may need to help your business: Wells Fargo Gold® Business Services Packages, Business Platinum Credit Cards, Merchant and Payroll Services.

Stop by today to start a conversation with a Wells Fargo banker, call 1-877-436-4170, or click wells Fargo.com/appreciation to learn more.

*Appreciation Advantage offers of potential discounts over $400 are based on estimated combined fee waivers and rate reductions for special offers. Please consult a banker for details on savings and duration for individual product and services offers. Please also refer to the Business Account Fee and Information Schedule for details on monthly service fee waivers and other discounts. Terms and conditions of accounts, products, programs, and services are subject to change. Fees and conditions may apply to certain products and services. Credit and deposit products as well as Merchant Services are subject to credit qualifications.

© 2013 Wells Fargo Bank, N.A. All rights reserved. Member FDIC. (930378_08362)
1 What is an SBA Preferred Lender?

Steve Black
Senior Vice President
Torrey Pines Bank

The Preferred Lenders Program (PLP) is part of the Small Business Administration’s (SBA) effort to streamline the procedures necessary to provide financial assistance to the small business community. Under this program, the SBA delegates the final credit decision and most servicing and liquidation authority to carefully selected PLP lenders. SBA, however, will continue to check loan eligibility criteria.

Lenders are considered for PLP status based on their record with SBA and must have demonstrated a proficiency in processing and servicing SBA-guaranteed loans. Torrey Pines Bank is a preferred SBA 504 lender. We have demonstrated remarkable success helping small businesses acquire real property. In fact, we’ve been the top ranked community bank SBA 504 lender in San Diego County for eight consecutive years.

Karen Brassfield
Executive Vice President, Chief Banking Officer, Silvergate Bank

The Preferred Lenders Program (PLP) is part of SBA’s effort to streamline the procedures necessary to provide financial assistance to the small business community. Under this program, the SBA delegates the final credit decision and most servicing and liquidation authority to carefully selected PLP lenders. SBA, however, will continue to check loan eligibility criteria.

Lenders are considered for PLP status based on their record with SBA and must have demonstrated a proficiency in processing and servicing SBA-guaranteed loans. All loans must still meet SBA eligibility criteria, and be structured and documented consistent with SBA requirements.

2 What is the most important thing a small business should look for when looking to begin a banking relationship?

Teofla Rich
Senior Vice President
Head of Private Banking
Torrey Pines Bank

Critical components of any successful relationship are trust and confidence, mutual respect and open communication. Those are the same traits you should require of your banking relationship – and it’s worth it!

The business client may want to conduct a self-assessment to determine and prioritize what they need to have a successful banking relationship like ease of access to your banker, transactional or consultative approach, credit requirements and technology capabilities.

Once a business is confident in what is important to their success, the business can be clear in articulating their needs and focused in their evaluation of the bank that best meets those needs. And, if you are not satisfied with the answers you receive, ask more questions – after all, it is your business and your money and you need a bank you can count on.

Karen Brassfield
Executive Vice President, Chief Banking Officer, Silvergate Bank

A small business should look for a bank with local decision making and a banking staff that will take the time to understand the needs of the business and work with the business to meet those needs. The bank should be a trusted advisor, not just a deposit taker. Look for a bank that will operate as a department of your company, so that you benefit from prompt service, ready access to decision makers, and products and services that have been customized to your needs.

Remember that all banks are on their best behavior during the courtship process. If you are not introduced to the team that will actually be handling your business and if your calls or queries are not answered immediately – these are warning flags you should heed. This is where business-driven community banks fill a much needed gap for small business. They know your time is valuable and have dedicated small business banking experts working on your behalf every day. This allows you to focus on what you do best knowing that you have the
products, services and expertise your company needs to grow.

Jim Horton
Senior Vice President & Regional Manager
AmericanWest Bank

Choosing a bank that offers the breadth and value of products and services you need now and well into the future is just the baseline. I think it’s key to choose a specific banker you can communicate with easily and who is willing to truly get to know your business.

Regardless of your business’ size, you deserve customized attention. Your banker should be a trusted advisor and a resource year-round, not just when your loan or line is up for renewal. Establishing and maintaining a strong relationship with him/her is invaluable – think of it as anytime access to free expertise.

The most important thing for a small business owner to look for in a banking relationship is the ability to have access to decision makers that will provide a consultative approach to fulfilling their business banking needs. So many banks offer their products and services based on their own goals, as opposed to what may be in the best interest of the customer. Furthermore, at some banks the decision on a loan is made by an analyst at a remote location, instead of by someone who can see the whole picture by getting to know the customer and their business.

Small Businesses can be overwhelmed in finding the resources they need to operate. How can a bank specializing in small business help?

Don Schempp
Senior Vice President Manager, Carlsbad Office Torrey Pines Bank

You have heard many times before – it’s not always what you know but WHO you know. A “relationship” banker can be a tremendous resource for small businesses looking to advance to the next level or remain viable during tough times. Simply put, we can provide introductions to other business clients who provide B2B services, like attorneys, CPAs or strategic planners. Each has the expertise to offer guidance so that a small business can concentrate on doing what they do best with the help and support of others. At Torrey Pines Bank, our rapid growth is due to cherished referrals such as this and in turn, we are constantly making introductions which are mutually beneficial to both parties!

Karen Brassfield
Executive Vice President, Chief Banking Officer, Silvergate Bank

Working with a business-driven community bank has many advantages for the small or growing company. Small businesses should be able to depend on their bank to provide information on resources as part of their ongoing business banking relationship. Among these is the ability to provide you with resources through referrals to CPAs, insurance and legal professionals, broker and or real estate consultants, payroll services, and other experts.

Additionally, your banker should be a lending resource and advisor. Perhaps you have funded your company with your own money and you want to plan for a business loan to help your company grow. Or, perhaps you applied for a loan but were declined.

A good community banker will work with you to understand your financial statements and your business plan; then help you develop a strategy to enable your business to qualify for the lending support it needs. Business-driven community banks have in-depth knowledge and access to the various loan programs that are available for small business, including SBA loans, receivable loans, and others.

Finally, because the small business banking team is qualified and able to focus on your unique needs, they can provide you with the products and services you need now and also anticipate your future requirements so your banking relationship evolves seamlessly to support your business.

Jim Horton
Senior Vice President & Regional Manager
AmericanWest Bank

You wear enough hats already; you shouldn’t need to know every product and service available in banking – that’s our job. And if we’re doing our job right we get to know you and your business, then proactively recommend solutions to save you time and money.

You deserve a banker who respects the complexities and challenges of being a small business owner. He/she should be eager to learn why you’re so passionate about your products and services and what sets you apart from your competitors. Your banker should be the loudest voice in your cheering section, rooting you on as you achieve your financial goals.

Scott Parker
President & CEO
Vibra Bank

Typically a bank that works with small businesses can be a good resource for business owners by providing insight into the business. An experienced business banker can analyze their business help?

Karen Brassfield
Executive Vice President, Chief Banking Officer, Silvergate Bank

Working with a business-driven community bank has many advantages for the small or growing company. Small businesses should be able to depend on their bank to provide information on resources as part of their ongoing business banking relationship. Among these is the ability to provide you with resources through referrals to CPAs, insurance and legal professionals, broker and or real estate consultants, payroll services, and other experts.

Additionally, your banker should be a lending resource and advisor. Perhaps you have funded your company with your own money and you want to plan for a business loan to help your company grow. Or, perhaps you applied for a loan but were declined.

A good community banker will work with you to understand your financial statements and your business plan; then help you develop a strategy to enable your business to qualify for the lending support it needs. Business-driven community banks have in-depth knowledge and access to the various loan programs that are available for small business, including SBA loans, receivable loans, and others.

Finally, because the small business banking team is qualified and able to focus on your unique needs, they can provide you with the products and services you need now and also anticipate your future requirements so your banking relationship evolves seamlessly to support your business.

Jim Horton
Senior Vice President & Regional Manager
AmericanWest Bank

You wear enough hats already; you shouldn’t need to know every product and service available in banking – that’s our job. And if we’re doing our job right we get to know you and your business, then proactively recommend solutions to save you time and money.

You deserve a banker who respects the complexities and challenges of being a small business owner. He/she should be eager to learn why you’re so passionate about your products and services and what sets you apart from your competitors. Your banker should be the loudest voice in your cheering section, rooting you on as you achieve your financial goals.

Scott Parker
President & CEO
Vibra Bank

Typically a bank that works with small businesses can be a good resource for business owners by providing insight into the business. An experienced business banker can analyze their customer’s financial information, and can often point out areas for operating improvement, or discrepancies from

“I didn’t know a credit union could do that!”

When it comes to handling a small business’ banking needs, you’d be surprised by what North Island Credit Union can, and will, do for you.

Commercial real estate loans from $500K to $15 million

Business Loans and Lines
Commercial real estate loans
Operating lines of credit • Equipment loans
Government-guaranteed loans

Account Choices
Checking (four options)
Sweep • Zero balance
Business money market

Cash Management
ACH origination • Wire transfers
Remote deposit capture
Courier and armored car

Other Services
Payroll • Benefits packages
Merchant card processing
Business credit cards

We welcome all locally based businesses

800/293-6494
myisland.com

Continued on page S26
Demystifying small business lending: Insights from a seasoned commercial lender

Business owners should realize how valuable they can be to their bank. According to Barlow Research, a banking industry research firm, the single office home office (SOHO) – middle market business segment is a more profitable segment for banks than retail. On average, this segment typically uses seven products/services to address their banking needs including real estate and fee based services.

But many small business owners believe that banks only lend money to businesses that don’t need a loan. There are several reasons why this misconception exists. If we take the time to examine a bank’s operation and their management of risk perhaps this may help business owners develop strategies and timelines that support an initial loan request.

A commercial bank is where a small business may be able to borrow the least expensive money. In order to deliver this cost effective, lower rate money, the bank does sufficient due diligence i.e. underwriting to assess the risk. A bank’s lending capacity is derived from its depositors so the risk must be managed within tight qualifications to ensure that depositor assets are protected. This differentiates a bank from a variety of other non-bank lenders – sometimes referred to as hard-money or asset-based lenders, although each typically requires primary and secondary sources of repayment. Non-bank lenders have more liberal underwriting standards but their loan pricing structure is substantially higher and they most likely look at the quality of collateral, like real estate or receivables, as the primary source of repayment. They may also impose some measure of control such as assignment of the assets.

The bank’s assessment of risk is based on historical cash flows and other assets, meaning that the bank is going to need to see a sufficient track record of cash flow and be convinced that the cash flow is predictable through the course of the loan. Since there are circumstances that occur with the passage of time, the bank is also going to expect to see other assets and collateral in addition to historical cash flows.

Unlike a business partner or investor who provides ‘permanent capital’ into a business, a bank is a great source to obtain “working capital” that a business can use to effectively balance payables with receivables and the overall efficiency of the operation with expectation of short term repayment.

At what point in the cycle of my small business will a bank loan me money? There is no precise answer that will work in all instances, but in general, a commercial bank will begin to give consideration to a business that has 12 consecutive months of successful operation which would include demonstrating a credible demand for your product or service with positive financial trends and a business plan that is commensurate with capacity.

Before you consider applying for a loan, you may want to conduct your own assessment using a bank’s judgment process. They look at the 5 “C”s of credit:

• Character – honesty, integrity, honoring obligations
• Capacity – assessment of the primary and secondary sources of repayment
• Capital – equity in the business
• Collateral – secondary source of repayment when the primary source is not available
• Conditions – general market and industry economic conditions and company position

You’ll also want to find the right banker whom you’d consider for a long term relationship. Some of the finer qualities you may want to see in your banker include the willingness and eagerness to learn about your operation so they can be best equipped to be an advisor to you and your business. When was the last time your banker visited you? They should also be knowledgeable about your industry and tell you how you stack up against other firms of similar size within your industry. And when you are ready to apply for a business loan they should be able to guide you through the loan process so you have clear expectations and aren’t caught off guard with information the bank will ask of you.

Finally, choosing the right bank is as important as choosing the right banker. Since good bankers are often found at good banks, finding the right banker may be your first step in finding the bank that is just right for you. Just like choosing any other major service provider, a referral from a trusted business associate or community member is a very good place to start. A bank should have the lending capacity that will meet your growth objectives and the customer service to help you realize your dreams – and celebrate your business success!
the industry norm that might indicate problems in the business operations. Many business owners are highly skilled in certain areas, but often not in accounting or finance. Finding a banker that can uncover problems and provide services to help with cash flow or growth can be of great value to any business owner.

When it comes to small business banking, how has technology leveled the playing field between large and community banks?

Ruth Danielson  
Senior Vice President  
Cash Management Sales Manager  
Torrey Pines Bank

As technology has advanced, products have become more web-based and more accessible. Community banks can now compete more effectively by offering the same basic services as a large bank, at a competitive price but more than likely, with a higher degree of customer service. In the past many of these products were offered mostly to larger companies, but as technology becomes more ubiquitous with ease of implementation, the cost of the services has allowed smaller businesses to apply these resources to their operation. Most businesses are more open to using electronic services such as online banking and Remote Deposit to automate the deposit process, which also levels the playing field for banks that don’t have a broad branch network.

Karen Brassfield  
Executive Vice President, Chief Banking Officer, Silvergate Bank

Technology is progressing at lightning speed, and this is making banking services in general more accessible to business and personal banking customers. Large and small banks have equal access to the technology required for online banking, mobile banking, digital check deposit, automated clearing house (ACH), automated bill payment and on-line wire transfers. Community banks have access to large data processing service bureaus at a reasonable cost that allow them to remain competitive in their online service offerings. Additionally, because community banks like Silvergate Bank are relationship-driven, they provide their customers with hands-on personal support for the implementation of new services, such as remote deposit, custom lockbox services, and more.

Jim Horton  
Senior Vice President & Regional Manager  
AmericanWest Bank

Gone are the days when only the largest banks have high-tech financial tools. We offer a full spectrum of affordable technology solutions that can streamline your daily tasks, giving you more time to focus on your business.

At AmericanWest, our approach is to truly know every customer and deliver the right mix of personal expertise and technology for them. Whether you prefer to manage all aspects of your daily activity, or utilize cutting-edge technology to minimize your hands-on time, there’s a mix to make your job easier.

As bankers, our job is to give you peace of mind that you’re doing everything possible to maximize your revenue while minimize your expenses.

Scott Parker  
President & CEO  
Vibra Bank

Community banks are now, more than ever, able to offer their services to
Among the greatest challenges faced by small businesses is finding that their borrowing needs are often overlooked or considered too risky by large financial institutions.

While stringent lending criteria is a key hurdle in today’s lending climate, the biggest obstacle faced by small companies is that all too often banks and lenders simply don’t understand their business and how to meet their needs. This is where the creativity and personal attention of a community bank that specializes in small business lending can make a crucial difference to a company’s ability to access the capital it needs to be successful.

Take for example a San Diego contracting company that needs several hundred thousand dollars in financing for working capital. The company is growing, with more revenue projected, but has an immediate shortfall in funds to cover interim operating costs. This company approaches several large banks, who provide a list of lending criteria on both the deposit side (i.e., the minimum in account balances the company needs to have with that institution), and on the lending side (usually about 10 requirements).

Because the company’s upcoming revenue growth is not reflected on its financials yet, and because it is a contracting company that is perceived to be high risk, the big banks turn down its request for financial assistance. This decision is made by underwriters who have never even spoken to the customer.

Now, consider the same company approaches a San Diego bank specializing in small business. That bank is staffed with professionals who understand small business. Those professionals meet with the customer, listen to understand his business and unique needs, and then work with the bank’s team of lending professionals to find possible lending solutions. The bank – in this case Silvergate Bank – put its creativity and business knowledge to work, and ultimately provided the customer with two credit facilities totaling $1,400,000 using a state-sponsored special guaranty program.

Unfortunately, the specialty guaranty programs designed to help small businesses are an often overlooked area by large banks. Community banks, on the other hand, have a dedicated department or specialists who are familiar with all of these programs and are able to help find the best match for each borrower’s particular needs.

Another challenging lending requirement that small businesses face with larger banks is collateral – typically large banks look for the loan to be secured by an owner-occupied real estate asset. Most small businesses, especially those that are newer, do not yet own their facilities and lease, instead. This immediately makes them ineligible for a loan.

Once again, that borrower has more options with a community bank that is willing to be creative. As an example, a local power company wrapping up its R&D phase approached Silvergate Bank for a $200,000 working capital line of credit. After understanding the company’s business and unique needs, Silvergate Bank was able to extend $200,000 in working capital, using special guaranty programs and outside investor real estate collateral.

In conclusion, where a small business banks is not only one of the most important decisions it will make, it is also one of the most important relationships it will form.

When interviewing for a bank, be thorough. Expect a high level of service and know that the service you receive during this process is a good indication as to what you can expect afterward. Your new bank should help you transition your accounts so you can still focus on your business.

Finally, even if you don’t have a lending requirement now, anticipate that you will have one later. Ask your bank candidates what their lending process is like, what programs they offer, and how they believe they can meet your needs over time.

Community Banks Can Fill Lending Void For Small Businesses

At Silvergate Bank we listen first... ...then customize banking solutions specifically to your company’s needs.

At Silvergate Bank we’ve redefined the banking experience to be fresh, approachable and tailored to your company’s specific needs. We are a trusted banking partner, with entrepreneurial spirit and deep San Diego roots.

Count on Silvergate Bank for:

- Easy and fast local decision-making
- Innovative, customized banking solutions
- Resources and capital to serve your business over time
- Exceptional, relationship-driven service
- Experienced banking professionals who consider you their top priority

Business Banking, Redefined.

858.362.6300

www.silvergatebank.com

La Jolla, La Mesa, Carlsbad, Escondido and Lancaster.
By Providing Capital to Nearly 10,000 Small Businesses: CDC Small Business Finance Helps Create More Than 125,000 Jobs

More than 125,000 new jobs have been created through nearly 10,000 small businesses that have received financing provided by CDC Small Business Finance over the last 35 years.

“We know that putting capital in the hands of small businesses results in new jobs and strengthens communities,” said Kurt Chilcott, President/CEO of CDC Small Business Finance, which is celebrating 35 years of investing in local economies. “We’re extremely proud of the economic impact our efforts have generated through small business entrepreneurs in the communities we serve.”

Much of CDC’s impact has come through providing SBA-504 loans, which allow small business owners to purchase their own building or large equipment. “The loan only requires a 10 percent down payment on a 20-year fixed-rate mortgage. SBA-504 loan rates have been under 5 percent for 20 straight months.”

Most business owners come to the crossroads of whether they should buy a facility or continue to lease. In addition to the historic low interest rate, there are long-term equity and tax benefits.

“We were renting space for 10 years before deciding to buy a building with a SBA-504 loan,” said Steve Phillips, owner of Punch Visual Concepts, a premier designer/builder of tradeshows and displays. “Now every month, the payment I make is an investment in my future, not just rent of tradeshow exhibits and displays. “Now every month, the payment I make is an investment in my future, not just rent of tradeshow exhibits and displays.

“Offshore Products, one of the largest seafood processors/wholesalers in Southern California, did just that. Jeff Partridge, chief executive officer of Hoist Fitness Systems in Poway, also turned to the SBA-504 program when he needed more space for his growing business of manufacturing home and commercial gym systems.

“We acquired another business and needed larger, more efficient building space,” said Partridge, of Hoist Fitness. “We used a SBA-504 loan to buy a new building and take advantage of the low interest rate and 10 percent down payment.”

The SBA-504 program can also be used to refinance current real estate debt. Dave Rudie, owner of Catalina Offshore Products, one of the largest seafood processors/wholesalers in Southern California, did just that.

“We had an opportunity to refinance our current facility and take advantage of the low interest rate available with the SBA-504 loan program,” said Rudie. “It was a no-brainer.”

CDC is among a handful of lenders in California authorized to offer the SBA Community Advantage loan, which makes available between $50,000 and $250,000 for starting, expanding or upgrading a business. A North Park restaurant owner recently took advantage of this unique program.

“We wanted to upgrade the outside decks, patio furniture and landscaping,” said Mike Flores of Ritual Tavern. “CDC helped us come up with a solution and now we’re in a better position to grow and serve more customers.”

To mark its 35th anniversary, CDC will dedicate the coming year to celebrating its roots as a small, San Diego-based nonprofit organization that has grown into the nation’s leader in SBA-504 program financing (for commercial real estate purchases) as well as its role in helping start-up and emerging small businesses via a variety of other loan programs.

Submitted by CDC Small Business Finance

CDC Small Business Finance was established as a nonprofit organization in March 1978 by Arthur Goodman, a long-time San Diego business pioneer and innovator in making capital available to small businesses, regardless of race, gender and economic status.

To contact CDC loan officers regarding getting access to capital, visit http://cdcloans.com/contact/loan-experts/. For more information about CDC’s 35 years of impact for small businesses, go to http://cdcloans.com/about-us/meet-cdc/
TODAY, SUCCESS WAS SAYING “YES” TO OUR CLIENT’S $7 MILLION LOAN

Our client knew he could trust us to structure the best loan to fit his situation and act quickly to take advantage of a time-critical opportunity. This is not the exception but a basic tenet of Torrey Pines Bank.

We offer local experts recognized for their in-depth market knowledge and attention to customer service with the financial power to transform opportunity into success.

With all capital levels exceeding FDIC requirements and $2 billion in assets, maybe now is the time to ally yourself with a true community bank with capacity. Torrey Pines Bank — it’s where business gets done.

GARY CADY
CEO

JOHN MAGUIRE
President & COO
jmaguire@torreypinesbank.com

WHAT CAN WE SAY YES TO FOR YOU? | 858.523.4600

WHERE BUSINESS GETS DONE.

FOR A COMPLETE LIST OF OFFICE LOCATIONS PLEASE VISIT US ONLINE
TORREYPINESBANK.COM

Member FDIC
Torrey Pines Bank is an Affiliate of Western Alliance Bancorporation.
businesses on a competitive basis with large banks. Through technology including online banking, electronic bill paying, and remote deposit capture, business customers can bank anywhere there is a computer. The need for a huge network of bank branches has been replaced by the ability to use your computer and phone.

With these services, community banks now have the advantage in many ways. They offer the benefits of technology when it is convenient, but still provide real people and access to decision makers when it is needed to solve a problem.

What are some of the ways a bank can help small businesses improve their cash flow management?

Tom Woolway, Senior Vice President North Coastal Market Torrey Pines Bank

A great banker can offer cash flow advice such as reducing fixed costs, monitoring inventory, evaluating pricing strategy to ensure you’re competitive, supplier diversification, prompt payables and structure for monitoring receivables. Plus, banks are making better use of technologies that help businesses with their cash flow and excess cash. Remote Deposit Capture is rather ubiquitous which has caused the service to become more affordable. Looking down the road the use of a scanner, like Square, is making it easy for SOHO or small businesses to have access to their cash quicker than ever before. At Torrey Pines Bank we offer our clients our proprietary Business InSight Report. It’s a personalized financial analysis of the client’s key financial ratios.

Karen Brassfield, Executive Vice President, Chief Banking Officer, Silvergate Bank

Community banks dedicated to small business offer the latest in cash management products – from online banking, online wire transfers, account analysis, positive pay, remote deposit capture (from your office), report uploads and downloads to your accounting system, lockbox banking, and Automated Clearing House (ACH) services. They should also be able to help you with merchant card services, offering several companies to choose from, as well as business debit cards, cash services and courier services.

Jim Horton, Senior Vice President & Regional Manager AmericanWest Bank

The key is to make your money – not you – work harder to leverage your available funds. Here are three popular tools to consider:

- **Online Treasury Management.** Quickly and easily manage your cash flow for maximum efficiency and liquidity. Balance your accounts, verify transactions, transfer funds and download history – and that’s just the beginning.
- **Remote Deposit Capture.** Utilize technology to deposit checks right from your office – speeding up the time between accepting a payment and redeploying it, plus you save trips to the branch.

Scott Parker, President & CEO Vibra Bank

Small businesses often face growing pains in the form of cash flow timing differences as they grow revenues, build inventory, hire employees, and balance receivables and payables. A good business bank can provide insight into where their customer may need help, and provide the right financial tool for the job to address the need. This may be a line of credit to support seasonal sales, or long-term financing for new equipment to streamline operations and lower costs.

The important thing is to work with a service-oriented business bank that can get to know their customer’s business and offer solutions based on real business needs.

---

**Top Ten Reasons to Use the Book of Lists**

1. To find a supplier.
2. To meet diversity initiatives.
3. To use for prospecting.
4. Research a company’s background.
5. Charitable contribution donations.
6. Scheduling events.
7. Invitations.
8. Brainstorming.
9. Understanding the region.
10. To find a job.

“The lists of women-owned and minority-owned businesses highlight companies you might want to include among your vendors”

For more information about advertising in the Book of Lists call your Account Executive at 858.277.6359

---

continued on page S27
Whether you’re just getting started or taking your business to the next level, here are four tips to make managing the financial aspects of your business easier, giving you more time to focus on running a successful business.

Are you on a first name basis with your banker? A good banker knows you and your business. He/ she truly understands why you’re so passionate about your products and services and what sets you apart from your competitors. Your banker should be the loudest voice in your cheering section, rooting you on as you achieve your financial goals.

In turn, do you reach out and initiate communication when you have a question or concern? Your banker can be a resource year-round, not just when your loan or line of credit is up for renewal. Establishing and maintaining a strong relationship with your banker may seem counterintuitive but it’s invaluable — think of it as any-time access to free expertise.

Getting that Loan. We want local business owners to know there’s no shortage of lending for qualifying businesses. You’re in the driver’s seat because there are banks like AmericanWest here in San Diego County actively lending to businesses of all sizes.

If your bank turns you down, don’t assume it’s a reflection of your creditworthiness. It could be as simple as the lender reaching a concentration limit in that particular loan category or a shortage of available capital to fund the loan. So if you’re declined, be sure to ask why.

The key is to be vigilant and willing to shop around because odds are there’s a community bank right here ready and willing make you that loan.

Add to your toolbox. Gone are the days when only the largest businesses can afford financial tools to streamline their daily tasks. Today there are solutions for businesses of every size. Whether you prefer to manage all aspects of your daily activity, or utilize cutting-edge technology to minimize your hands-on time, there are tools to make your job easier.

We believe you don’t need to know every product and service available in banking — that’s our job — and if we’re doing our job right we understand your business and proactively recommend banking solutions to save you time and money.

Here are four examples of tools that can make your money — not you — work harder by leveraging your available cash flow.

- **Online Treasury Management.** Quickly and easily manage your cash flow for maximum efficiency and liquidity. Balance your accounts, verify transactions, transfer funds and download history — and that’s just the beginning.

- **Sweep Account.** Excess funds are automatically swept from one account to another, leveraging your available cash flow.

- **Remote Deposit Capture.** Utilize technology to make check deposits right from your office — speeding up the time between accepting a payment and redeploying it, plus you save trips to the branch.

- **Mobile Merchant Services.** Accept credit card payments on the go knowing your bank is on-point, ensuring every transaction is safe and secure (includes iPhone, iPad, Android or Blackberry).

**Access Assistance.** If you have questions or are simply wondering if you’ve outgrown your current business accounts, seek out the advice of your banker. If you are not sure the name of your banker that’s a red flag — it might be time to think about switching to a bank with a team who is eager to earn your business and demonstrate their value to you every day.

By Jim Horton, Senior Vice President & Regional Manager, AmericanWest Bank

**About AmericanWest Bank**

AmericanWest Bank is a business-focused community bank. We are financially strong and well-positioned for the future. Visit us at any of our seven area locations:

- **San Diego:**
  - University Town Center: 4445 Eastgate Mall, Suite 110, 858-625-0650
  - Downtown: 701 B. Street, Suite 100, 619-231-8500
  - Point Loma: 1350 Rosecrans Street, 619-245-7900

- **Carlsbad:** 325 West Grand Avenue, confirming this now
  - Carmel Valley: 5851 Priestly Drive, 760-448-8300

- **Escondido:** 3000 East , Suite 110, 858-625-1940
- **Palm Desert:** 42005 Cook Street, STE 310 760-346-6139, 619-245-7900

Or anytime at **www.awbank.net**

You may also call Regional Manager Jim Horton directly at: (760) 448-8300.

---

AmericanWest Bank

Business Banking: It’s all about you.

Meet the team.

Chris, Jim and Linda are seasoned banking professionals. Their team approach is simple — listen, collaborate, and advise. The result is a smart, personalized solution for every type of client need.

**We’re banking on the businesses.**

**AmericanWest Bank**

---

**Chris Burr**
Commercial Relationship Manager
Carmel Valley
858.523.1941

**Jim Horton**
Regional Manager
Carmel Valley
760.448.8309

**Linda Thomas**
Branch Manager
Carlsbad
760.448.2768

---

www.awbank.net
Banking for Small Business Owners

Small business owners continue to express concern about the banking environment as well as the challenges in obtaining support from their financial institutions. These concerns include a lack of personal touch, a lack of a true understanding of their business and, as surprising as it may sound, a lack of business acumen from their business banker.

While many financial institutions today are vying for small business banking market share, it is important that business owners establish a personal rapport with their banker to explore, establish, and build a mutually beneficial relationship.

As with any relationship, continued effort and an understanding by both parties are paramount. Building a sound foundation early in the relationship can provide the basis for future growth in the long term. As a small business owner it is important to do the following when choosing a bank:

- **Explore.** Explore the bank. What is the sentiment in the marketplace for the bank? Do you feel they truly understand your business? Are they knowledgeable of the industry and/or trends within the industry? What products and services do they offer? Are they flexible and are they able to expand with you and your business?

- **Establish.** Establish a relationship. Make sure your banker is accessible and has the ability to resolve questions or problems within a reasonable timeframe, or to simply connect and provide updates on your business. For example, update your banker with pertinent business information even when it is not explicitly required. Keeping the lines of communication open is important in the good and bad times. Ultimately, both parties will have to establish trust, loyalty, and mutual respect.

- **Build.** Build a solid foundation for mutual commitment, appreciation, and respect. Successful business relationships make a point of noticing even the small opportunities to grow and expand.

Successful small business banking requires more than just offering commoditized financial products; it requires understanding the business with custom-tailored solutions. Many banks instill cross-selling or up-selling as tools to maximize profitability. Sometimes business owners are offered “one size fits all” products, which may or may not be the best fit for their needs. A common sense approach to banking will not only yield an attractive bottom line, it will create a strong mutually beneficial relationship built out of respect and recognition.

Small business owners need to feel that their banker is a trusted advisor who is able to accurately and diligently assess their financial needs. Again, it is very important for a small business owner to be able to connect with his/her banker on a personal level. More than 65 percent of the U.S. economic output is dependent on small businesses. Business owners need to remind their bankers how valuable their business banking relationship is not only to the banks, but also to the overall economy as a whole.

When choosing a bank to support a small business, it’s recommended that owners search for a bank that provides a benefit in the overall relationship approach based on the principles described above. In return, one should reward their bank with business and loyalty.

Submitted by Vibra Bank

By Alex Rodriguez
SVP, Business Relationship Manager
Vibra Bank
619-422-5311
530 Broadway Chula Vista, CA 91910
Banking for Small Business Owners

Small business owners continue to express concern about the banking environment as well as the challenges in obtaining support from their financial institutions. These concerns include a lack of personal touch, a lack of a true understanding of their business and, as surprising as it may sound, a lack of business acumen from their business banker.

While many financial institutions today are vying for small business banking market share, it is important that business owners establish a personal rapport with their banker to explore, establish, and build a mutually beneficial relationship.

As with any relationship, continued effort and an understanding by both parties are paramount. Building a sound foundation early in the relationship can provide the basis for future growth in the long term. As a small business owner it is important to do the following when choosing a bank:

- **Explore.** Explore the bank. What is the sentiment in the marketplace for the bank? Do you feel they truly understand your business? Are they knowledgeable of the industry and/or trends within the industry? What products and services do they offer? Are they flexible and are they able to expand with you and your business?

- **Establish.** Establish a relationship. Make sure your banker is accessible and has the ability to resolve questions or problems within a reasonable timeframe, or to simply connect and provide updates on your business. For example, update your banker with pertinent business information even when it is not explicitly required. Keeping the lines of communication open is important in the good and bad times. Ultimately, both parties will have to establish trust, loyalty, and mutual respect.

- **Build.** Build a solid foundation for mutual commitment, appreciation, and respect. Successful business relationships make a point of noticing even the small opportunities to grow and expand.

Successful small business banking requires more than just offering commoditized financial products; it requires understanding the business with custom-tailored solutions.

Many banks instill cross-selling or up-selling as tools to maximize profitability. Sometimes business owners are offered “one size fits all” products, which may or may not be the best fit for their needs. A common sense approach to banking will not only yield an attractive bottom line, it will create a strong mutually beneficial relationship built out of respect and recognition.

Small business owners need to feel that their banker is a trusted advisor who is able to accurately and diligently assess their financial needs. Again, it is very important for a small business owner to be able to connect with his/her banker on a personal level. More than 65 percent of the U.S. economic output is dependent on small businesses. Business owners need to remind their bankers how valuable their business banking relationship is not only to the banks, but also to the overall economy as a whole.

When choosing a bank to support a small business, it’s recommended that owners search for a bank that provides a benefit in the overall relationship approach based on the principles described above. In return, one should reward their bank with business and loyalty.

Submitted by Vibra Bank
By Alex Rodriguez
SVP, Business Relationship Manager
Vibra Bank
619-422-5311
530 Broadway Chula Vista, CA 91910
Skip Your Summer Loan Payments!

SDCCU® Summer Saver Auto Loan™

Save your summer by keeping your cash
SKIP Your auto loan payments every July & August
Take a vacation from your payments

†Qualified borrowers will skip payments in July and August throughout the term of their loan, provided they remain in good standing per program qualifications. Nominal one-time 95 funding fee applies to participate in the Summer Saver program. Not eligible for other skip payment offers. Contact SDCCU for details.

sdccu.com®
(877) 732-2848
Federally insured by NCUA

San Diego County Credit Union®