



Asking For Business - Success Stories

A Golden Opportunity

However you go about it, offering business services is a golden opportunity for credit unions to serve an important segment of their membership – those who own and run small businesses. With the assistance of Member Business Solutions (MBS), a CUSO owned by Southeast Corporate and Georgia Central, many credit unions are discovering that business services can be profitable and good for their credit union. Moreover, getting started is as simple as just asking for the business.

That’s what Julie Todd, Vice President of Commercial Banking at Florida Credit Union in Gainesville, FL determined once they began providing business services. Todd, who was hired specifically to launch their business services division, has generated approximately 20 loans for 2.5-million.

“I think the only way to be successful in business services is to dedicate a person to it,” says Todd. “It pays for itself – it’s very profitable with low maintenance. The amount



Florida CU’s Julie Todd left, with Step by Step Learning Center owner Cindy Dennis, right, and children who attend the center

of a commercial loan is going to be larger than a home mortgage or an auto loan and generates a better return of interest. It would take three home mortgage loans or 20 auto loans to equate to an average business loan, so it’s just more efficient. Furthermore, businesses normally have higher balances in their checking and savings accounts than individuals, so all-in-all – commercial members are good for credit unions.”

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Julie Todd, Florida Credit Union

Todd credits their marketing department for helping her to develop their commercial business through ads in the local newspaper, direct mail and with their membership with the Gainesville Chamber. Todd indicated that she has been so busy with walk-in business that she has not had to rely on cold-calling for acquiring new commercial members.

On a recent visit to Florida CU, member Cindy Dennis, owner of Step by Step Learning Center of Gainesville, inquired about a business loan. She had a checking account with Florida CU, but had her business accounts



FOCUS CU CEO Bill Enfinger, left and Cade & Associate’s Laura Frandsen, Partner & Account Supervisor and Rick Shapley, President

with a bank. However, she was becoming more and more dissatisfied with the fees she was being charged by her bank, (like being charged a service fee for monthly deposits over \$5,000) and sought-out an alternative. Now Dennis has all of her personal and business accounts with Florida CU, including a new 20-year refinancing loan on Step by Step Learning Center generated by Todd.

“As a business owner, I know what types of financial services businesses want from a financial institution and Florida CU meets those needs,” stated Dennis. “The loan process was very easy and I appreciate the convenience of being able to conduct my personal and business banking in one place. I can’t say enough good things about Florida CU.”

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Cindy Dennis, Step by Step Learning Center

When Todd started at Florida CU, she conducted a member survey and ten-percent of their membership responded that they would be interested in business services. They began by offering limited services such as deposit accounts and merchant services and continued to add services which now include commercial loans and business credit cards. Todd, who previously was the Assistant VP of Business Banking for Bank of America, understands the types of businesses that make good loan prospects. Presently the credit union has a variety of small businesses taking advantage of their business services which includes an architect, a landscaping service and a cable company.

Todd praised MBS with getting their business services program launched. “I was able to get our business services package together much quicker with MBS than if I had to do it on my own,” says Todd. “In addition, it is much more cost efficient as I do not have to buy software or hire specialists to underwrite and document our loans – MBS does it all for us.”

Success at a Small Credit Union

Smaller credit unions can also prosper and be successful with business services. That is what Bill Enfinger, CEO of Focus Credit Union in Chattahoochee, FL discovered once he began the process of business lending. Working with MBS President Jim Gallagher, they began to look at the vendors Focus Credit Union does business with and from there – Enfinger simply went out and asked for their business. One vendor he contacted was the agency that does his advertising and web hosting, Cade & Associates of Tallahassee. From working with Cade as their client, Enfinger understood how their company operated and knew that they were the type of business

that he would like to approach. He met with Rick Shapley, President, of Cade and presented a proposal for refinancing two of their loans that would save Cade over \$10,000.

“Cade indicated to me that no other financial institution had asked them for their business and they were pleased to be asked,” said Enfinger. “Banks do not pay attention to small businesses, so it makes a small company feel important to be asked. Unlike banks, credit unions are not accustomed to seeking out business, but if you just ask – you will get it.” Shapley of Cade concurred. “We appreciate Focus CU for being proactive in showing us how they could help us save money. The outcome turned out to be positive for both of us.”

“Just asking” his vendors for their business has secured Focus CU \$1.8 million in small business loans since signing-on with MBS. Focus CU serves smaller communities in the Florida Panhandle and they have been able to take the place of community banks that have been bought-out by larger banks.

Focus Credit Union’s Enfinger and Florida CU’s Todd both agree that the training and services provided by MBS have been a key factor in successfully launching business services at their credit unions and heartily recommend MBS to other credit unions.

“MBS has been instrumental in getting us started in member business services,” said Enfinger. “During the training, Jim Gallagher coached me on the types of questions to uncover needs of small business owners and then provided me with various solutions and that has been very helpful.”

“Yes, I would recommend MBS to other credit unions,” says Todd. “Jim Gallagher, who led the training session, was very knowledgeable and has been a great resource for advice. I can pick up the phone and call him and he’s always helpful to share his expertise.”

To learn more about how MBS can assist your credit union with its business services needs, please visit the MBS Web site at www.mbsllc.org; or call, toll-free, at (888) 627-7881; or send an e-mail to sales@mbsllc.org. **Member Business Solutions is a CUSO owned by Southeast Corporate and Georgia Central.**

