

Pacific Area Chamber of Commerce Friday Update - February 26, 2010

*Support Small, Local Businesses
And
You Support Our Community!*



Update

FISH FRY – TODAY, Friday – St. Bridget’s

4:30 – 7:00 pm – Eat In or Carry Out

111 W. Union St., Pacific

Open House – February 27 - Coldwell Banker – Kelly Washam

55 Cedar Drive, Pacific, MO – From 1 – 3 PM

3 Bedroom, 2 bath home with 960+ square feet - \$110,000

Pancake Breakfast – Sunday, February 28 – Pacific Lion club

7:30 am – 12:00 noon

Adults - \$7.00

Children - \$4.00

Pancakes, sausage, eggs, juice, milk and coffee

319 Meramec, Pacific, MO – across from Pacific Lumber Co.

WANT US TO CALL YOU IN AN EMERGENCY?

Give us a call today – (636) 257 -2424

Pacific Police Department / ADT Select Link

A service provided by Pacific to all area residence and businesses. Works like the school districts phone messaging to parents. Simply call the above number and give any cell phone and/or home phone numbers and they will add them to their list. In the event of an emergency i.e. flood, tornado, airplane crash or other disaster you will be contacted and informed via the phone numbers you provide. Another GREAT service provided to you by the City of Pacific!

McDonald's – Now Offering Blended Icy Treats with a Hint of Coffee...AND for a limited time SHAMROCK SHAKES NOW AVAILABLE – On St. Patrick's Day, March 17 you can BUY ONE GET ONE FREE

All You Can Eat Chili – Sunday, February 28 – Pacific Eagles – Noon – 7:00 pm

- Anyway Chili, Chili Dogs, Chili Mac w/all the toppings
- Adults - \$8 / Children \$4 / Children Under 5 – FREE

Pacific Eagles – 707 W. Congress St., Pacific

Hosted By: Past Presidents Club

For more information call: (636) 257-5906

Ed's Service Center

Located at 123 E. Union St. in Pacific

(636) 257-5959

Edsservicecenter@yahoo.com

Ed's Service Center does emissions testing as well as state and safety inspections

McTeacher Night at Pacific McDonald's – Tuesday March 2 – 4:00 – 8:00 PM – Proceeds from the evening will go to Crosspoint Christian School Located in Villa Ridge, MO

American Red Cross Blood Drive – Friday, March 12 – Sponsored by Patients First Health Care Co-Sponsored by NEC Insurance

- 10:00 am – 2:00 pm
- Location: Patients First Health Care American Red Cross Donor Coach; 307 Noonan Drive, Pacific

To make an appointment please call Mary Ann (636) 271-9100 or visit

www.redcrossblood.org (enter sponsor code: PatientsFirstHC)

Bring a photo I.D.

SHARE THE GIFT OF LIFE!

*Pacific Jaycee
Texas Hold'em Tournament*

MARCH 19TH AT 7PM

\$30 PER PLAYER

In Advance

\$35 PER PLAYER

At Door

BEER & FOOD AVAILABLE

FOR PURCHASE :

- Fish Sandwich*
- Wings*
- Hot Dogs*
- Hamburgers*

Contact Ben King (636) 692-1432

ROBERTSVILLE P. T. O.



MOUSE RACES

MARCH 27TH, 2010
AMERICAN LEGION, PACIFIC

DOORS OPEN AT 6:30 p.m.
FIRST RACE AT 7:00 p.m.

\$ 20.00 per person
Includes entry to Mouse Races, Beer
Soda and Lite Snacks

Silent Auction and Mouse Roulette

To purchase tickets contact:
Robertsville Elementary
636-271-1448

Helping The Robertsville Community
Grow One Race at a Time!

Hederman Events - "In Mice We Trust"

Experience A Spectrum of Possibilities

Is proud to host...

1st Annual 12-hour Scrapbook

Spring Kick-Off

Union City Auditorium, Union, Missouri

Saturday, March 27th, 2010

10 a.m. to 10 p.m.

(Doors open at 9:50 a.m.)

\$40 per person

Pre-register by March 20th and pay only \$35 for a full day!!

Half-day available for \$25

For more information and reservations - Contact Mary via email at momtobandc@yahoo.com or phone at 314.458.2972

Please make checks payable and mail to: McGee Autism Center,

124 Rock Island Drive, Union, MO 63084

McGee Autism Center

Lunch & Dinner Provided

Product Raffle 50/50 Drawings Attendance Prizes

Goodie Bag for EACH Cropper

Vendors & Classes

Hancock Securities

- **Carries account protection for other securities up to \$34.5 million over traditional SIPC coverage**
- **Accounts automatically sweep cash balances into FDIC-insured accounts**

DEMYSTIFYING THE SMALL BUSINESS LOAN DECISION

What a Banker Looks for When Reviewing a Commercial Loan

Request

Note to Editors: Over the coming weeks, the American Bankers Association will release several white papers intended to assist small business owners navigate the new banking environment. The papers, written through the viewpoint of a former commercial banker, give small business owners a rare glimpse into how bankers think and are intended to help them develop a mutually beneficial relationship with a bank, prepare to get loans, and evaluate offers. The following is the third paper in the series.

By Robert C. Seiwert, Sr. Vice President and Director

ABA Center for Commercial Lending & Business Banking

A good banker will ask numerous questions of a small business loan applicant before deciding to grant the request for funding. Here is a sampling that bankers will seek to answer while evaluating your loan application.

1) Are we comfortable with this industry or are we overexposed?

The loan request may be perfectly sound but if a bank has a large concentration of loans in one particular industry, it may decide to limit additional credit exposure.

2) What is the character of the borrower?

If the borrower has the money to repay the loan, will they? If the borrower gets into trouble, will they work with the bank to get the loan repaid?

3) What are the loan proceeds going to be used for?

A loan must not only be used for legal purposes, but also be one that bank policy allows. Banks have different policy restrictions on the types of loans that they will make and these restrictions may change based on economic conditions.

4) Why does the firm need to borrow?

Some reasons to borrow are good and some are not. Loan requests to support profitable sales growth are more likely to receive favorable decisions; loan requests to support unprofitable operations or to replace funds taken out of the business to support the owner's lifestyle are not likely to yield a favorable decision.

5) How much does the firm really need to borrow?

Is this loan request just the tip of the iceberg? For example, if a customer wants to purchase a competitor, the acquisition loan may need to be supplemented by additional loans to support the planned sales growth of the combined business entities. The bank needs to be comfortable lending the firm all of the funds it needs to survive and thrive in today's economy.

6) How are we going to get repaid? What is the primary source of repayment?

A banker can't answer this question if they misdiagnose the reason the customer needs the loan (see question 4). Understanding how the bank will be repaid is critical because it dictates the type of loan repayment structure that the firm can afford. Loans to support a seasonal sales growth (i.e., to finance additional inventory and accounts receivable) should be repaid at the end of the season. Loans to finance the purchase of additional equipment need longer terms since the cash flow to repay these loans will occur over many business operating cycles.

7) What are the risks to loan repayment?

Bankers look at both the firm's capacity to repay the loan (e.g., financial risks) as well as non-financial repayment risks (e.g., business vulnerability to changes in technology).

8) How do we mitigate these risks?

The primary source of repayment for most business loans is the cash generated by the firm over one or more operating cycles. If that source of repayment is unavailable due to unforeseen financial or non-financial risks, then the banker will need a secondary source. Secondary sources of loan repayment could include the pledging of business or personal collateral or the guaranteeing of the loan by the firm's owners, suppliers or customers.

9) How good is the financial information on which the loan decision is based?

Is the information prepared by an independent third party or is it internally prepared? If the financial information is prepared by a third party, is the accounting firm known to us? What is the quality of their audits? Their reviews?

Robert C. Seiwert is a Senior Vice President of the American Bankers Association. Prior to joining the ABA, Mr. Seiwert was a banker for over 30 years, serving as President and CEO of a high-performing community bank and Director of Commercial Marketing for one of the nation's largest financial institutions.

The American Bankers Association brings together banks of all sizes and charters into one association. ABA works to enhance the competitiveness of the nation's banking industry and strengthen America's economy and communities. Its members – the majority of which are banks with less than \$125 million in assets – represent over 95 percent of the industry's \$13.5 trillion in assets and employ over 2 million men and women.

Chamber Website – Don't forget, if you miss viewing a "Friday Update" you can go online to www.pacificchamber.com and select "News" scroll down to "Friday Update" select it and view any of the past Friday Updates for the year

Check Out our Website for Upcoming Events

Don't forget to visit our website – **Calendar** – for all upcoming events
www.pacificchamber.com