

Business

CONNECTION

Exclusively for Tri Counties Bank
Corporate and Business Clients

SPRING 2010



SMALL IS BIG

90% of the world's economy consists of **small to medium-size businesses.**

In California, 718,220 small employers employ 52.1% of the state's workforce.

California Nuggets
Gems about our Golden State

POSITION YOUR BUSINESS FOR SUCCESS



Whether you are just starting out, or already managing your own established business, you want to make wise financial decisions. Having a trusted banker on your side

can help move your business in a positive direction. Gretchen Hritz, small business regional sales manager at Tri Counties Bank, provides five keys to financial success.

- 1. Create a business model.** "Developing a business model defines your product or service for a target audience and helps you understand the day-to-day details of business operations, including expenses and revenues," Hritz says. "Once a business model is prepared, Tri Counties Bank can help you review strategies to improve cash flow and increase profitability."
- 2. Develop a clear business plan.** A business plan helps give your company a vision. It should clearly state the legal owner, the target market and the start-up costs to a financial break-even. Hritz recommends brand-new business owners have a secondary source of income and be patient while their businesses get up and running. "A Tri Counties Bank relationship manager will work with you to determine if there is a lending need," Hritz says.

3. Prepare financial documents. "Financial records are the core of assessing how a business is doing," Hritz says. A trusted advisor (accountant or attorney) can help you prepare and maintain up-to-date financial records.

4. Define marketing and sales strategies. Spreading the word about your business is necessary to help it grow, even when times are tough. "Get to know your customers as well as the competition, and know how to make your company stand out in the best light," Hritz says.

5. Cultivate a business banking partnership. "A trusted business banker will listen to you, get to know your industry, recommend solutions based on the needs of your business and help you plan ahead," Hritz says. You can count on a relationship manager at Tri Counties Bank to follow up with you regularly and work with you to help your business succeed.

BUSINESS SERVICES SPECIALIST

To learn more about how Tri Counties Bank can help you manage your business wisely, contact a relationship manager today at **(800) 922-8742** or **www.tricountiesbank.com**.

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SMALL BUSINESS ECONOMIC TRENDS



Things have to be looking up, right? Fourth quarter 2009 real gross domestic product increased 5.7%, compared with an increase of 2.2% in third quarter.* Federal Reserve Board Chairman Ben Bernanke says the recession is “very likely over.”**

Yet according to a survey by the NFIB (National Federation of Independent Business), small and independent business owners are just slightly more optimistic about the economic recovery than they were early in 2009.***

CONSUMERS AND CREDIT REMAIN CHALLENGING

Small businesses need customers, but according to the study, consumers have stepped up savings rather than spending. With demand for goods and services depressed, 16% of small business owners plan to cut jobs through early 2010; only 9% plan to create new jobs. In what may be a difficult cycle to break, consumers are unlikely to step up spending until the jobless find employment and those who are employed feel more confident about keeping their jobs.

Just 17% of small businesses surveyed plan to make capital expenditures over the next few months, and only 7% believe that now is a good time to expand. Loan demand remains weak, partly due to low investment in inventories and delays in capital spending. With proposed and scheduled changes in health insurance, taxes and other legislation that may affect costs, many business owners are adopting a wait-and-see attitude.

WE'RE YOUR BUSINESS BANKING SERVICE SPECIALIST

Tri Counties Bank offers several features that can assist you in attaining greater success:

- **Merchant Card Services** offers your customers a variety of payment options, including credit, debit and ATM card acceptance. We also offer 24-hour support for questions that may come up.
- **Online Cash Management** allows you to keep all of your banking needs at your fingertips, providing ease and security.
- **Prosperity Index™** is a diagnostic tool used to provide feedback to you about the financial health of your business.

For more information about any of these services, please call **(800) 922-8742** or learn more throughout this issue of *Business Connection*. To find out more about our community partnering and seminars we currently have available, including QuickBooks® and financial management, log onto www.tricountiesbank.com. Just another way Tri Counties Bank demonstrates that your success is our business.

* Source: Bureau of Economic Analysis, www.bea.gov.
 ** Source: *The Wall Street Journal*, www.online.wsj.com, posted Sept. 16, 2009.
 *** Source: “NFIB Small Business Economic Trends,” November 2009.

TURN TO A PARTNER YOU TRUST FOR ELECTRONIC PAYMENT PROCESSING



Offering your customers a variety of payment options – including credit and debit/ATM cards – can help build customer loyalty. At the same time, accepting

card payments can increase your average sales ticket and minimize your losses from bad checks and charge backs. Tri Counties Bank's Merchant Card Services Program allows you to choose from a variety of authorization and settlement configurations for VISA®, MasterCard®, Discover®, American Express®, Diners Club®, EBT and JCB® cards. "We offer reliable 24-hour technical support, a merchant supplies program and Web-based reporting and reconciliation," points out Chad Stevenson, vice president, Merchant Card Services.

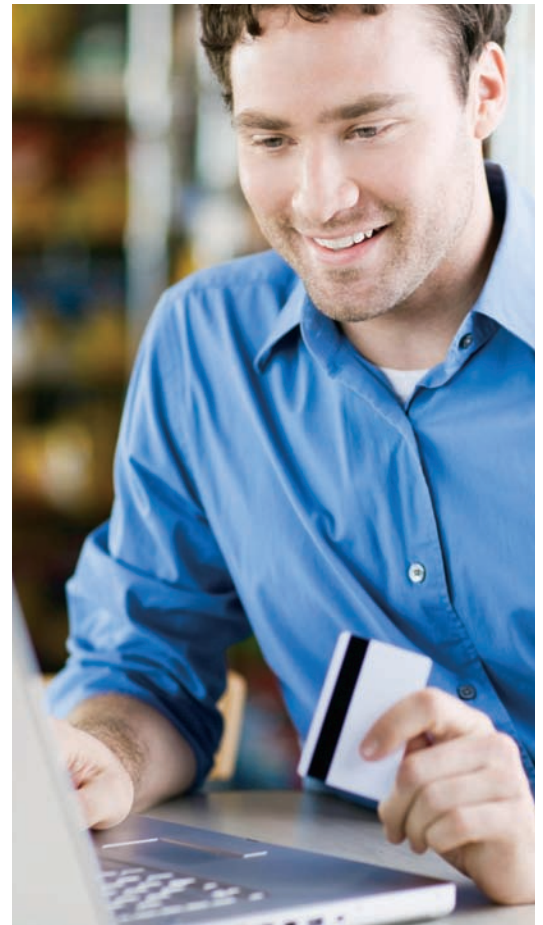
If the majority of your business income is received by electronic payment methods, choosing the right partner to manage these transactions is key to your business success. "Tri Counties Bank is dedicated to building long-term relationships with our business partners while providing

cost-effective, efficient processing solutions customized to fit their individual needs," Stevenson says. "Other companies may offer low rates, but then not deliver the services you expect, and may require that you sign a long-term contract, as well."

Tri Counties Bank can help you improve the way you accept personal and business check payments, with Electronic Check Guarantee. It eliminates bad checks, saves trips to the bank and speeds funding time. The system converts paper checks into electronic payments at the point of sale and deposits funds directly into your bank account within two business days. Electronic Check Guarantee eliminates returned check fees and item fees charged by the local bank, and allows you to accept out-of-town checks with confidence. "The process is simple to use; it's just like a credit card transaction," Stevenson comments.

LEARN MORE

Call Tri Counties Bank for a free assessment of your current processing services at **(800) 922-8742**.



CASH MANAGEMENT SOLUTIONS THAT FIT

Are you making the most of your cash?

Our dedicated team of cash management officers at Tri Counties Bank can help you develop a plan for maximum efficiency and streamlined cash flow. The following services can be customized for your business needs.

eCash Management allows you to monitor your cash 24 hours a day. Tri Counties Bank maintains the newest security features available to ensure your session is secure. Save time and money by checking your accounts on your schedule and taking advantage of features that help efficiently manage your cash.

Positive Pay is set up online through eCash Management. "Positive Pay stops fraud before it happens," says Toni Wilson, vice president, Cash Management Services. "Simply upload check issue files directly into our Positive Pay system; when checks are presented for payment, your account is searched electronically and each check is validated."

Express Deposit Capture allows you to scan checks and transmit the scanned images to the bank for posting and clearing – creating a digital deposit. "Using Express Deposit Capture eliminates a trip to the bank, saving time and money," Wilson says. "You can make deposits until 8 p.m. on business days and save images of checks on your computer for your records."

Lock Box is a solution for streamlining the duties associated with receiving check payments. "Lock Box is set up so your accounts receivable payments are received, processed and credited the same day by Tri Counties Bank – providing quicker access to funds and allowing your staff to focus on other important tasks," Wilson says.

WE MAKE IT EASY

Our cash management officers work one-on-one with you to find the best solutions and provide the support you need, including on-site training and implementation of our cash management products and services. For more information or to contact a cash management officer, please call **(800) 922-8742**.

TRI COUNTIES BANK INTRODUCES PROSPERITY INDEX™



B

Business owners are constantly striving to find better ways to manage their company's finances. That is why Tri Counties Bank offers Prosperity Index – a tool that can help you better understand your financial position.

The Prosperity Index generates a Financial Diagnostic Report produced by the financial information you supply. The detailed report is run at least annually and helps identify ways to better utilize cash and increase income. A Tri Counties Bank relationship manager will walk you through the report and identify ways you can improve your business and achieve your financial goals. One helpful step the Prosperity Index offers is to illustrate the value of creating good, consistent financial reports in the form of balance sheets and income statements.

Prosperity Index can also help you set one-year and five-year goals, and evaluate long-term planning. It will give you a yearly update to assist you in evaluating whether you are making progress toward these goals, and how you can improve the management of your debts and assets to stay on track.

YOURS FOR THE ASKING

If you have not received a Prosperity Index report, you can request one from your relationship manager. If you are already a Tri Counties Bank wholesale banking customer with loans or lines of credit, you can receive a customized report at the next renewal. For new customers, the bank will need three years of financial information to create a Prosperity Index report. For more information, contact your relationship manager at **(800) 922-8742**.

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tri counties bank | LOCATIONS

BAKERSFIELD REGION

Bakersfield
(661) 325-9321

Bakersfield South Panama
Inside WalMart Supercenter
(661) 396-3100

Bakersfield Gosford
Inside WalMart Supercenter
(661) 396-3110

Visalia
(559) 741-2940

CHICO REGION

Chico Park Plaza
(530) 898-0400

Chico Pillsbury
(530) 898-0470

Chico Downtown
(530) 893-8861

Chico South
(530) 898-0370

Chico Esplanade
Inside Raley's
(530) 879-5831

Chico East Ave.
Inside Save Mart
(530) 898-0380

Covelo
(707) 983-6135

Durham
(530) 898-0430

Orland
(530) 865-5524

Oroville
(530) 538-0140

Paradise
(530) 872-2992

Willows
(530) 934-2191

REDDING REGION

Redding Hilltop
(530) 223-3307

Redding Downtown
(530) 245-5930

Redding Lake Blvd.
Inside Raley's
(530) 245-4651

Redding Hartnell
Inside Raley's
(530) 224-3430

Anderson
Inside WalMart Supercenter
(530) 378-8085

Burney
(530) 335-2215

Cottonwood
(530) 347-3751

Crescent City
(707) 464-4145

Fall River Mills
(530) 336-6291

Mt. Shasta
(530) 926-2653

Palo Cedro
(530) 547-4494

Red Bluff
Inside Raley's
(530) 529-7080

Susanville
(530) 257-4151

Weed
(530) 938-4401

Yreka
(530) 842-2761

SACRAMENTO REGION

Sacramento Arden Fair
(916) 648-9370

Natomas Arena Blvd.
Inside Bel Air
(916) 419-2651

North Natomas
Inside Raley's
(916) 419-4301

West Sacramento
Inside WalMart Supercenter
(916) 371-9758

Antelope
Inside WalMart Supercenter
(916) 721-1706

Lincoln
Inside Raley's
(916) 408-5330

Folsom Blue Ravine
Inside Save Mart
(916) 984-2270

Folsom Empire Ranch
Inside Raley's
(916) 984-2029

Roseville Pleasant Grove
Inside WalMart
(916) 780-2266

Roseville Douglas Blvd.
Inside Raley's
(916) 784-6661

Elk Grove
Inside Raley's
(916) 478-9102

Woodland
Inside Bel Air
(530) 661-4701

Brentwood
Inside Raley's
(925) 634-5500

American Canyon
Inside WalMart Supercenter
(707) 647-1049

SAN JOAQUIN REGION

American Canyon
Inside WalMart Supercenter
(707) 647-1049

Brentwood
Inside Raley's
(925) 634-5500

Chowchilla
(559) 665-4868

Fresno
(559) 854-8089

Gustine
(209) 854-3761

Modesto
(209) 548-4030

Modesto Village One
Inside Raley's
(209) 551-1061

Patterson
(209) 892-4098

Turlock
Inside Raley's
(209) 668-1882

YUBA CITY REGION

Yuba City Main
(530) 671-5563

Yuba City Onstott
Inside Raley's
(530) 751-8416

Yuba City Market Place
Inside WalMart Supercenter
(530) 673-1746

Grass Valley
Inside Save Mart
(530) 477-9741

Marysville
(530) 749-1639

Middletown
(707) 987-3196