

We Didn't Get What We Thought We Were Getting

How one staffing company's switch to TRICOM secured an influx of cash – and growth

Overview

The need

As a new staffing startup, Personnel Response Team (PRT) looked to a local provider for funding. They quickly discovered that the provider didn't offer the cash they needed. The funding provider's low advance rates caused PRT to struggle to meet their immediate payroll needs and put their future growth goals in jeopardy.

The solution

TRICOM was able to immediately provide the influx of cash that PRT needed to meet their current needs, as well as their plans for the future. PRT no longer needed to worry about bringing on new accounts since they knew they had the financial backing, regardless of the size of their new customers.

The benefit

Since switching to TRICOM, PRT has grown by leaps and bounds. They've also reaped the benefit of TRICOM's staffing industry knowledge, specifically through TRICOM taking over tax payments for PRT, thereby eliminating another point of stress in running their business.

Founded in 2010, Personnel Response Team (PRT) provides skilled workers to the Construction, Industrial and Energy, Manufacturing, Hospitality and Events, and Disaster Recovery sectors. With offices located throughout Florida, Arizona, Texas, and Illinois, and led by President Chris Mongelluzzi, they deliver timely placements and help keep their customer operations running at maximum production.

Local Funding Provider Places New Staffing Company in an "Impossible" Position

When staffing industry veteran Chris Mongelluzzi first opened his own staffing company with business partner John Ellis, he was pretty confident in their ability to grow quickly. "We started the business in 2010, and signed on with a local company in Tampa. We had an acquaintance who worked at a bank that referred us to this company, because we were too young to get a bank line of credit. It seemed like what we wanted, but it wasn't." Chris continues, "We thought they were giving us an asset based line of credit program like TRICOM offers, but it turned out to be straight factoring. They would set credit limits on customers," explains Chris.

He continues, "We'd all be huddled around the computer waiting for an email confirmation that we're going to get funded so that we could make payroll.... They gave us a credit limit that we were going to hit by Wednesday of each week. We had to try and self-fund, and it was really tough."

It wasn't long before Chris realized they needed to make a change. "My business partner, John Ellis, had been approached by Shelly (TRICOM Director of Sales) for some time, so he set up a call, and we met with Julie Ann (TRICOM President/CEO) and Shelly in New Orleans when they were at the American Staffing Association Conference. We signed on right away."

The Difference Was Night and Day

When Julie Ann and Shelly spoke with Chris and John, they could quickly see that PRT wasn't getting the cash they needed for their current or future needs. "Staffing companies need to know they have the funding piece securely in place so they can attack their growth goals – this is especially important for companies that are just starting out and are building their customer base," shares Julie Ann. "We could see the huge potential PRT had, as well as the stress that their current funding constraints were putting on their business. We were eager to help provide that peace of mind."



“We came from a large staffing company, we had a lot of contacts, we knew we were going to grow fast and we needed someone who would grow with us. That was TRICOM.”

— Chris Mongelluzzi, President,
Personnel Response Team

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personnel response
team

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TRICOM offers a full line of staffing administrative and financial services unmatched by any other provider. By offering consolidation of data and a Staffing Executive Business Suite, coupled with our unparalleled staff expertise, our services allow staffing owners to focus on growth — without worrying about compliance, billing, payroll, or other issues that keep them up at night.

To learn more about how TRICOM may be able to help your staffing company with any administrative or financial needs, please contact us at 888-4-TRICOM (487-4266) or visit www.TRICOM.com.

Chris explains the immediate impact of their new partnership. “I remember Julie Ann saying that we would see an influx of cash by switching over, and I do recall getting some cushion there quickly. They were going to fund everything, whereas the previous company was funding what they chose to fund, with pre-determined credit limits per customer. It was just night and day.”

“The freedom that came with TRICOM was liberating,” Chris continues. “We literally would not have been able to grow with the previous company. They dictated what we were able to do. A good example was probably in that first couple of years with TRICOM, there was a hurricane. We had a restoration company order as many people as we could find. So I called Julie Ann and we worked through it. That would not have occurred with the other company.”

Growth, Taxes, and Peace of Mind

Once PRT partnered with TRICOM, the access to cash made an immediate impact. “It allowed us to grow,” explains Chris. “We probably did about \$8.5 Million in our second year to \$30M in revenue today. So TRICOM allowed us that kind of growth.”

In addition to growth, Chris and PRT quickly realized other benefits of their TRICOM partnership. “I love the aging that they provide me. It’s real simple to work off of. I think TRICOM knows, even before other competitors would see them, the warning flags when customers are going bad. We’ve all had enough experience with those types of outfits.”

Chris adds, “I love how they handle our payroll taxes. We don’t even touch that money. It’s the first thing that comes out of our funding. TRICOM handles all of our tax remittances. We have workers all over the country, so I know we’re a big pain as far as that goes. I even asked our accountant, a small, outsourced guy that we’ve been with since we started, and he didn’t want to touch the tax piece. So that’s been a big plus for us.”

Chris also reveals how much he trusts TRICOM to help with other aspects of his business. “I think TRICOM’s experience in the staffing space has given us peace of mind.... I just don’t think twice about anything. Here’s another example. We joined an insurance captive. We’re entering our second year now. The insurance captive required \$600,000 a year in collateral for the first three years, cash or Letter of Credit. So with my broker, who Julie Ann and Shelly also introduced us to six or seven years ago (the relationship piece has been huge), Julie Ann was able to secure us a Letter of Credit so we didn’t have to come up with all that cash. So that was monumental for us. I can’t say enough about my relationship.”

As Chris reflects on his TRICOM relationship, he believes that it’s something special. “I can call the president, Julie Ann, and she’ll either answer my call or call me back, or shoot a text or an email. That’s hard to beat. We know we’re partners. We run like a well-oiled machine now. And we’ve had everything that can happen in a staffing business.... I would never leave.”