



Diving in ... and taking business to a whole new level

TNT Group, Inc. wanted to expand their pool industry business to a new market and complementary products, so Bank of Texas stepped in for the long haul.

When TNT Group, Inc. decided to take a giant leap—a 1,064-mile one, to be exact—the young entrepreneurs knew they couldn't do it on their own. The holding company's Dallas-based business, known as **DFW Coping**, had been widely successful providing coping—that is, the material that surrounds the edge of a pool—to clients all over the U.S.

Then, in 2018, TNT decided to broaden their product base and expand geographically by purchasing **Phoenix Precast Products**, an Arizona-based company that specializes in landscaping products and also has their own mold shop.

"What attracted us to Phoenix Precast was the ability to bring their landscape products into Dallas and to take our related products from Dallas to Phoenix. We saw a massive opportunity," said TNT Group co-founder Todd McGlothlin.

Meet TNT Group, Inc.

FOUNDED: 2015

THE OWNERS: Todd McGlothlin and TJ Golden. In fact, TNT stands for “Todd and T.J.” Additionally, McGlothlin’s uncle Mike Sutphin helps with business operations, and there are three minority partners in the company.

“Mike is a fantastic mentor,” McGlothlin said of his uncle, who had prior business ownership experience. Prior to founding TNT Group, McGlothlin and Golden started the pool remodeling company **TnT Plaster & Construction**, which they still have today.

HOW THEY MADE THEIR MARK: In less than 10 years, TNT Group has expanded their scope of business from pool remodeling to constructing the coping material that surrounds the pool to creating pre-cast landscaping products such as column caps, decorative bridges, fountains and planters.



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GOING THE EXTRA MILE

But seizing this opportunity would take \$6 million and a financial services firm that was willing to go the extra mile for the young business owner. McGlothlin and his uncle and mentor, Mike Sutphin, came by referral to Bank of Texas, where they met Jamie McMullin, commercial banking team lead for the Dallas market.

TNT's McGlothlin was unfamiliar with the SBA (Small Business Association) loan process, so one of the first steps was explaining how it works, McMullin said. He also worked with TNT Group as they transitioned to a new accountant, who helped TNT get its financial statements in order for the loan process. "I worked harder on this deal than any other because there were so many factors," McMullin recalled.

One of the challenges was the fact that Phoenix Precast, the company they would be purchasing with the loan, was based in Arizona, while TNT was based in Texas. As a result, TNT and Bank of Texas had to use a Certified Development Company, or CDC, in Arizona. A CDC is a nonprofit

organization that promotes economic development within its community through 504 loans. McMullin even flew from Dallas to Phoenix to meet the seller of the company that TNT would be purchasing.

Ultimately, purchasing Phoenix Precast required two SBA loans—a 504 to purchase the building in Phoenix and a 7a for purchasing the remainder of the business. Bank of Texas guided TNT through the process, making sure that they always knew what was happening and the options available to them. "There were tons and tons of questions because this was such a big purchase, so I was available from 5 o'clock on in the morning until 10 o'clock at night. Toward the end, we were talking four to five times a day," McMullin said.

It was a level of dedication—and the fulfillment of a dream—that TNT's McGlothlin said he will never forget. "This particular deal was so complicated. That fact that Bank of Texas was able to get it done just left me absolutely humbled and grateful. It's taken my business to a whole other level."



3 things to know about using SBA loans for a purchase in another state

- 1.** Involve your financial institution's SBA loan professionals early on in the business deal. "That way they can do the due diligence upfront and you can find out whether you qualify for an SBA loan before you are deep into the deal," explained Jamie McMullin, Dallas market team lead for Bank of Texas. "That will save you a lot of headaches."
- 2.** For 504 loans, keep in mind that you will have to work with a "Certified Development Company," or CDC, in the state where you are making the purchase—which may not be your company's home state. That may add extra layers of complexity to the process if your local bank is unfamiliar with the CDCs in the other state. In the case of Bank of Texas, McMullin was able to reach out to a colleague in Arizona—at BOK Financial—who was able to connect him with Phoenix-area CDCs.
- 3.** Send—or have your accountant send—your previous year's tax return to your banker. McMullin, who previously worked as a loan pre-approval officer, said he first looks at whether a company's financials reconcile and, if they don't, he offers to talk to their accountant about why that's the case and what has to be done to make them reconcile.

MORE LEAPS AHEAD—TOGETHER

Over the past four years, demand for TNT Group's services have increased dramatically, and Bank of Texas has helped them respond to this growth. For instance, about three years ago, TNT realized that they could increase their daily production by investing in more equipment, so they took their plan to Bank of Texas.

"I said, if we could buy 100 metal tables that stack, a couple of new mixers and a Bobcat, we can do this," McGlothlin recalled. "And Bank of Texas gave us another loan to go and do it."

Then, when it was time for TNT Group to apply for PPP loans, Bank of Texas truly went above and beyond, McGlothlin said. "Jamie was working Saturdays and Sundays. He was right there with us in the trenches." As a result, TNT Group was able to get five PPP loans altogether for its different businesses.

McMullin, meanwhile, applauds McGlothlin's ambition. Even before TNT Group had closed its purchase of Phoenix Precast Products, McGlothlin already was thinking of where and how TNT Group could expand next. "Todd's a go-getter," McMullin said. "If you give him options, he'll run with it." In turn, as McGlothlin's ambition has propelled TNT Group forward, Bank of Texas has been there every step of the way. In McGlothlin's words: "They care; they're willing to listen; they'll look into the details and they won't give up."





Meet Jamie McMullin, Dallas market team lead for Bank of Texas

JOINED BANK OF TEXAS: 2013

EDUCATION: BBA - Finance, University of North Texas

WHAT MAKES BANK OF TEXAS DIFFERENT? "It's the personal touch of a small bank, even though we're a large bank and have the products and services of one. Here, you can pick up the phone and talk directly to your banker. I can bring out Mark Wade [Bank of Texas CEO] to meet customers. That personal touch goes a long way, especially in today's environment."

WHY DO YOU CHOOSE TO WORK AT BANK OF TEXAS? "Talented and genuine people who really want to help each other."

