CASE STUDY
DaVinci’s Pizza

DaVinci’s needed capital quickly to make equipment improvements and market their business. When the traditional small business loan system failed, they switched to IOU Financial.

When Jason Black, founder of DaVinci’s pizzeria, needed a loan, he started where many small business owners do – at the local bank. Despite DaVinci’s track record of success and indicators of growth, he quickly was stuck in a slow, outdated system before turning to IOU Financial as an easier way to get the capital he needed.

FRUSTRATION WITH TRADITIONAL LENDING

Jason had spent time working on the corporate side of a successful pizza chain in the nineties, and his business partner also had extensive experience in the restaurant industry. With a solid knowledge of good business practices, they struck out on their own and started DaVinci’s in 2006. With a focus on cleaner food and superior service, they have three locations in Georgia in Smyrna, Midtown Atlanta, and Decatur.

DaVinci’s was profitable, had decent credit, and was current on its payments. With a goal of opening a new location, Jason went to the local bank and assumed that getting approved for a loan wouldn’t be a problem. However, the process quickly became a quagmire.

It started by submitting a lengthy business plan, Small Business Administration forms, and other paperwork.

“It took about two to three weeks of my time and a 120-page plan and all this other stuff,” he said, noting that all the while he was busy with the daily duties of running DaVinci’s.

“We went to a bank and tried the conventional route, but after about 6 months they told us we didn’t qualify. Luckily I was able to reach out to IOU Financial, and I qualified pretty quickly.”

Jason Black, Owner
It then took him months of going back and forth with the bank to submit additional information that was required. In the end, it took him six months of alternating between jumping through hoops and waiting for word from the bank only to hear that he had been denied.

**DISCOVERING A NEW SOURCE OF CAPITAL**

Through word of mouth, Jason learned about IOU Financial, and he started to do some research.

“The more I read about it, the more I liked it,” he said.

Still in need of capital improvements and wanting to invest in a marketing campaign, he applied for a $50,000 loan.

“In fact, about as long as it took me to write the business plan, I already had the money in the bank.”

The process took only seven days from when he first called to when he could access his funding. For paperwork, he sent bank statements and references in addition to some personal information. He described IOU’s staff as courteous, friendly, and informed, and they quickly answered his questions. To finalize the loan, the paperwork was done electronically, and signing everything took him under ten minutes.

“In terms of ease of paperwork, the time that it takes to do it, the convenience – it’s all great. I couldn’t be happier,” he said of the experience.

After spending six months chasing a false start, he could now hit the ground running on needed repairs and projects after just a week.

**INVESTING IN A BIGGER PIECE OF THE PIZZA MARKET PIE**

With the loan, DaVinci’s was able to purchase equipment, repair their kitchen floors, and invest in an extensive marketing campaign. By investing in marketing his business, Justin quickly saw a boost in sales, going from $85,000 a week to just over $100,000.

“It has been a great return,” he said.

Jason has almost paid back his loan, and when another opportunity to improve his business comes along, he said he absolutely would use IOU Financial again.

“It’s easy, simple and quick. For a guy like me, who is busy and has a lot going on, they make it easy for you to get the money you need.”

RATHER WATCH INSTEAD OF READ?
See Kevin O’Leary, Star of ABC's Shark Tank, interview Jason about his business!

WATCH THE VIDEO