

HAWAII SBDC SUCCESS STORY - O'AHU CENTER

Today Auto LLC

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808-845-2288



What started as a side business for O'ahu client Li Bing Ning has turned into a successful multi-location pre-owned car dealership and repair facility.

Having immigrated to the U.S. in the 1990s, Bing was focused on work and raising his young family. After moving to Hawai'i for a new job, he decided to expand his side business of buying, repairing and selling used cars. He is passionate about this, not only due to the satisfaction that comes from taking on and solving the challenge of diagnosing and repairing vehicles, but also because he wants to contribute to solving the problem of abandoned vehicles that blight our roads.

Bing had quickly outgrown the facility he was leasing, and like many small shops, parked his cars on public streets around his facility. Constant moving was necessary to avoid parking tickets, however street parking and vehicle jockeying were not productive. A local bank introduced him to the Hawai'i SBDC. Center Director Joe Burns worked extensively with him to prepare a business plan. When developing the strategy section, the need was identified to purchase a property in order to benefit from the advantages of ownership and a permanent location.

The first loan application was denied due to lack of a sufficiently long business track record. Over the following months, the SBDC continued to work with Bing to refine his financial reporting system, and focus on marketing strategy led to a guarantee that any vehicle purchased from Today Auto would be repaired at cost if mechanical issues developed during the buyer's ownership. This unique offering drove the growth of sales revenue, and Bing opened a second location.

Subsequently the opportunity to purchase the shop Bing was leasing appeared. Joe Burns introduced a banker and worked with Bing to prepare financial projections and a business plan update for the bank's use in successfully underwriting an SBA 504 loan in the amount of 7 figures. Purchasing the property is saving Bing more than \$5,000 per month. Despite challenges such as enduring more than 9 months to obtain a building permit, over the 4-year period of engagement with the SBDC, results have been impressive, with sales revenue and operating profit growing by over 350%.

"I very much appreciate the help given to me by Joe and the Hawai'i SBDC. We would not have been able to be as successful without it. The Hawai'i SBDC is a terrific resource for small businesses, and I look forward to working with them to continue our growth."

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