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SBA Assistance Keeps Company ‘Punching Away’ **50 Jobs Saved by Guaranty Loan Through West Union Bank**

HARRISVILLE, W.Va. – It has been said by small business owners many times and in various ways, but Richard Kerns, Chief Operating Officer for Troy, LLC in Harrisville, W.Va. is quite sincere when he stated, *“In all honesty, we wouldn’t be here today without West Union Bank and the U.S. Small Business Administration.”*

Troy is a manufacturer of non-woven needle punch textiles of which 85 percent of their business relies on the automotive industry. The company’s roots can be traced back to 1865 when they manufactured horse blankets, the prevalent mode of transportation at that time, which eventually shifted to automobiles in the 1920’s.

With their corporate headquarters based in Troy, NH, the company decided to build an 85,000 square foot manufacturing facility in Harrisville in 1974 to enhance their growing automotive production line. Once the facility was completed, business remained steady for Troy until the latter 1990’s. That is when the automotive industry started to experience a downturn which was enhanced by the September 11, 2001 disaster.

“Troy was in the process of moving their entire automotive division to Harrisville in 2001 when they decided to file bankruptcy and had no plans to restructure, basically just shut the doors and put the employees out in the street,” said Kerns. *“Marty Ballen, our CEO, and I both worked for Troy at the time and made a decision to purchase the facility. Troy was one of the largest employers in Harrisville and several families depended on the company for their livelihood. So on March 15, 2002, with some help from Mountaineer Capital and the West Virginia Jobs Investment Trust, Troy, LLC was established.”*

Business was good for Troy until late 2008 when the automotive industry started experiencing a serious decline.

“The year 2009 was probably the worst year Troy had financially,” said Kerns. *“We made various changes and restructuring during the year which helped us get by, but when our financial partner decided to call our line of credit, things looked pretty bleak.”*

That is when the SBA and West Union Bank came to the rescue.

“Richard contacted me early last fall and asked if there was anything West Union Bank could do to help,” said Ed Smith, Senior Vice President at the bank. *“Being a small community bank and with Troy needing a fairly large line of credit, I knew we couldn’t help without significant assistance through some sort of guarantor.”*

Smith then contacted the SBA's West Virginia District Office and talked to Tom White, a lender relations specialist. White and Deputy Director David Manley met with the Smith and Kerns to discuss the situation and come up with viable options to save the company.

"We all recognized from the beginning this would be an uphill battle, but one worth fighting," said Smith. *"In light of the economic stimulus programs and the large financial bailouts the government was providing at the time, this was a real need in a real life situation."*

White worked closely with the bank to put together a line of credit through SBA's CAPLine program under the agency's flagship 7(a) loan program.

"Tom helped Richard and me throughout the entire loan process getting together the documentation needed for an SBA underwriting," Smith said. *"Without his hands-on knowledge of SBA's loan process and the skill to direct us through the process, we wouldn't have been able to save the company."*

White even served as the go between for West Union Bank and SBA's Loan Guaranty Processing Center to resolve various underwriting issues.

Through the efforts of SBA and West Union Bank, on January 19, 2010, Troy received an SBA guaranteed revolving line of credit under the Contract CAPLine program which in essence saved the company from certain closure which would have dealt a significant economic blow to the local community.

To learn more about the SBA's loan programs and services, visit their website at www.sba.gov or contact the West Virginia District Office at (304) 623-5631 (email: wvinfo@sba.gov).

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The mission of the SBA is to aid, counsel, assist and promote the interests of small businesses by providing financial, procurement and business development assistance and advocating on their behalf within the government. All SBA programs are extended to the public on a non-discriminatory basis.



(l-r) David Manley, Deputy Director, SBA West Virginia District Office; Edward Smith, Sr. VP, West Union Bank; Mari Keller, Branch Manager, West Union Bank; Thomas Whaling, President, West Union Bank; Richard Kerns, COO, Troy, LLC; and Becky Lambert, Retail Specialist, West Union Bank