

BANES GENERAL CONTRACTORS **CONSTRUCTION**

CASE STUDY: VIVA CAPITAL QUICK PAY PROGRAM

How Banes General Construction **keeps projects on track while building stronger subcontractor relationships** by leveraging the Viva Quick Pay Program.



Image credit: BANES General Contractors (Facebook)

Building Stronger Connections

Banes General Contractors, Inc. is a mainstay in the construction industry. Founded in 1946, it's the oldest and one of the largest contractors in the southwestern United States. Its team of more than 50 employees is responsible for constructing and designing countless residential and commercial structures throughout the area, including expansive educational and medical facilities.

Slow Payments Made it Difficult for Banes to Accept Lucrative Public Projects

As most general contractors know, public projects can be highly lucrative. However, submitting a winning bid is a project all by itself. Funds are often released to the general contractor very slowly too. “That affects us, our subcontractors, and the speed in which the project is being carried out,” explains John Panahi, Vice President of Banes General Contractors.

His concern is a common one. In this industry, subcontractors and vendors rack up their own expenses as projects progress. They rely on timely funding from the general contractor to cover their costs and pay their teams. Any hiccup in the payment process can stop the project in its tracks, impacting not only the immediate work, but any work related to it or dependent upon it. One issue can easily delay the completion of a project by weeks or months.

While other funding solutions can help bridge the gap for general contractors in similar situations, they typically can’t be leveraged with public projects. Moreover, as a seasoned general contractor, Banes now wins bids on multimillion-dollar projects. Unfortunately, this means many financial institutions do not have the capacity to help the growing general contractor firm.

Banes needed a reliable funding solution that could scale with the company and allow it to take on large projects and not worry about how people would be paid along the way.



Banes Keeps Projects Moving and is Expanding with Viva Capital's Quick Pay Program

Banes had two primary concerns when it met with Viva Capital in 2017. First, the company didn't know how receptive its subcontractors and vendors would be to working with a third party. Second, they weren't even sure if Viva could help since its contracts now reach into the millions.

Viva walked Banes through the construction Quick Pay Program and addressed these concerns, assuring Banes that they'd receive the level of funding necessary and creating a tailored plan that ensured vendors and subcontractors would be receptive.

"It was a no-brainer," Panahi says, reflecting on their decision to leverage Viva's Quick Pay Program. It also helps the company build stronger relationships, which is essential in the industry. "Our subcontractors and vendors often are appreciative of being able to know when they will be paid and receiving said payment on time." Plus, it helps them avoid costly delays caused by payment gaps. "It allows us to move projects along and keep on schedule," he continues.



On time and predictable funding has helped our rapport with vendors, subcontractors, and any future customers we may work with.

- John Panahi
Vice President of Banes General Contractors

Banes now finds itself reaching out to its trusted partner for other funding concerns too. "Certain vendors require an advance to fulfill an order we've placed with them," Panahi explains. "Viva has also been able to help us with funding those instances."

With funding for public projects locked in with a reliable provider, Banes feels confident about the future. “We’re going to continue to grow and expand our footprint with the territories we work in,” Panahi says.

“I know firsthand the uneasy feeling other general contractors may get when thinking about dealing with a third party for financing any project,” Panahi acknowledges. “My suggestion for other contractors would be to just roll out the program in one project, see how well it does, and go from there.”



Image credit: BANES General Contractors (Facebook)

Get Started with Viva’s Quick Pay Program

If slow-paying clients are making it difficult for you to accept projects that would otherwise help your general contracting firm grow, or you’re already struggling with issues like project delays and subcontractor relationship issues due to slow payments, Viva’s Quick Pay Program can help. To learn more or get started, request a complimentary Quick Pay consultation.