

Pinnacle Surety Case Study

Synopsis: We go the extra mile for you. Here's a true case study on how we helped a client get the bond they needed for a lucrative government contract. Maybe we can help you as well. Contact us to see.

The Situation: You're a profitable, but relatively new specialty subcontractor who has had several major assignments with Fortune 500 companies, but has done little if any government contract work. Now you have a potential \$2.5 million subcontract through Honeywell for the Federal Government. Only one problem – you have to get a payment and performance bond in order to satisfy government regulations. Because you have no track record for large bonds, every inquiry you make is met with “NO, NO, NO.”

The Story: Maneri-Agraz (www.maneriagraz.com) is a three year old energy efficient lighting subcontractor whose principals have over 4 decades experience in energy efficient solutions. Their focus is on commercial, industrial, and food & beverage clients. Companies that they have assisted include Honeywell, Gatorade, Quaker Oats, and Tropicana.

But they had done only one job requiring a bond – a relatively small \$300,000 project for the Johnson Space Center through NASA. Now they had a chance to do a \$2.5 million subcontract with Honeywell for the Federal Government. They had to get a payment and performance bond. John Maneri explains, “None of the surety companies we contacted were very responsive. They didn't return our phone calls and had no sense of urgency. All we kept hearing was no, no, no. Then a friend got us in contact with Pinnacle. We called Eric Lowey on a Friday afternoon and he explained what paperwork we needed to give him. We worked on it that weekend, sent it to him on Monday, and by Thursday we had a solution. A week later we had an even better arrangement.”

The initial solution for the bonds would have required Maneri-Agraz to put \$250,000 into an escrow account through which all the funding and payments would be channeled. But within a week, Pinnacle had found an alternative that, while still requiring an escrow account, eliminated the need for tying up the \$250,000 of capital. As John Maneri noted, “I still don't understand why it was so easy with Eric.”

Maneri-Agraz signed the contract with Honeywell, got the necessary bond, and is now in the process of completing the remaining government security requirements in order to begin work.

The Solution: Why not contact us to help you get the bonding solution you need for your company.