

## 2022 ICSC — Round 2 SCENARIO

**REGARDLESS of what happened in Thursday's role plays,  
THIS is the Round 2 scenario that covers what really happened in Round 1.**

This looks promising!

Your meeting with Mike Galati went well. You learned that Mike is in charge of stocking the Galati location in Sarasota, FL only and that he is looking to stock some smaller fishing and pleasure boats very soon. When probing for more specifics about Mike's needs, you learned a few important things.

Mike was not pleased with one lender who did not handle the weeks after Hurricane Ian well. Essentially, Mike and his team evacuated Sarasota, but were lucky in that Sarasota was not hit. However, he did miss a payment and the lender informed Mike of a rate increase as a result. Mike called and complained that this was not appropriate given the circumstances. And, after a lot of negotiation (and aggravation), Mike got the rate back to where it was.

Mike also lamented the slow turnaround times for credit uplifts that other lenders have. He wanted to take advantage of a great deal on some new pleasure boats and could not get approval in time to make the purchase. Unfortunately, Mike could have saved \$50,000 on a purchase of 5 new boats, but the deal expired before the credit uplift was granted from Wells Fargo.

Finally, Mike feels like some lenders just do not want any interaction with customers. When he has questions, he is met with automated assistance on the phone and the internet, often being redirected to Frequently Asked Questions that are not helpful at all. He said that when he cannot get the help he needs, inventory purchases get delayed. This results in lost sales. He also worried that Darren will not think Mike can handle the job if he cannot keep a healthy inventory at all times.

At the end of the meeting, Mike was very interested and would send over the financials for Galati's Sarasota, FL location to start the approval process. You asked about next steps and Mike said that Darren Plymale (the COO/CFO of Galati) would need to weigh in on this. Mike could not set up a meeting for Darren, but because you had previously corresponded with Darren, you asked Mike if it was okay to contact him directly. You set up a meeting with Darren and looked over his LinkedIn profile. <https://www.linkedin.com/in/darren-plymale-618a26231/>.

Before that meeting, you received an email from Mike stating that he would want to establish a credit line of \$500,000. At the same time, you received an internal DLL email which said Galati's Sarasota, FL location was approved at a "B" level for credit quality. This is good news! You also read in that email that Galati was very strong financially and could likely get to an A level by January of 2024 based on a good track record with DLL. But, the rates you can offer now are only for a "B" level of credit quality. Before your meeting, you familiarized yourself with DLL's [Credit Criteria and Interest Rates](#).