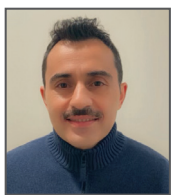


# CASE STUDY

## FIRST FINANCIAL BANK PPP LOAN SUPPORTS CREEKSIDE PHARMACY DURING PANDEMIC

### *Creekside Pharmacy*



**Tony Ibrahim**

Owner, Jafa Pharmaceuticals, Inc.  
dba Creekside Pharmacy

#### BACKGROUND AND INTENDED OUTCOME

Creekside Pharmacy is a well-established independent pharmacy that serves the Santa Rosa community. Tony Ibrahim, new owner, continued that dedication when he purchased the pharmacy in 2017. The decision to buy the pharmacy meant loans. Pharmacy financing can be problematic due to lack of collateral and the need for cash for inventory.

What eased his worries were the insights of Drew Hegi, loan officer at First Financial Bank (FFB). Together, they conducted a cost-benefit analysis, examined clinical requirements, and assessed the state of business operations. With that knowledge, Drew refinanced a loan for Tony with terms that supported his future vision.

"Drew understood where I was coming from and where I wanted to go," said Tony. "What I appreciated the most was how available Drew made himself to me during the process. He understood pharmaceutical inventory and capital requirements. Our conversations and his expertise solidified my decision to refinance with FFB."

FFB understands the challenges of an independent pharmacy owner. They are a preferred Small Business Administration (SBA) lender offering financing solutions for pharmacy owners. They have provided more than \$300 million in pharmacy loans. FFB's years of pharmacy experience (RPh, current, and former owners on the team) provided Tony with relevant, industry-specific expertise to fuel his vision.

"I've operated other businesses and have success in start-up pharmacies. Creekside was my first time buying an established pharmacy," said Tony. "The loan from FFB provided better terms for the improvements needed to ensure the success of Creekside."

With the funding, Tony focused on efficiencies and personalized approaches to the existing and new customer base, resulting in a 35 percent increase in prescriptions. He extended services that pleased community members. The next two years were growth years for the pharmacy. And all signs pointed to a strong 2020, but then the pandemic hit. His new goals quickly pivoted to keep Creekside open, pay employees, and help the community with COVID-19.

# CASE STUDY

## The Future looks Bright for Pharmacy



**Anna Kohll**  
Co-Owner, Kohll's Rx  
Omaha, NE

Schwanda Flowers of First Financial Bank offered her expertise to future pharmacists attending the Pharmacy Ownership and Leadership Academy (POLA). Schwanda's guidance inspired Anna Kohll, a future pharmacist and woman-owned pharmacy owner, to specialize in women's health and fertility.

"I came away with many learnings from POLA. Schwanda gave great advice. She suggested we start our plan now to carry out ownership goals. Schwanda emphasized the advantages of having a niche, which resonated with me and my passion for helping women," Anna said. "POLA helped my mental preparedness to transfer from a student to a pharmacy owner."

When Anna graduates from pharmacy school at the University of Nebraska in 2021, she intends to open her pharmacy in Denver, Colorado, emphasizing women's fertility.

"We designed POLA to support ownership by providing encouragement and mentoring for students across the country," Schwanda stated. "We introduced them to owners who offered real-world advice and walked them through the financial aspects of owning a community pharmacy."

During POLA, the students spend five days attending question and answer sessions, listening to pharmacy thought leaders, participating in group competitions, and practicing ownership scenarios.

With a pharmacy-family background, a vital education, and support from mentors, Anna is well on her way to success.

## CHALLENGE

At the beginning of the pandemic, Creekside Pharmacy experienced a rush of customers wanting various supplies and patients worried about prescription availability.

Like every business owner, Tony modified his practices amidst COVID-19 to ensure continued customer care and safety. Creekside increased staff, implemented safety policies, and stocked more supplies, causing an added layer of increased costs.

Designated an essential frontline service, pharmacists faced unknowns like never before. They quickly learned about the Coronavirus and evidence-based medical information to assist customers with questions and preventing infection. Supplies were hard to re-stock since they had to compete with big-box pharmacies.<sup>i</sup>

COVID-19 puts additional stress on patients with mental health conditions as they rely heavily on their pharmacy for support and medications. This was certainly the case with Creekside, as they have served this patient base with great care for many years. One of the team's first priorities was making a concerted effort to help these patients feel safe and cared for.

"As a small business owner, I saw the strain up close with my customers, with my fellow small business owners, and with my financials," said Tony. "COVID-19 caused tremendous upheaval."

In March, Congress passed the CARES Act, providing businesses financial support through the Paycheck Protection Program (PPP). The program provides for community pharmacies to receive 100 percent federally guaranteed cash flow assistance loans to keep their workforce employed during the Coronavirus (COVID-19) crisis.<sup>ii</sup>

## DECISION TO GO WITH FIRST FINANCIAL BANK

Tony determined that the pharmacy needed a PPP loan to guarantee payroll for his staff. To help choose a bank for his PPP Loan, Tony did his research because the program was so new. As his due diligence unfolded, it became clear that relationships mattered. His outreach led him back to Drew at First Financial Bank.

Tony contacted Drew, and he immediately received PPP information from FFB and obtained the loan within three days. Creekside could apply the funds for payroll support, employee salaries, mortgage and rent payments, utilities, and other debt obligations.<sup>iii</sup>

"We worked quickly for Tony and other pharmacists because they were at the forefront of this unprecedented healthcare crisis," said Drew.

However, just because FFB processed the loan quickly for Tony does not mean they skipped steps. It meant Tony was organized, and FFB possessed a strong SBA team. The FFB team dove deeper for their clients by jumping on every PPP call, webinar, and session to understand how SBA was implementing the CARES act.

"When the CARES act passed, it was all hands on deck at FFB. Our SBA team provided immediate guidance that they quickly distributed to the loan officers in the field," said Drew.

# CASE STUDY

Creekside Pharmacy had a positive experience with First Financial Bank from the start and now at the pandemic with the PPP loan. Tony attributes their successful relationship to the following five factors:

- **Pharmacy Knowledge:** FFB understands what it takes to run a successful community pharmacy.
- **SBA Expertise:** Even with the newness of PPP, the team explains all the details.
- **Infrastructure:** Creekside's needs and paperwork do not get lost between the back and front office.
- **Rapid Response:** Well-honed processes mean questions get answered promptly and clients stay connected.
- **Terms:** Both loans align with immediate needs and long-term goals.

"When COVID-19 hit, things became uncertain on many fronts. Creekside had to stay open and staffed for the community. Drew and team shared my concerns and conviction," Tony said. "They made the PPP process fast, easy, and understandable. Once again, First Financial Bank was there for me."

## RESULTS

First Financial Bank sets their clients up for success by providing a personalized approach during both good and difficult times. Drew and Tony examined past payroll and future payroll to land at a loan amount that kept their staff paid and employed.

The relationship with FFB also provided Tony with a resource for pharmacy questions and operations, a network for supplies and wholesalers, and a knowledge base for updates on SBA programs.

One year after COVID-19, Creekside Pharmacy exemplifies the word essential by remaining a vital business for the community, keeping people employed, and providing patients the medicine and supplies they need during challenging times.

Creekside is doing well on all fronts, and Tony is even working on buying another community pharmacy.

## CONCLUSION

In sum, while the PPP loan required paperwork and homework, the funding was a lifeline to ensure employees were paid.

The relationship between Tony and First Financial Bank proves valuable for both parties.

For Tony, he experienced a bank that went beyond a loan by valuing their relationship and not a transaction. For First Financial Bank, they played a role in supporting an independent pharmacy to continue serving their patients and community during a pandemic.

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<sup>1</sup> <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7276501/>

<sup>2</sup> <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>

<sup>3</sup> <https://www.alliantrx.com/cares-act-what-pharmacies-should-know/>



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