

Back for the Future: Fleck Returns to Channel Partners Capital

By: Mike Dickinson

Date: Feb 20, 2020 @ 05:00 AM

In January, Channel Partners Capital (CPC) announced Cindy Fleck re-joined the company as Senior Vice President to lead Channel Partners Equipment Finance to lead the new equipment finance initiative within CPC that will launch in the second quarter. Fleck was originally involved in the launch of CPC eleven years ago and is excited to pilot this newest expansion by CPC.

Fleck is no stranger to the equipment finance industry. Many in the industry know her from her nearly 20-year career with Manifest Funding Services (Schwans/U.S. Bank). During her tenure at Manifest from 1990 to 2009, she held leadership positions including Credit Manager, Regional Sales Manager, Director of Marketing and Director of Sales. In 2009, she helped launch Channel Partners Capital and, in 2010, she joined GreatAmerica Financial Services as National Sales Manager, where she more recently served as Vice President of Sales for GreatAmerica's construction industry niche.

As a new entrant into the equipment finance space, CPC faces stiff competition, and the launch comes amid continuing rumblings about a possible downturn or pullback in the economy. Still, Fleck — and CPC, which has been specializing in providing working capital to small and mid-sized businesses since inception — views the timing as being right and the opportunity strong for the new equipment financing offering.

"Our customers at Channel Partners Capital expected us to enter into the equipment finance space. They have been asking us to come up with an equipment finance offering," Fleck said in interview in late January.

"We have access to the capital; the technology platform, the data and analytics; and the industry experience to launch an equipment finance offering," she said. "The economy definitely was a consideration. A pullback of some kind is likely... but we view that as a good opportunity."

CPC considered possible acquisitions to enter the equipment finance space, but CPC's leadership team determined it made more sense to start up a new equipment finance division rather than acquire an existing entity, she explained.

For Fleck, the opportunity to launch and lead the new division provides an opportunity to "come home" in two ways: Returning to CPC after 11 years and returning to her sweet spot in the industry – working with third-party originators. And she is excited to take on the role of "customer advocate."

"CEO, Brad Peterson approached me about the opportunity and wanted me to lead it," said Fleck. So, she visited CPC to meet with Peterson and other senior leaders to see the operations, including the reporting and data analytics they utilize.

"It was very impressive," she said, adding, "Brad has surrounded himself with a lot of smart people in his organization and has built a great culture! I may have been asked to lead this initiative; however, it is only coming together because of a tremendous amount of work from the entire senior leadership team. They are all fantastic!"

Peterson explained Fleck was the right fit to lead the new group, saying, "Cindy possesses several strong attributes that are significant contributors to our choice of her to lead Channel Partners Equipment Finance and our third-party relationships, including, an unwavering focus on her customers' success, which creates innovation in products, processes and relationships. Second, a set of core values that includes honesty, integrity and respect for others. And third, 25 years of successful equipment finance experience in the third-party originations space (Manifest Funding Services) and industry niches (Great America)."

While with Manifest, Fleck focused on working with third-party originators in the industry. Returning to that sector of equipment finance was very attractive for her.

"The opportunity to go back to servicing this industry was a pretty easy decision," she said. "I was absolutely blessed to have worked in the space for years."



CINDY FLECK
Senior Vice President
CPC Equipment Finance Group

Fleck recently had an opportunity to go out and meet with some existing partners and found it interesting to learn how they had adapted their businesses during and after the Great Recession.

"When I left the industry, it was in the middle of the recession. Being part of a large bank, it was difficult to service our customers the way I felt they should be taken care of," she said. "A lot of them had added working capital products to enhance their bottom lines which really helped them through the recession."

A key advantage the new division has is Channel Partners' reputation and its more than decade-long experience in the working capital arena, Fleck said.

"We have a great deal of experience providing working capital solutions. We also have a great deal of data we plan to leverage, and we are utilizing this data with some purchased records to do a lot of data modeling," she said.

During her recent visit with their partners, she learned what they are looking for is chiefly consistency — in credit decisions, service, pricing and in processes. "They want a frictionless experience," Fleck said.

As a result, Fleck believes that understanding the needs of the customer is critical for the new division.

"We will be solely dedicated to third-party originators—that is a differentiator," she said. "Channel Partners has a great reputation, but we have to go out there and earn the business."

While with GreatAmerica, Fleck spent nearly nine years working in its specialty markets group. "I called on manufacturers and dealers, which provided me with a better sense of what our partners have to do in order to win business," she said.

But, building out a new division in any industry, particularly in a very competitive one, is not without its challenges.

"We need to start slow—go slow to go fast," she said. "The end goal is to be a full-service equipment financing firm."

Her early days in this new leadership post have included working on strategy and building out the equipment finance division's staff, which will include sales, credit underwriting, funding, and eventually asset management along with in-house titling.

"Credit underwriting is very different in equipment finance vs. the working capital space - it's different when underwriting a five-year commitment versus 6- to 12-month terms," she said.

In the early days—as the team builds toward the targeted second-quarter launch—there have been internal discussions about which positions within CPC can effectively focus and deliver on both equipment finance and working capital functions.

At the start, the plan likely will call for a separate team of credit underwriters and some sales staff with equipment finance experience. The plan is initially to start with CPC's working capital partners and expand from there. And Fleck plans to rely on some of the lessons she learned over her nearly 30 years of experience when building the equipment finance group's staff.

"Channel Partners has a very similar customer centric culture that both Manifest and GreatAmerica had, I plan to simply build on that," she said adding, "All of us at Channel Partners are super-excited about this opportunity... it will be hard work and a lot of fun!"