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businesses get the capital they need to succeed. Building on Intuit's long history of using leading edge data science and machine learning, QuickBooks Capital has ...

Nov. 07, 2017



Intuit Inc. has launched QuickBooks Capital, a lending product that helps small businesses get the capital they need to succeed. Building on Intuit's long history of using leading edge data science and machine learning, QuickBooks Capital has developed a breakthrough credit model to help young small businesses overcome the barriers they have traditionally faced in accessing small dollar loans. QuickBooks Capital delivers:

- The ability for a small business to use their own QuickBooks data to get full credit

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businesses — getting capital into the hands of so many credit-worthy small businesses that otherwise felt stuck,” said Rania Succar, head of QuickBooks Capital at Intuit. “We are particularly proud to be innovating for young businesses because they are critical to the future success of the economy, but very underserved by the options available in today’s credit market.”

Taking The Friction Out Of Small Business Lending

According to a recent [Federal Reserve study](#), 70 percent of businesses younger than five years need funding to grow, but only 23 percent of them get the funds they need. Even among those who are able to access credit, more than half are dissatisfied with the experience according to the same Federal Reserve study. Although new young businesses are the growth engine of the economy, generating twice as many jobs as more established businesses, lack of funding is a top reason that about 50 percent of them fail within the first five years.

The average QuickBooks customer needs a \$25,000 working capital loan in order to take advantage of growth opportunities, such as buying inventory, paying for packaging so they can get their product into a retail store or hiring an additional employee to accept new jobs. QuickBooks Capital is tailor made for these businesses.

Giving Businesses Credit For Their Past, Capital For Their Future

Powered by more than 26 billion QuickBooks data points and third party data sources, the QuickBooks Capital credit model provides a powerful view of a small business’ borrowing capacity. Small businesses are empowered to use their own QuickBooks data to provide an automated, comprehensive view of what’s happening with their business, including:

- Free cash flow: QuickBooks provides a comprehensive picture of cash flow because

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Intuit QuickBooks makes it easy to understand a small business within the context of individual business trends (seasonality and growth), as well as market trends.

In addition to delivering loans directly, Intuit is evaluating other potential applications for the QuickBooks Capital credit model, including enabling customers to share these data attributes with other lenders to transform the small business lending experience more broadly.

Fast, Transparent and Integrated Borrowing Experience

The traditional process of applying for credit today is full of friction. It sometimes requires multiple years of tax returns, business plans and other documents and often takes several days or weeks to hear back with a final decision. In the case of some online lenders, it can result in very high interest rates with low transparency.

QuickBooks Capital removes all of the friction from the application process. Small businesses that qualify for the offering can access funds from a new “Capital” tab right inside QuickBooks, where they can always see how much they are eligible to apply for based on the latest developments in their business. The working capital loans currently offered range up to \$35,000, with a term between three and six months. The product also emphasizes transparency by always displaying annual percentage rates (APRs) to borrowers. Other than interest cost, there are no origination fees or prepayment penalties.

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had never even applied for a loan before.

- New businesses are using the capital to invest in growth opportunities: 90 percent of QuickBooks Capital customers say the loan helped their business grow. The top five uses are: (1) opportunity for additional profit, (2) inventory or raw material purchase, (3) making payroll, (4) equipment purchase, and (5) marketing.
- There is near universal satisfaction with the product: 99 percent of borrowers were satisfied with the QuickBooks Capital experience.

Customer Stories and Quotes — RMU Outdoors

RMU Outdoors of Colorado is an outdoor lifestyle brand that grew out of building custom skis. The company has often struggled to keep up with orders due to a lack of available funding.

“In the early days we’d go out and paint houses so we could buy materials to build the skis,” explained Mike Waesche one of the founders of the business.

Even though they have become quite successful — including selling their skis internationally — they still struggled to get the financing they needed to expand.

“We’ve been turned down by lender after lender because we were making money just three months out of the year.”

This year, they had the opportunity to build a Biergarten in the back of their ski shop — it was a great way to bring the community together, while also solving their seasonality problems.

“When we logged into QuickBooks, we saw that financing was just available to us. And that’s what actually enabled us to put the Biergarten together on such short

notice. It was conveniently there at the right time. The nicest part of the experience is

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