

# How Black Storm Security Grew 56x Bigger in 7 Years with Charter Capital

An estimated 16 million people quit their jobs each year and set out on their own with dreams of freedom achieved through entrepreneurship. While there wasn't quite the same deluge when Orlando Sanchez, founder of Black Storm Security, took a leap of faith in 2012 to establish his own firm, the challenges he faced were much like those small-business owners manage today. Yet, in just seven years, Sanchez grew his idea into a multimillion-dollar company, thanks to his expertise and some help from Charter Capital.

## RAPID GROWTH AND SLOW-PAYING CLIENTS MADE IT DIFFICULT TO COVER EVERYDAY EXPENSES LIKE PAYROLL

When he launched Black Storm Security, Sanchez was a veteran with more than 20 years of experience in the security industry. He knew the business from the inside out, had a clear business plan, and even had contracts lined up. However, security firms have several unique challenges that other companies don't. First, their greatest expense is usually human capital. They need to attract and retain skilled security guards. Secondly, those guards expect to be paid on a traditional pay cycle. It's customary for security companies to bill at the end of each week, then give their clients 30 days to pay. Clients of a certain caliber, such as large facilities that require more personnel, often negotiate extended billing cycles and longer payment terms. It's common for a security company to pay its team and wait several weeks or more for payment from the client.

Without a large cushion of cash at startup or a way to accelerate cash flow, it's impossible for businesses like Black Storm Security to cover everyday expenses like payroll, let alone purchase additional equipment. Unfortunately, banks don't typically serve startups due to the risk involved, so newer businesses like Sanchez's struggle to get funding even though they're performing well and are in expert hands.

To complicate matters even more, Sanchez's company was growing rapidly. He needed to find a way to improve cash flow and keep up with payroll, or he'd have to turn down new clients due to the upfront cost.

## INVOICE FACTORING FROM CHARTER CAPITAL HELPED BLACK STORM BY PROVIDING FUNDS TO INCREASE CASH FLOW AND GROW EXPONENTIALLY

Thankfully, this wasn't Sanchez's first time locking down [funding for a security firm](#). He'd done his homework years before while working for another security company and had experience working with the Charter Capital team. "I just dove in, and it was a very easy process," Sanchez recalls. "Charter Capital is not just a financial institution that helps you factor. They are like a family."

Despite being approached by multiple factoring companies over the years, Sanchez appreciated his relationship with Charter Capital and didn't see any reason to switch. "There is a lot you can get from Charter Capital that you cannot get anywhere else," Sanchez says.

Black Storm grew rapidly over the years. Sanchez would watch his aging reports as they came in from Charter Capital each week. The unprecedented level of transparency made it easy to see what was pending and make informed decisions about his company.

What started as a one-location operation bringing in \$5,000 per month was clearing six figures in five years. Then, from 2017 to 2018, Sanchez made a 100 percent leap in profit, jumping from \$1.4 million to \$2.8 million. Charter Capital helped him procure the additional equipment he needed too. As a result of Sanchez's hard work and expertise, paired with tailored funding from Charter Capital, Black Storm was generating \$280,000 per month across 44 locations when he sold in 2019, just seven years after launch.