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Bankruptcies are Not Required for Success

I'VE HEARD ENTREPRENEURS say that business owners could expect to go through one or two bankruptcies before they become truly successful. I understand the value of this statement for taking away the fear of failure, but as a banker I have to tell you it does not have to be this way. You can succeed in your business the first time, and one of the keys to this success may be the strength of the relationship you have with your banker.

I grew up in a town of 7,000 that's only doubled in the last few decades. I used to know all the bankers in my community. I'm amazed at the number of business owners who don't have that kind of relationship with their banker. You don't have to be from a rural area to want a strong relationship with the people who are key to your business.

Working closely with a banker at a community bank brings many benefits:

Loyalty and Trust: By choosing a community bank, you're more likely to have the same banker year after year, and they can really get to know how your business operates. This builds trust and loyalty, and it also allows them to review at your monthly financials and identify anything out of the ordinary so you can discuss problems before they happen and take advantage of new opportunities.

A Business Ally: Community banks can give you the ability to work with a small number of people who understand your business well. Customers at a community bank can expect that they're going to have very few changes in their banker. They

might work with the same person for 10, 15 or 25 years or more. We've seen the importance of this over the last few years as the business and lending climates both became tougher. When your banker knows your business well, he or she is in a much stronger position to help you weather difficult times.

Deep Knowledge of Your Business: You may choose to change banks because you can get a slightly better interest rate and not realize that you're starting the relationship with your banker over from scratch. After the recession, more banks, community and otherwise, are working even harder to get to know new customers. This is good news on both sides of the relationship. It's not unusual for a community bank to set up a series of meetings to get to know a prospective customer and the business, and not bring a proposal to the table until they are confident they've learned enough to truly understand the long-term goals of the company.

As bankers, it's our job to understand what's happening inside your company and not just provide you a loan. We want to create a long-term relationship in which both sides are successful. When we work with small business, we know that your business is your livelihood and want to actively support the health of your business.