

# Fidelity Bank

## BACKING UP PRO-TECH INTERCONNECT SOLUTIONS

Like most small businesses, Pro-Tech Interconnect Solutions has had its ups and downs. Based in Chaska, Minn., Pro-Tech manufactures circuit boards for computers as well as farming, medical and military equipment. Before the recession hit, the company was growing by 20 to 25 percent each year. Last year, however, it was down from 2008.

Although profits were slim, Pro-Tech chose to invest in new equipment anyway, expecting the investment to pay off when the economy rebounds.

“We have to buy new equipment every year, even when we’re down,” said Pro-Tech President Dwayne Jensen. “It helps us become more efficient, build better products and remain competitive.”

Fortunately, financing wasn’t an issue for Pro-Tech. The shop switched to Fidelity Bank in Edina 6 years ago after leaving a large chain of banks.

“We wanted a bank that would help us grow our business,” Jensen said. “Someone from our board of directors recommended we talk with Fidelity.”

Fidelity sent three people to meet with Pro-Tech onsite. After discussing the shop’s needs, Pro-Tech decided to leave the large bank it had been doing business with for several years. Since Fidelity is an SBA-certified lender, the company was able to transfer its SBA

loans without any issues.

“We realized that Fidelity is set up more for small business banking than personal banking,” Jensen added. “Their whole philosophy is centered around businesses.”

When Pro-Tech began working with Fidelity in 2004, the shop had just 30 employees and made lower-end, double-sided and four-layer circuit boards. Over the years, the company has worked with Fidelity to finance several major pieces of equipment, which has allowed it to grow and expand into new markets. It has also relied on the bank for little things, like international wire transfers, for all the business it does overseas.

With financial support and guidance from Fidelity, Pro-Tech has grown by leaps and bounds over the last 6 years. Today the shop employs more than 100 full-time employees and is equipped to manufacture circuit boards containing up to 40 layers, using both standard and specialty base materials.

In 2007, Pro-Tech had an opportunity to purchase the building it was leasing. Given the company’s rapid growth, its owners approached Fidelity about a loan. Rather than draw up the paperwork right away, however, Fidelity presented Pro-Tech with three different options—all with different

down payments, rates, structures and amortizations—so the company had three different perspectives.

“The thing we appreciate most about Fidelity is that they really want to understand our business and they’re willing to put the time into it in order to understand it,” said Dave Koebele, CEO. “And when they know what’s going on with our business, it’s easier to get a transaction done.”

In the end, Pro-Tech decided to finance the building through an SBA loan.

Of course, a company’s balance sheet is only as strong as its leadership. Koebele and Jensen are two of the company’s seven owners. All of them are active in the day-to-day operations of the business and have been in the circuit board industry for 20 years or more.

“I think the key to successful companies and successful partnerships is communication,” said Steve Logterman, vice president of Fidelity. “Pro-Tech has had their struggles this past year, like many other companies, but they stay in constant communication with us. As a result, we’ve always been able to accommodate their needs for funding and credit.”

### About Fidelity Bank

In many ways, Fidelity has stayed true to its name over the last 30 years. Despite considerable volatility in the banking industry, Fidelity has stuck by its clients and defied the times with a strong balance sheet and consistent profitability.

“What our clients tell us is that they appreciate the stability we provide,” he said. “Both stability from a staffing perspective as well as stability from a financial perspective.”

Fidelity’s turnover is extremely low. Almost everyone on staff has been

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there many years, including Chuck Mueller, president, who has been there 27 years. As a result, Fidelity’s clients enjoy long-lasting lending relationships.

Fidelity is also on solid financial footing. “We don’t have to worry about issues with the bank itself getting in the way of loans. We’ve got plenty of money to lend, we’re well capitalized and we’re profitable,” Logterman said.

Founded in 1970, Fidelity provides commercial lending and banking services to more than 700 Minnesota businesses. In addition to commercial loan services, Fidelity offers cash

management services, merchant processing, remote deposit service, investments and insurance.

The bank is particularly known for its experience in the area of asset-based lending, providing working capital to companies backed by short-term assets, such as accounts receivable and inventory. These lending arrangements have fueled the success of many growing, undercapitalized businesses.

### Intellect + Capital = Intellectual Capital

What most sets Fidelity apart, according to Logterman, is its “intellectual capital,” meaning it tends

to dig a little deeper, maintain long-standing relationships with clients and focus on business banking.

“I think our expertise in manufacturing gives us another competitive advantage for manufacturers,” Logterman said. “We understand the industry trends, the cycles and the economic conditions.”

As for Pro-Tech, the company’s owners are optimistic about the future growth and opportunities. “I think we’ll continue growing at 15 to 20 percent and do a little more in medical, military and farming,” Jensen said. “We’ll continue to rely on Fidelity’s support in the future, just as we have in the past.” PM



For more information on Fidelity Bank, visit [www.fidelitybankmn.com](http://www.fidelitybankmn.com) or contact Steve Logterman at 952.830.7293 or [steve@fidelitybankmn.com](mailto:steve@fidelitybankmn.com)

Steve Logterman, vice president of Fidelity Bank (second from the left) alongside Pro-Tech employees Dave Schrupp, director of operations; Dave Koebele, CEO; Dwayne Jensen, president; Dave Sandford, director of facilities; Stu Mittelsteadt, director of quality and mfg. engineering; and Harland Kooda, vice president.