



With Banks, Make a Friend Before You Need One

“I don’t understand these banks,” says a northeastern manufacturer. “They only visit me when I *don’t* need them.” But the reverse is also true. When profits are good and owners have no need of financing, few attempt to cultivate a banking relationship.

But things change, and either crisis or opportunity can put a firm in need. A proactive approach with a lender today will help accomplish several things:

- Leverage your company’s success. Make friends in good times, and the lender’s first impression is of a strong company, not a needy one.
- Build a track record. Lenders who know you and your business — your entrepreneurial spirit, your culture, your operations — will be better able to put future fluctuations, downturns and even emergencies in perspective.
- Take steps toward transition. When it’s time to sell, a bank that knows the value of your company can be a huge asset — both to you and to a buyer who needs financing.

A couple of lunches and a yearly report may be enough to maintain a line of credit. The lender stays up-to-date on your operations and will gladly help you determine if your banking needs are sufficiently served.

Look at the bank’s other offerings, too. Many offer lockboxes, treasury services, deposits, private banking and insurance, as well as business intelligence about your industry or the regional economy.

Finally, even if your cash flow is fine, nothing cements a banking relationship like a long-term capital loan.

Our firm has strong partnerships with lenders. We can help you build them, too.

