THE COWBOY WHO STARTED A BANK AND OTHER STORIES OF BANKING IN KINGMAN, ARIZONA

The Winnebago Banker lassos a story about conservative banking

Banker Darrell Lautaret, left, and his daughter, Jolee, professional barrel racer, go after a cow in a father-daughter roping event. Banker on Wheels Larry Marik and wife Mary Ann visited Lautaret in his bank in Kingman, Ariz.

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New to this blog? After he hung up his president hat, bank chairman Larry and Mary Ann decided to sell their house, buy a Winnebago, and see more of America. They are now blogging about what they see about banking for ABA Banking Journal. Read more about the Mariks in “Chairman of the Open Road.”

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Some day we’re going to start in Chicago and drive Route 66 all the way to L.A. We got just a little taste of this venerable old highway when, in search of a bank, we stopped in Kingman, Ariz.

Stealing the county seat (or so the old seat said)

Kingman, “The Heart of Route 66,” lies in the middle of the longest stretch of the original highway that’s still in existence. The city lies in northwestern Arizona on I-40, and on some days, over 100 trains pass through on the BNSF Railroad. Because Kingman was the site of the Army Air Force B-17 Gunnery School during WWII, it also has a large airport.

Route 66 draws tourists, and the ready availability of transportation draws light industry. As a matter of fact, over 2,500 people are employed in light industry, ranging from a company that produces rocks for aquariums to a company that builds cabinets. It has been the seat of Mohave County since 1887.

Click on image to enlarge

Something about that Route 66 sign stirs the blood of the seasoned road traveler. Localities know that and push their connection to “the Mother Road.” That includes Kingman, Ariz., latest stop for the Banker on Wheels.

As the city’s website relates: “The story told by old timers is that in the dark of night, a group of Kingmanites stole all the county records from the Mineral Park court house and moved them to a temporary court house in Kingman. Mineral Park shouted “Thieves!” But a county election held in November 1886 had legally given Kingman the county seat.” Kingman has a population of 60,000 and is growing steadily.

No pinstriped suits here

Mary Ann’s uncle has a friend who banks at Mission Bank, headquartered in Kingman, and the friend assured us that it would be an excellent bank to interview. When we walked into the lobby, we caught Darrell Lautaret, president and CEO, behind the teller lines.

“There’s something you don’t often see,” Larry laughed. One of the tellers replied, “Oh, he’s just looking for food.” We could tell right away that there was an easy camaraderie and mutual respect here that often defines the culture of a community bank.

We remarked on Darrell’s apparel--jeans and western boots.

“We dress like our customers,” he said with a smile.

Darrell Lautaret greets the Mariks in his bank’s main office. They don’t stand on ceremony at Mission Bank, but they do stick to their mission--classical community banking service.

Darrell’s office walls were decorated with western art and photos of bull riding ... we’ll get to that later.

Deep local roots in Kingman

Mission Bank just celebrated its tenth anniversary, and Darrell has been there since the beginning.

He was president and CEO of Stockman’s Bank when it was acquired by National Bank of Arizona. “A group of local business people approached me to start another bank. I didn’t see the need,” said Darrell. “The group wanted to know how much it would take to capitalize. I said, ‘I guess regulators would require 3 million. If you get 3 million, give me a call.’ A week later, they called. ‘Now what do we do?’ they asked.”

The bank finally opened Sept. 24, 2001. It was a bad time to open a bank, with 9/11 having just happened and the world full of uncertainty.

“But I knew our bank would be successful because five weeks later, we were already extremely busy,” says Darrell. “Now we’re at $95 million. When we started this bank, we had a game plan, and we stuck with it.”

Mission Bank has enjoyed steady, conservative growth since its start in 2001.

Mission now has two branches in Kingman, one in Bullhead City, and a loan production office in Flagstaff. Mission’s niche is small business, commercial real estate, and some small ag lending.

We asked about overlining, and Darrell said with a smile, “I call in favors….we participate in Western Colorado and independent banks in Arizona.”

Making a mission of community banking at Mission

When asked if Mission is a community bank, Darrell responded with a whole list of reasons. Here are some of them:

“We’re not nickel and diming our customers. 85% of our stockholders are local. We do a ‘Salute to Business’ once a month in the newspaper and in the lobby. I was told at a Chamber mixer that they’ve been asked ‘How do we get on the list?’ “

Then Darrell gets down to philosophy:

“Community banks have a distinct advantage. We can provide service that no one else can or wants to. Big banks can’t empower their employees to make decisions. We live by the Code of the West. Our word is our bond.”

And, most touching of all, a point about human contact: “A short while ago, a client brought in his wife in a wheel chair. She had brain cancer. She wanted to see the staff before she passed.”

Mission’s biggest marketing tool is word of mouth. As a matter of fact, when we stopped at the Power House Museum, one of the ladies at the gift store could not say enough about Mission and its service to the community, and she was in the process of moving her account to Mission.

Conservative attitude keeps paying off

When Larry looked at Mission’s website he noted the bank’s expense policy was stated in detail. Most to

all banks have a similar policy, but rarely put it on their website so customers can see how carefully the bank spends money. Mission is a very conservative bank, and that philosophy has served them well.

Darrell said, “During the housing boom, we were often asked, ‘Aren’t you going to get into this? ‘ We had an opportunity to finance 30 spec houses. We said, ‘You sell one, then come see us.’”

From its modest beginnings, Mission has grown to $95 million with 32 employees. “We have a good board,” said Darrell. “They’re all local.” We asked if there was any pressure from the board to jump into the housing boom, and Darrell replied, “Some from our clients but not from the board.”

We asked about compliance; Darrell shook his head and said, “I am so fortunate that this bank has the talent it has.” FDIC on a recent visit told the board what a good job the management team is doing.

The cowboy who became a banker

And the cowboy pictures? They’re pictures of Darrell himself, who has a pretty interesting story of his own.

Darrell went to Canyon City High School in Colorado and then went to school in Texas for a year on a rodeo scholarship and then graduated from Colorado State (now the U of Southern Colorado at Pueblo).

As a professional bull rider, Darrell had three broken noses, and he had an ear cut off in Ogallala (Nebr.).

Banking was a little less rocky, but Darrell said, “Like everyone in my generation, I thought I’d have a job right away. My first job was at Fremont National Bank in Canyon City. On my first day of banking, I ran the postage machine; then I was a relief teller. Then I had a job offer in California. I worked in a resort. They closed it down. Then I went to Phoenix (for Stockman’s, and they sent me here (to Kingman) in ’76. Darrell said with a grin that he’s been in Kingman since “three days after the Earth cooled.”

Before he was a banker, Darrell Lautaret rode school rodeo and then did professional bull riding. Banking proved a bit less taxing on this body than the intense sports of the rodeo ring.

Darrell’s wife Dolly was the 2007 world champion roper for the Women’s Rodeo Association and his daughter, Jolee, is a professional barrel racer.

She has been to the finals in Vegas for the last three years. One of the pictures that hangs on Darrell’s wall is a father-daughter calf-roping team, a picture that Darrell was particularly proud of because it’s of him and his daughter, Jolee.

As humble as Darrell was, it was obvious to us that he is a talented, compassionate banker…proud of his community, his bank, and his family. A fine man, a fine bank…the reason community bankers can be proud of the company they keep.

Strong banks build strong communities.

Keep your eyes open for Larry and Mary Ann Marik and their huge Winnebago Journey. If they come to your bank, you just might wind up as their next blog.