

Bank "podcasts" a message of strength (February 26, 2009)

Ohio bank's web video offers straight talk about today's environment

By Steve Cocheo, executive editor

"People are talking about banks," says Bill Carr. At the local diner, at Rotary, and in other public forums, the Ohio bank CEO has heard much of what other community bankers have been hearing. In February he decided to start talking back, in a dramatic way. He called his ad agency and put together a two-part video podcast for the bank's website.

Carr, who had some experience in marketing prior to getting into banking, has been proactive when it comes to communicating with his market about the state of the bank and the banking industry. He is president and CEO at Liberty National Bank, \$192 million-assets, Kenton, Ohio.

Last fall, when the public image of the industry began to darken, Carr decided to take a positive message to the public. The bank came up with a newspaper ad, with the headline: "Don't lose sleep over us. We are doing fine." The ad went on to list reasons why customers need have no fear: no subprime lending; nearly \$20 million in capital; FDIC insurance; profits running ahead of expectations for 2008; a local board that knows the market and the customers; and a 115-year record of survival.

Carr decided, with final 2008 economic numbers being published, and dire predictions about banking being made, that it was time to put some localized commentary about the bank, its future, and the local economy out there. The two podcasts run for a total of six minutes, and feature Carr, in his shirtsleeves, in tight focus, talking about how the bank is positioning itself for stormy weather. (View the podcasts at www.lnbbank.com)

"We've always had money to lend," says Carr in the video, addressing what seems to be the top concern about banks these days. He notes that the bank actually surpassed its 2008 lending and deposit-taking goals long before yearend. He tells viewers, with obvious pride, that Liberty National declined to take TARP money. He also notes that the bank did not cut its dividend in 2008.

Carr briefly addresses the bank's need to cut costs. While this will affect personnel levels, he explains, employees won't be fired. The bank will instead let attrition run its course. As positions become vacant, management will determine whether the job should be refilled. Carr says in the video that the bank will also be reviewing its product lineup

in 2009, to determine if costs can be saved by eliminating this or that offering.

Bottom line, 2009 will be a tough year, but the bank will get through it, Carr says.

The veteran banker also took the opportunity of the video to reveal that 2009 will be a transition year for him and for the bank. He announced that the bank's senior lender, an executive vice-president, had been selected to replace him when he retires in June. He jokes a bit about playing a bit more golf.

In an interview, Carr said that the videos, unveiled in early February, had been well received, with hundreds of viewings in the first few days after posting.

"In Middle America, these days, you can't toot your own horn enough," said Carr. BJ

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