

# Popular Threads on Solosez

## Banking for Solos and Small Firms

This morning, I heard a radio ad touting Chase as the number one bank in NY for small business. That led me to wonder about 'Sezzers' experiences, as solo and small firm practitioners, with banks of different sizes. Do banks really value and cater to non-BigLaw lawyers? I also thought that if the thread becomes sufficiently interesting, it might form the basis for an article by Meg Tebo or one of her journalist colleagues to publish.

I'll start: I've been a Citibank customer for decades (I like to think that my childhood paper route money formed part of the basis for Citi's rise to global financial powerhouse). When I opened my solo practice in 2000, I went with EAB, the US banking arm of a multinational banking corporation, mostly because that's where we'd had the accounts for the firm in which I'd been a partner so I knew their systems, procedures and forms, and also because I thought it somewhat prudent to have accounts at two different banks. About two years later, Citibank ate EAB, so now, after that merger, my business and personal accounts all are at Citi (I haven't bothered to move money elsewhere). As a solo lacking multimillion dollar balances, I was concerned about being a minnow in their ocean of large customers. Happily, I developed a very good personal relationship with someone at a local branch who acts essentially as my personal banker, handling all my banking needs personally, navigating the bureaucracy (a crucial function, for example, when Citi suddenly evaporated my IOLA account for no reason and without advising me -- she got it back pronto), and looking out for me generally. I'm fortunate, at least for as long as she stays there. Without me as a customer, I suspect Citi would survive. Without Donna, I doubt I'd remain at Citi. And what have your experiences been, with banks large and small?

Best regards, David Abeshouse, New York

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I think the problem with banking today is that there is no "face" on the bank. In the days of community based banks, the local attorney knew all the bankers and could make a phone call on behalf of a client to ensure the granting of a loan. There was a high degree of mutual trust and support of the local banking community. Then the mergers started. Now, it's like the bank of the month club. Worse yet, they transfer bank officers so often you can't build a relationship. Banking is now an Internet enabled service.

I recall when I went to buy my first house and I told the local bank VP of my plans. He said, without me asking, "let me know when you find something, I'll take care of the mortgage for you." He didn't ask for forms, balance sheets or credit checks. When I found the house it was about \$1,000 outside the guidelines for some special lending program for first time buyers. he suggested how to adjust the price so the seller got what was expected and I qualified for the low interest rate loan. Banking has



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changed over the years.

Bruce Dorner, Londonderry, New Hampshire

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You're totally right.

Could you imagine Citi being as welcoming to a kid today as they were to me when at age twelve I brought in my paper route money to open an account?

David Abeshouse, New York

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Interesting. I have about the same experience as you.

I had used Citibank for personal banking for eons (mostly because at my old law factory, we were ushered into private banking for free).

I know use Citibank for business and personal, primarily for 2 reasons: (1) the business banker at my local branch is an actual person I can talk to, who is able to resolve almost any problem that arises in my business or personal banking; and (2) I love their extensive online banking for both business and personal.

If I had to deal with the Citi 800 number for banking issues, I'd have killed myself long ago.

Patrick W. Begos, Westport, Connecticut

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Banking associate and is now the assistant bank manager. When I wanted to open my business account, there she was ready to help, and so excited for me. She introduced me to a bunch of other people in the branch which lead to some great networking groups and she keeps a stack of my cards on her desk for people who have legal questions or need estate planning. When ever I need anything I don't have to call an 800#, I just walk down the street to her office and she helps me. It's a Citizens Bank, and next month my business will be "spotlighted" at a table near the teller line for a week. It's a program they have for their small businesses, and it's where I found my accountant. I think it all depends on which bank you choose.

Leanna Hamill, Hingham, Massachusetts

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I started out at North Fork, but left about 4 months ago. I had very few needs, but they fell flat. Robert Weiss, on this list, suggested Signature Bank, a small, newish, bank catering to small business. I am super satisfied. I've got my own banker who comes to my office (which is actually funny, because I was literally out the door to go meet him when he called to tell me he'd be there in a few minutes), waives every single fee, automatic overdraft +LOC--on the checking--and other things. If you

want more, I'll give you MY banker's contact info off-list. Heh, heh, I have MY own banker, who will be in my office this Thursday (I do share him with others if they ask nicely). I'm a hotshot--at least I fell that way--and that's the point. Heh, heh.

Meyer Silber, New York, New York

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Ironic that you ask in the context of Chase, although I note that Chase's claim addressed small business generally, not lawyers. Ironic because here in Chicago, Chase has just stepped into the shoes of Bank One. Bank One is the bank I left several years ago because they changed their policies which had favored lawyers of all sizes, and regardless of how much money they deposited with Bank One, to look much more closely at whether enough money was being handled to warrant white glove treatment. While I couldn't fault the business sense of what they were doing, as a lawyer who previously got special treatment, and still do at other banks in town, but who no longer got treated differently from the masses at Bank One, I left and went to another bank.

Shell J. Bleiweiss, Illinois

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For years, I've been doing my personal banking with Citibank. When it came time to open accounts for the firm, of course I contacted my local branch of Citibank. I asked to speak with the manager. Why? To set up a meeting to discuss my banking needs. "I'm sorry," I was told, "the manager doesn't do meetings to set up a new account, but you can talk to me." The person on the phone sounded about 19, with an IQ to match. I asked to speak with the manager again. I was again told there was no need, as the manager "didn't do" meetings about new accounts.

Union Bank (UBOC) recently opened two new branches near my office. A couple of months before opening my firm, I went in and met with the Manager, who was more than happy to meet with me. She introduced me to a Senior New Accounts rep, who was extraordinarily helpful. She answered all of my questions and, best of all, promised there would be no service charges for my accounts. Fast forward to a few weeks before the "grand opening," when I finally had a need to actually open the accounts. I called the account rep, who immediately remembered me and said, "Mr. Barer, so nice to speak with you again, how can we help you?" I told her I would like to come in and do the paperwork for the accounts. We set an appointment for the following Saturday. When I arrived, both the Manager and the account rep greeted me by name, offered me bottled water, etc. The paperwork for the accounts was ready to go. There was one small glitch on the IOLTA, but that was computer-related and not the fault of the account rep. In 30 minutes, I was done; no muss, no fuss. The account rep told me she was going out on maternity leave, and she called the Manager over who told me to call her directly if I had any questions on my accounts. They also gave me the name of another account rep who would be available to assist me. I came away from that experience thinking I couldn't be happier. When I went to set up my online banking, I

encountered a glitch. I called the Technical Support line a couple of times, and the "not off-shore" tech reps were outstanding; so much so that I even asked to speak with a supervisor to compliment one of the tech reps who helped me. So, as you might surmise, I'm very happy with Union Bank.

Scott I. Barer, California

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Well, I am a walking conundrum on this issue. My personal banking is with Citibank, mostly because they had a local branch in my old town and a branch across the street from my old office. While the local branch by my new town is slightly inconvenient (not horrible), I still like it for my personal banking because I haven't had any trouble at all and they do keep a careful eye on my account (calling me when I spend \$1500 on airline tickets to Europe to make sure it is me and not someone absconding with my meager amounts to an account in Bulgaria).

But I had a completely different frame of mind when it came to my business/firm. I share Shell's disdain for Bank One, now Chase, as that too was my first bank here in Chicago and after a multitude of changes (they used to be First Chicago, then they acquired National Bank of Detroit, then little Ohio-based Bank One swallowed them up, and now Chase) and policy deteriorations, I wasn't going to try them. My old college roommate, who owns his own business, recommended a great small Chicago area bank called American Chartered Bank. These guys are phenomenal and cater especially to small businesspeople. Their service is amazing; my banker's name is Bob; I can reach them on first try on the phone; they have full online services that integrate with Quickbooks; etc. etc.

I think smaller, business-minded banks are much better than the mega-banks for small law practices. IMHO.

Robert C. ("TJ") Thurston, Huntley, Illinois

----- My bank has a face, her name is Heather. She started out as a Business Banking associate and is now the assistant bank manager. When I wanted to open my business account, there she was ready to help, and so excited for me. She introduced me to a bunch of other people in the branch which lead to some great networking groups and she keeps a stack of my cards on her desk for people who have legal questions or need estate planning. When ever I need anything I don't have to call an 800#, I just walk down the street to her office and she helps me. It's a Citizens Bank, and next month my business will be "spotlighted" at a table near the teller line for a week. It's a program they have for their small businesses, and it's where I found my accountant. I think it all depends on which bank you choose.

Leanna Hamill, Hingham, Massachusetts

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I have used a lot of banks, big and small. For my IOLTA and operating accounts in Chicago, I use Charter One. They are "professional-friendly"

having set up special programs for lawyers, accountants and others offering free checks, online banking, etc.

They also are very personalized, and made a big impression on me just starting out. They offer good interest rates on the IOLTA accounts, so you feel as though everybody is winning when you have money there. In a way, the bank's attitude and service is a reflection of how I'd like my own business to be perceived. They care about their customer's individual needs, make things as easy and convenient as possible, deliver what they promise and do a good job. What all clients and customers deserve.

Diana Laskaris, Chicago , Illinois

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Right. Back in the day when mother X gave bonuses I got one for about \$500 and I thought it would be a good idea to open a savings account, so I went to my bank, Citibank. They basically told me to get lost. Well they just pointed out that I'd pay more in month Maintenance then I'd get in interest. So I went over to my friendly credit union and they signed me up in a heartbeat.

I've worked for 2 banks, Citi and First Union. After the guy at Walk All Over Ya jerked me around on opening an estate account I went to Commerce. They're open 7 days a week till 8 during the week. Between my personal account and law firm accounts I have 5 accounts with them. They even notarize stuff for free.

John Davidson, Harrisburg, Pennsylvania

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'kay, I used the drive-up to make a deposit and I remembered that I was out of business account checks. I handed a deposit chit through the window and asked if this was sufficient to order another batch. Sure, it'll be up to two weeks. Not more than a week later, I was on my way back to the office and, on impulse, swung by the bank to see if I could get some blanks to pay bills. The cashiers are at the back of the public part of the bank, so I walked by customer service desks, loan desks, various other desks, all of whom smiled hello because they recognized me. I got to the cashier, whose name I don't remember, and asked my question. I didn't give my name. She said, "I'm think your checks are in. I'm pretty sure I saw them." She went to the shelf where they keep orders before mailing them out. Sure enough, they were in the box, ready to be mailed. What really impressed me is that I do most of my banking at the drive-up. I go inside maybe once a month.

I've mentioned before that MFB wanted to buy a small tractor, so he called the bank to say, "I'd like to take out a loan for a tractor." The loan officer said, "When you find the one you want, call me, I'll have the paperwork ready for you." He didn't say, "Come in and fill out an app."

Stick with the local bank closest to your office. It doesn't hurt to live in a small town.

Carolyn J. Stevens, Lolo, Montana ----- I had US Bank when it was a local bank - it was great. It was bought out and is now based in Minnesota and it is absolutely awful. There are no conveniently located smaller banks here, so I can chose from US Bank, Wells Fargo and Bank of America - I have had all of them at various times when they bought out my old bank. It seems even if I were tond a smaller bank, it would be sold.

I thought I would change to Washington Mutual, but gave up after I went there 3 times and no one could figure out how to open a trust account.

Veronica Schnidrig, Portland , Oregon

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I commented on this in a similar thread about two-three weeks ago. Some banks are notorious for not being able to go outside the mold. Others cater to small firms. I've been in-house counsel at a major West Coast bank (well, it was "major" until Wells Fargo acquired it), a small, community bank and a mid-sized statewide bank. Fortunately, all three had reputations for being customer-friendly. I really can't say one size is more likely than another to serve you well. One comment on this thread commented on how well Union Bank of California handled accounts.

They've had a reputation of being customer-friendly and savvy about lawyers since I first joined a legal department in 1978. Others, some of which have been identified in this thread, don't have the same rep. Some of teh large institutions tend to be cookie-cutter friendly: if you fit the mold, fine; if not, you're on your own. Some are not, and understand small law firms.

I could comment on good bets in my area, but across the country, you really need to talk to colleagues and find out where they bank and how they rate the service. I'm pleased with my current bank, Bank of the West, because the branch personnel have the power to make decisions and know what they're doing. I would hope that their other branches are as customer-freindly, but I have no way of knowing.

Raymond L. Stuehrmann, Thousand Oaks , California

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In the old days, Citi was great, at least to me. For example, one day the phones to my entire office building were damaged and service went out for the entire building (45 stories or so). I happened to go to make a deposit at citi and the manager asked how things were. When I mentioned the phone trouble, she set me up in an office there and I conducted business for the afternoon there! Too bad such personal relationships tend no longer to exist. I now use Chase and am treated well, I think. Of course, now I am in a suburban branch, which may make a big difference.

Alan P. Bernstein

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It just so happens that I too am in the process of opening bank accounts for my new solo practice. Thank you all for the tips!

I'm in the Bay Area. I was going to go with US Bank until I saw your post, Raymond. There's a Bank of the West two minutes away from my house so I called to learn more about the bank's services. I mentioned that I was a lawyer starting out a solo practice, and needed information about business accounts and client trust accounts. I was immediately transferred to the branch manager, who answered all of my questions with the utmost professionalism and courtesy.

I have accounts with Wells Fargo and Washington Mutual, but I don't get this kind of service from either of them. I'm definitely going with Bank of the West for my law practice. Thanks for telling us about it, Raymond.

Denise L. Diaz, Palo Alto, California

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I'm coming late to this thread and haven't read all of it yet but had to post once I saw you were planning on going with Bank of the West. My old bank was recently acquired by Bank of the West and I will be looking for a new bank shortly.

I tried to make a phone transfer from my trust account to my business account and was told by a phone system supervisor I couldn't do that because the identification numbers don't match. I explained that of course they don't, the trust account has the Colorado Lawyers Trust Account Foundation's number because they get the interest. I checked with my branch and was told that the stupid phone system won't allow this. I now have to physically go to my bank and write a check out of my trust account. I don't have time for this nonsense.

The merger/buyout/whatever had numerous other annoying new procedures, rules, ways to screw me out of more money and time, etc., but the end to phone transfers was just too much.

Ellen Buckley, Westminster, Colorado

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I worry about an audit and for a trust account, I want a paper check with an audit trail. Perhaps I am just old, but anything else scares me.

Marc S. Stern, Seattle, Washington

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After carefully following this thread, I figured I'd through in my own experience. I just set up my banking this morning. I was originally planning on using a "larger" bank, along the lines of Bank of America or USBank, mostly from the perception that "the larger they are, the more resources they'll have." After reading all of your experience, I looked into our local Idaho banks, and found a small bank that specializes in banking for small businesses. The local branch manager is also a friend from my church, so I called him up and met with him this morning.

I was explaining to him my new practice, and what I hope to do, and the fact that my offices won't be fully remodeled and ready for another month or so. He quickly said that they currently had an empty office in his branch, and that anytime I needed to get away from the home office (or rather, the 3 children that will disrupt the home office), I was welcome to drop by and take up that little corner. He also offered to take me to some Chamber of Commerce lunch meetings (he's on the Board for the Chamber) and introduce me to some of the people there. Needless to say, I was very impressed, and convinced that the small bankers are still out there...sometimes they just need to be found.

While I wasn't the original poster, thanks for the good advice in pointing me in the small bank direction.

Matthew T. Christensen, Meridian, Idaho

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I also vote for small banks in small towns - I use one. Not only can I transfer funds between accounts using the internet, I can also call and talk to real people, who, (gasp) know who I am. I did a real estate closing several years ago and wrote the seller the proceeds check out of my trust account. He took it to my bank within 5 minutes of leaving. They called me since honoring the check would cause a slight (\$50,000) overdraft. I explained the situation and they covered it for me.

I am in the midst of remodeling the office and it has gotten more expensive and extensive than first thought. I called the bank and doubled the amount of the loan over the phone.

Go to a mega bank, no way.

Mark Olberding, Iowa

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I agree with Marc... my trust account is through Bank of America, but when we were setting up the IOLTA, they alerted me to the fact that I couldn't do telephone transfers between that account and my business checking account, and I would always have to cut a check from the trust account, or do it electronically by walking into a local branch. This ensures a clean paper trail.

Gahram Kang ----- Hate to disagree, but I routinely do telephone transfers from IOLTA to my operating account. I get a paper trail when the notice of transfer arrives, followed by the monthly statement. If my bank did make a mistake, it would be easily enough corrected and they would be happy to give me a letter taking the blame and documenting what happened and how it was corrected.

Shell J. Bleiweiss, Illinois

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I just closed a real estate transaction for a conservatorship. Had around



\$500K to get deposited into "prudent" investments/accounts. Checked out all the banks in the area -- US Bank made me feel like I had to beg them to take \$100K in deposits! It was amazing! The other banks I talked to were willing to negotiate rates, products, etc. US Bank folks had to go up three levels to even give a minimal variance to their deposit rate to even come close to the other banks' rates. The locally owned banks know me, know my business, and go out of their way to be customer friendly. Much, much better loan deals than many of the larger mortgage companies -- and many loans they will keep in portfolio so you deal with your loan officer about your loan -- instead of some unknown voice 6 states away.

Local/regional banks are much, much more customer friendly than the biggies around here.

Beverly Jones Kimes, Tarkio, Missouri

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