



From left, President and CEO Robert J. Lewis; Commercial Relationship Officer Cheryl A. Begin; Stephen E. Grant, Vice President of Commercial Lending and Steven L. Groccia, Senior Vice President of Commercial Lending

Bay State Savings looks out for its customers

Experience allows Bay State Savings Bank to help customers avoid financial pitfalls.

Having weathered numerous financial recessions since its founding in 1895 when 114 Worcester residents pledged \$7,600 towards its opening, Bay State Savings Bank is well prepared to look after its customers during the current economic downturn.

"We've not been involved with risky loans," Bay State Savings President and CEO Robert Lewis says. "Collectively, from a community bank perspective, we didn't think they were the right loans for our customers and we don't have them in our portfolios so it's not a problem."

While media reports of foreclosures have been prevalent of late, Bay State Savings doesn't own any repossessed real estate and doesn't foresee having any in the near future. That doesn't mean some customers haven't had problems.

"If you don't have some level of delinquency, something is wrong and you're most likely not meeting the needs of your community," Lewis says. "Delinquencies happen due to people experiencing the ups and downs of life... illness, divorce or job loss, etc. These are the normal events of life and since we know our customers, we're able to proactively work with them when they have difficulties. As a community banker, I'm proud to say that most every community bank does this."

"To catch potential problems before they develop, Bay State Savings meets with its commercial loan customers on at least an annual basis to do a temperature check on how their business is doing. That's been Bay State's policy all along, not just in the current economic downturn," says Steven Groccia, Senior Vice President of Commercial Lending.

"Likewise, when we sit down with our consumer loan customers, we look to see if there's excessive credit card debt or other signs of problems. It really becomes a time to develop some kind of a budget plan and provide the discipline a budget brings to the table," says Lewis.

Bay State Savings customers haven't been drawing down their home equity lines to pay rising utility or fuel costs, an indication that these loans were carefully underwritten. "It also tells me our customers are doing good personal expenditure planning," Lewis says.

Bay State Savings makes it a priority to know the community and to have a handle on the local marketplace. Customers looking for a business loan are expected to have a thoughtfully prepared business plan. Should the customer have missed anything — for example, something about the local market or competition — the bank's loan officers will point it out.

"Community bankers see the value in time spent with our customers. We're not sprinters, we're community bankers here to help and advise our customers," Groccia says.

When a customer calls Bay State Savings Bank during business hours, they won't waste valuable time with an automated phone system. Mary, the bank's switchboard operator, will answer your call — Bay State's first step in establishing a personal relationship with customers. Calls received in the middle of the night are returned first thing in the morning.

A new branch at 2 Eastern Ave., Bay State Savings Bank's fifth in Worcester, opened in May next to I-290's downtown on and off-ramps. "It's an easy convenient location for both existing and new customers," Lewis says.

Bay State Savings also has a full service branch in Holden and two locations in Auburn, including one in the new Auburn High School that handles deposits and withdrawals and serves as a teaching facility for students to learn about handling their finances and the financial industry as a whole.

Bay State recently began offering remote deposit capture machines that allow business customers to make deposits from their own facilities.

"They're able to do their own scanning and online banking," Groccia says.

"It's a lot like having a Bay State branch in their office,"

Lewis adds.

Proud members of the community it serves, the Bank and Bay State Savings Charitable Foundation gave almost \$150,000 back to the community over the past year in the form of gifts, grants and donations to various organizations around the area. Its officers donated more than 1,200 volunteer hours last year, and the staff is also encouraged to be involved in community activities.

"As a mutual bank, we consider this to be our community dividend," Lewis says. ■



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Number of Employees: 100

Product or Service: Full-service personal and business banking

Year founded: 1895