

Drake Intelligence

News from Drake Bank

Where Small Business is Big!



How Businesses Can Get Bigger by Acting Smaller

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As you probably know by now, our tagline is "Where small business is big." Our message to our business clients is that you will get big attention, big service, and big recognition from Drake Bank. We can do this because we are a relatively small bank. Small is not bad. In fact, in the banking business it can be a major competitive strength.

In 2007, John Moore wrote an article entitled "The Bigness of Smallness: How Businesses Can Get Bigger by Acting Smaller." Mr. Moore was formerly in marketing at Starbucks Coffee and Whole Foods Market. He now runs the Brand Autopsy Marketing Practice. In his article he said... "When small businesses dream, they usually dream of becoming a bigger business. However, a bigger business doesn't always equate to a better business. At some point, big becomes bad. Big becomes a matter of being convenient rather than being unique; it becomes a game of market share, not customer care. It seems that by the time a small business gets big, it's time for it to act small again."

He went on to suggest five rules by which a businesses can get bigger by acting smaller:

- #1: Be the best, not the biggest... become recognized by your customers and by your industry as always delivering the best products, the best services, and the best customer experiences.
- #2: Love your business... be passionate about your business.
- #3: Passion attracts passion... don't settle for hiring "warm bodies." Hire passionate people.
- #4: Treat your employees as family... practice the golden rule. Treat employees as you would like to be treated, and the company will be ultimately rewarded.
- #5: Redefine success... besides the bottom-line, consider the impact you can have on the lives of customers and employees.

I am pleased to say that Drake Bank is getting bigger and better because we have embraced the "small" strengths that are inherently ours. Our core values say it well. We have pledged to be of real help to our clients. I thank you for being one of them!

WE WANT YOUR

FEEDBACK

Yes, we know you have heard those words before! They may make you cringe because providing feedback for other businesses has not produced any noticeable changes. So it is with some hesitation we say a few more words you have heard before: "but this is different!"

It is different because we are considering a number of significant changes at Drake Bank, including how our lobby is arranged, how we serve customers, and how we communicate. We will make better decisions and continue improving if you, our customer, will tell us what you think about our bank and our service.

Soon we will e-mail a short questionnaire to everyone who opens a new deposit or loan account. The focus will be on why you selected Drake Bank and how we might have done a better job during your account-opening experience.

Of course, we need to know how well we are serving our existing customer base, too. So every month we will randomly select a small number of clients and send them a short e-questionnaire. If you are asked for your opinions, please help us. Thanks!

NEW! LITTLE DRAKES SAVINGS
KIDS 12 AND UNDER EARN

4.58%^{APY}

See back page for details and disclosures

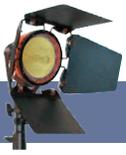
Our Core Values

- Honesty...** doing the right thing
- Excellence...** delivering only the best
- Love...** displaying the best human qualities
- Partnership...** working as a team



What we value makes us what we are.
And, what we are is **HELP** to our clients!





Spotlight on Drake Bankers



Alexandra Fay, Retail Banking Officer

Mike Ohlhauser, Senior Vice President

When I was a teenager I thought I would become a...

Broadway singer. Classically trained for years in vocal performance, I dreamt of seeing my name in lights. But I can't act! To this day I contend that singing is my greatest natural talent.

A pharmacist. My father worked for a pharmaceutical company and a few of my friend's fathers were local pharmacist on St. Paul's eastside.

My banking career began when...

I began tellinging in my late teens. The practical application of the extent of math I actually enjoyed was hugely rewarding.

When a family member offered me full time employment at the old First Bank St. Paul.

What I like most about being a banker is...

I not only believe in the quality of Drake Bank and its products, but recognize the invaluable asset that a positive banking relationship can provide. Bank accounts are "must-haves," but a real relationship with your banker gives you exponentially more.

The continued and ongoing relationships with families and communities in which I grew up in.

I relax by...

running (oxymoronic, I know) and taking photos.

Working in my yard, golfing and attending my grandchildren's different events.

People and businesses bank here because...

A small bank in a bigger market, Drake has a uniquely private feel, while at the same time welcoming new clientele with the warmth and interest only seen in community banking. We partner with clients with sincerest enthusiasm, providing an oasis of service unlike any I've had the pleasure of knowing before.

We are truly a local community bank. Our staff treats our customers the way they would want and expect to be treated, themselves.



For a More Productive Day

Too busy with activities that do not serve and attract customers? Try these ideas.

(1) For one week carry a journal and record all your thoughts, conversations and activities. You'll see how much time is actually spent producing results and how much time is wasted on unproductive thoughts, conversations and actions.

(2) Any activity or conversation that's important to your success should have a time assigned to it. Use an appointment book or the calendar on your phone to schedule appointments with yourself and create time blocks for high-priority activities. Keep these appointments.

(3) Plan to spend at least 50 percent of your time engaged in the thoughts, activities and conversations that produce most results.

(4) Schedule time for interruptions. Plan time to be pulled away from what you're doing.

(5) Take the first 30 minutes of every day to plan your day. Don't start your day until you complete your time plan.

(6) Take five minutes before every call and task to decide what result you want to attain. Take five minutes after each call and activity to determine whether your desired result was achieved. If not, what was missing?

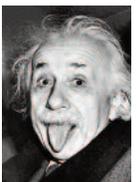
(7) When it is critical that you complete some work, practice not answering phone calls or e-mails immediately. If it is not about a customer or client, finish what you are doing. Instead, schedule a time to respond.

(8) Block out other distractions like Facebook and other forms of social media unless you use these tools to generate business.

(9) Remember that it's impossible to get everything done. Also remember that odds are good that 20 percent of your thoughts, conversations and activities produce 80 percent of your results.



We can't solve problems by using the same kind of thinking we used when we created them.
Albert Einstein





Tom Reid's: Much More Than a Sports Bar!

Having a twenty minute interview with Tom Reid is difficult. It's not because Tom is shy or doesn't have anything to say. Just the opposite. It's because twenty minutes isn't enough time.

I interviewed Tom and Bob Keifer, his business partner in Tom Reid's Hockey City Pub, on a Thursday afternoon when most of the lunchcrowd had left. Tom and Bob eagerly shared their stories and plans for the bar, but Tom will not let an interview get between him and his patrons. Our time together was punctuated by pedal-pub photos with Tom and frequent greetings and "come again" goodbyes. Meanwhile, Tom and Bob were taste-testing a possible addition to their menu.



Tom Reid

Bob Keifer

It would be impossible to miss that Tom and Bob are having fun.

If you don't know who Tom Reid is, Google him. Just reading his resume can make you tired! He played 743 games in the NHL, most with the Minnesota Northstars and 95 with the Blackhawks. After his playing career he spent 12 years as the Northstar's color analyst, then 15 years with the Minnesota Wild broadcast team where Tom can be heard every Wild game. Prior to this, he broadcast all televised UM Gopher games for men and women through the 90's and worked the State High School tournament until taking the position with the Wild. He is also active in many civic activities, including founding the Wishes & More Minnesota chapter in 2004.

Not surprisingly, the bar's walls and ceiling are covered with over 400 memorabilia items, leaving just enough room for 32 large screen TVs (they believe it is most in the Twin Cities, certainly St. Paul, because they checked)!

Besides being a successful restaurateur, Bob Keifer is a dentist and dental surgeon who has practiced in the White Bear Lake area since 1974. For many years he has melded his dentistry with restaurant ownership in the Twin Cities, finally bringing his management and strategic-planning talents to Tom Reid's when he became a partner in 2007. Together, Tom and Bob are engineering the successful redefinition of Tom Reid's from being primarily a sports bar to being a bar *and* restaurant. They want people to see Tom Reid's as a dining destination, not just as a stop before an Xcel Energy Center event. The restaurant has a wide menu and uses only fresh ingredients; they even smoke their own ribs.

The transition to a bar/restaurant is working. In 2011 when St. Paul and the Xcel Center hosted the USA Gymnastics VISA Championship, Tom Reid's Bar entered a St. Paul-wide competition for creating a new healthy-eating menu item. Five Gold Awards were presented, and Tom Reids won two of them, beating out excellent restaurants like Kincaids, Pazzaluna and others. Tom Reids won for taste and for overall presentation. Pecan crusted walleye was a big winner for them.

Recently, Tom and Bob purchased a Dairy Queen on the neighboring block on Seventh Street for additional customer parking. The parking will be needed because they plan to significantly expand their patio dining space. As for the old DQ building, it will stay and be converted into a new food venue. All Tom and Bob will say is "stay tuned".

Tom Reid's Hockey City Pub banks with Drake Bank. When Bob became part owner he moved the banking relationship to Drake Bank where he had a lengthy relationship with Mike Ohlhauser, Senior Vice President. "Drake Bank works with us. They share our goals and they offer counsel and good ideas," said Bob. "They are very responsive, and when opportunities and needs arise they are quick to respond," added Tom. "It's also great that the Bank is located so close to us, and having Mike as our banker is like having a financial counselor on our management team."

If you have never been to Tom Reid's Hockey City Pub, treat yourself to a fun environment and unbelievably good dining. Order the walleye!



KIDS 12 AND UNDER EARN

4.58%^{APY*}

NEW!

LITTLE DRAKES SAVINGS



Show your children that it really pays to save!

*APY = Annual Percentage Yield; rate of 4.58% paid on first \$1,000. Above \$1,000 interest is paid at our regular minor savings account rate. The 4.58% APY rate will be paid on balances up to \$1,000 when the parent/guardian has a checking account with e-statements and direct deposit or ACH transfers at Drake Bank. An opening deposit of \$100 is required with an adult's signature and child's social security number. Rates are subject to change. Member FDIC

NEWS



Congratulations to mobile software developer ThisCLICKS for their recent grand opening of their offices in the Drake Building. The company develops employee time management software -- a digital alternative to the time clock -- for small businesses. The company's new 7,000-square-foot headquarters has enough room for its 29 employees and room to grow. The company's labor-management software is used by 4,000 businesses worldwide, up from 1,500 only 14 months ago!

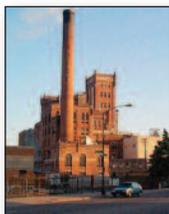


Our hearts go out to the family, friends, fellow police officers and the entire community for the loss of Police Officer Scott Patrick, killed in the line of duty serving Mendota Heights. It was a tragic loss.

With Drake Bank being so close to the Mississippi River, we did not escape being effected by the record-breaking floods in June. We were always accessible because the ground was dry around the Bank, but water backed up into the Drake Building, causing wet floors in several offices. All is fine now.



In case you missed it, the Old Schmidt Brewery complex has found new life. And lots of it! It's history is long and complex. The site started as Chrostopher Stahlman's Cave Brewery, followed by a series of new owners including Jacob Schmidt Brewing Company, Minnesota Brewing Company and Schell Brewery in New Ulm. It also spent time as an ethanol refinery. Recently, a \$130 million renovation project was completed that has turned the building into fantastic live-in art studios, some with 3 bedrooms. Congratulations to all involved for such a great addition to West Seventh!



We are pleased to announce three additions to our staff! Terri Hays has joined us as a Loan Operations Officer, Jenna Rutherford as a Customer Service Representative and Melissa Peka as a part time teller. We also want to congratulate Alexandra Fay on her promotion to Retail Banking Officer.



Terri Hays



Jenna Rutherford



Melissa Peka