

Taking Care of Business: Corey Chambas

Biography Section

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As CEO, Chambas has led First Business Bank on a path of record growth

Corey Chambas has worked in the commercial banking industry for 22 years, specializing in cash management and commercial lending. A graduate of the University of Wisconsin, he has also completed several advanced commercial lending programs including those of Darden (University of Virginia) and Kellogg (Northwestern University). In addition to his role as CEO at First Business Bank, a director of First Business Capital Corp., a director of First Business Leasing, LLC, a board member of Mortenson, Matzelle and Meldrum, Inc., Business Advisory Board member of Bellbrook Labs, LLC, President of the board of the Foundation for Dane County Transition Schools, member of the Strategic Campaign Issues Committee for the United Way of Dane County, and a member of Madison Breakfast Rotary. In 2003, Chambas was presented with North*Western Financial Review's 'Rising Star' award in recognition for his outstanding industry accomplishments and community involvement.

BW: Tell us a little bit about growing up in Milwaukee.

We lived in the central part of the city until fourth grade when we moved to Mequon. It's not the Mequon we know today – back then I could walk out our door and go pheasant hunting!

I had a great childhood. It's common to hear people talk about the traumatic things that happened to them growing up, and that almost makes me feel guilty. I had lots of fun. I didn't get into too much trouble. I played baseball, basketball, and football in high school, which was a blast.

My father was a factory worker for Evinrude. It was just assumed that I would go to college. He never liked his job. He did it to earn a living and support his family and he wanted me to have more than that.

BW: How did you manage your money when you were growing up?

I was a saver by nature. I worked all through high school. My first job was stocking shelves at a pharmacy. I knew I was going to be paying my way through college so I saved as much as I could.

BW: Did you have a strong desire to enter the world of banking?

Not at all! I started as a chemistry major at UW-Madison in 1980 because I'd been on an accelerated science track in high school. But I really didn't like my 7:45 a.m. chemistry lab or getting up that early in the morning. So I changed my major to wildlife ecology. Then I learned that to get a decent job in that field I would need at least a master's degree. That was disappointing news because my personal finances, including my two scholarships, would only get me through four years of school. One day I was talking about my situation with some graduate chemistry students. They started asking me what I was good at and what I wasn't good at and eventually determined I was "well balanced" enough to be a business major! So I marched up Bascom Hill and changed from wildlife ecology to business. Then I discovered

there were lots of business majors to choose from – I liked the sound of finance, investing, and banking, so that became my major. I graduated in 1984 with a bachelor's degree in business administration.

I really knew very little about commercial lending when I graduated. During my interviews with banks they'd ask me if I wanted to be in commercial lending, and of course I said "sure!" I learned more about commercial lending through the interview process than I ever did in the classroom. I was invited to interview with First Chicago Bank and suddenly realized that if I took that job it would be the Bears on TV every Sunday, which made me realize I had to find a job in Wisconsin. M&I in Milwaukee hired me – by the time I graduated in 1984 my wife Kris and I had a newborn son and I really needed a job.

BW: How did you meet Kris?

In a nursing home! During the summers I was a maintenance man in a nursing home in Mequon. She was a nurse there. It was a reverse Cinderella story – the maintenance guy falling for the nurse. She was impressed by my floor waxing and buffing skills, I guess!

BW: You worked with M&A for nine years before making the switch to First Business Bank – how did that happen?

After working in commercial lending for six years in Milwaukee, I was transferred to Madison. It took me six years to establish my credibility and more high enough up the ladder to get the transfer. When I came to Madison in 1990, First Business Bank was just getting started. I was very interested because my experience was in commercial banking. I thought the idea of a locally managed bank dedicated to commercial banking made a lot of sense.

A few years later a friend of mine invited me to go fishing on Lake Wisconsin. The lilacs were blooming, which meant the crappies were biting. We ran into another friend of his – Jerry Smith (the founder of First Business Bank) – who wasn't supposed to be there, but he noticed the lilacs were blooming, too! Jerry invited us to fish off his dock. He was in jeans and a Wisconsin sweatshirt. I thought, "Wow, this guy's a bank president and he's wearing jeans!" My current employer was very formal – that's all I had known in my banking career. In fact, the bank I worked at had a policy that when you walked through the lobby you had to wear your suit coat.

Anyway, I got to know Jerry. Soon after that, there were six banks competing for the business of this top company in town. It came down to Jerry and me, and I won the business. I ran into Jerry at a conference a little later and he leaned over to me and said jokingly, "You can't go fishing at my place anymore."

Another opportunity arose in 1993 where again it came down to myself and First Business Bank, and I won the business. Then Jerry said, "I think we need to talk." He wanted to hire me. It was a great opportunity for me to make a bigger impact with a smaller bank. So I took the job.

BW: How is First Business doing?

Very well. What started out as a bank has now expanded. Our holding company, First Business Financial Services, now includes two banks, First Business Bank – Madison and First Business Bank – Milwaukee (individually chartered banks, not branches); a trust and investment company,

First Business Trust & Investments; an equipment leasing company, First Business Leasing, LLC; and an asset-based lending company, First Business Capital Corp. This breadth of services is very unique for a company our size.

Our Madison bank has significant market share, especially among small and medium-size firms. Over 16 years we have grown our assets to \$550 million. Only a few of our 1300 business clients are startups, so that means more than 1200 have switched to First Business Bank from somewhere else.

Because we only do business banking, we are very focused. We don't have to worry about kid's clubs and drive-up tellers, for example. And a traditional bank our size would have 30,000 or more accounts. Because of this, we can provide a higher level of attention and personal service. I spend all my time with business clients. Since we are headquartered in Madison, all the decision-makers are here. It is very easy to assemble a loan committee at the drop of a hat – we can turn around decisions very quickly.

Our model is also different. As I mentioned, we really pay up on client deposits, so combining that with very competitive loan rates, we have a skinny net interest margin. Most banks are at about 4% and we're at about 3%. This works for us, however, our operating expenses are about 1% less than a traditional bank, so we get to the same bottom line, but our clients benefit from the better loan, and especially, deposit rates.

We also worked with the UW School of Business to put together the first annual Dane County Economic Survey. Our clients were telling us there was no local economic data they could rely on for budgeting and planning. Our presentation of the report was very well received with more than 100 business leaders attending. And we've continued to offer this service to the business community every year since. First Business also presents eight seminars a year for our clients that deal with key business issues.

Finally, the skills, quality, and integrity of our staff is unparalleled. Our culture is very team-oriented. People enjoy working here – it's almost like a club. We are very particular about who we hire. We want to continue to feel small and be unique, even as we grow. We have a healthy fear of losing our culture as our success drives our growth.

BW: Why did First Business go public?

The trigger was going over 500 shareholders – when that happens you must register as a public company. There are ways to reduce the number of shareholders, such as buying back shares, but we didn't want to do that. Many of our shareholders are clients and employees—we're friends and they wouldn't want to be bought out, and we wouldn't want to buy them out.

A company also has to be registered with the SEC to be listed on the stock exchange. We wanted to be listed so we could have access to equity capital, which will help with our future growth plans. Before, when we needed equity capital, we went out and sold shares. We did it ourselves, but it's not one of our core competencies. Both Jerry and I are sales-oriented and client-oriented. We are good at bringing in new clients and retaining our existing clients, which results in growth.

BW: Right now you are president and COO of First Business Financial Services and CEO of First Business Bank. Jerry Smith will be stepping down as CEO of First Business Financial Services toward the end of the year and you will be taking over that role as well. Sounds like you're going to be busy.

I currently have our operating entity presidents reporting to me, as well as heads of human resources, finance, and marketing. As CEO, I will need to have our corporate secretary and the internal audit function reporting to me, as well as increased corporate strategy execution responsibilities.

BW: What is your typical day like?

I'm up at 5:45, at the office by 7:00 a.m, and leave work at 6:00 in the evening. Usually I will bring some reading home with me. I also work out most days—somehow I manage to get it in. Working out is a great stress reliever. In fact, I get a lot of good ideas when I run, bike, or swim, so it is a very productive time, as well as therapeutic.

BW: What are your some of your immediate challenges?

The biggest challenge is keeping up with all the opportunities—this is an exciting time. I will also have more responsibility toward the end of the year when I move into the CEO position.

BW: What is your best piece of business advice?

Try to help make your boss successful and don't worry about yourself. And if you are a supervisor or manager, make sure the people who work for you are as successful as they can be. This means being team-oriented.

Bio

Who: **Corey Chambas**

Education: **UW-Madison, Business**

Family: **Wife Kris, son Matt, daughter Ally**

Favorite local restaurant: **Restaurant Muramoto**

Favorite movie: *Snatch*

Hobbies/activities: **Musky fishing, triathlon training**

Most recent book: *Angels and Demons* by **Dan Brown**

Most important career experience: **Going fishing for crappies**

Best-kept secret in Madison: **UW Arboretum**

Favorite Wisconsin getaway: **North Woods**

Most admired person: **My mom**
