

# CASE STUDY

## ACOM's MICRPro® In-House Check Printing Solution Quells Check Price Discontent and Boosts Profits at Marathon Savings Bank

### BACKGROUND

Marathon Savings Bank CEO Robert Brooks kept hearing customer complaints about rising checkbook prices. So much so, customers were defecting to mail order sources and even to a discounter that was actually owned by the bank's checkbook vendor, Deluxe Check Printers.

Based in the paper manufacturing and insurance center of Wausau, Wisconsin, Marathon Savings Bank is a \$134 million-asset institution that converted from a thrift to a state-chartered savings bank a few years ago.

"We made some profit on checks but not a lot," says Marathon's Vice President of Operations, Nora Spatz. "Price increases continued, with specialty checks costing as much as \$21.00. Deluxe's attitude seemed to be that we had to choose between less margin or raising our own prices."

### SOLUTION FOUND

In late 2001 a bank executive from a neighboring community invited the Marathon management team to a demonstration of ACOM's MICRPro® in-house check printing solution.

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***- Nora Spatz  
Marathon Savings Bank***

Marathon Savings Bank purchased MICRPro® in early 2002. It brought the bank everything it needed: control over pricing, production and delivery; a strong competitive tool; design flexibility; a way to increase lobby traffic and promote more services; and an end to contract arrangements.

"Two-thirds of our market is price-sensitive and only interested in plain checks for \$12.00," Spatz says. "Our costs come in about \$5.00, excluding staff time, so we

have a great margin. For people who want something fancier, we provide cuts and special lettering for an additional \$2.00. ACOM doesn't charge for this feature, so it is pure profit. For decorative checks, ACOM provides scenery stock. The system also allows input of custom images."

ACOM's installer-trainer spent two days on-site installing and testing the system and making sure that personnel were fully competent with the system -- not because it's complicated but because the training is comprehensive and as inclusive as the bank requires.

"Even our directors understand MICRPro®, what it does and how it works," Spatz says.

### EXPANDING PRODUCT LINE

Marathon produces several types of checks, with the highest volume in wallet-style and desk-style personal checks. "When we obtained MICRPro®," Spatz says, "we hadn't thought much about business checks, but we've learned is that there is major profit to be earned from these checks. As much as 200-400 percent mark-up is normal and acceptable."

### GROWTH THROUGH MARKETING NEW SERVICE

Initially, marketing of Marathon Savings Bank Checks was informal but as the popularity of the service surged, the bank developed more aggressive techniques, including a voice message that plays in the "on-hold" tape of the telephone system. (Currently, ACOM provides new customers with a promotion guide checks as well as sample books.)

"At least two-thirds of our checking account customers now opt for Marathon Savings Bank Checks," Spatz says. "Ninety-five percent pick them up, which is a good thing since it increases floor traffic and exposure to our quality service and our other banking products."

"ACOM has been extremely supportive throughout the bank's experience with the MICRPro® solution," she says. "We have had very few issues," says Spatz, "and ACOM is always there with a quick and effective response."