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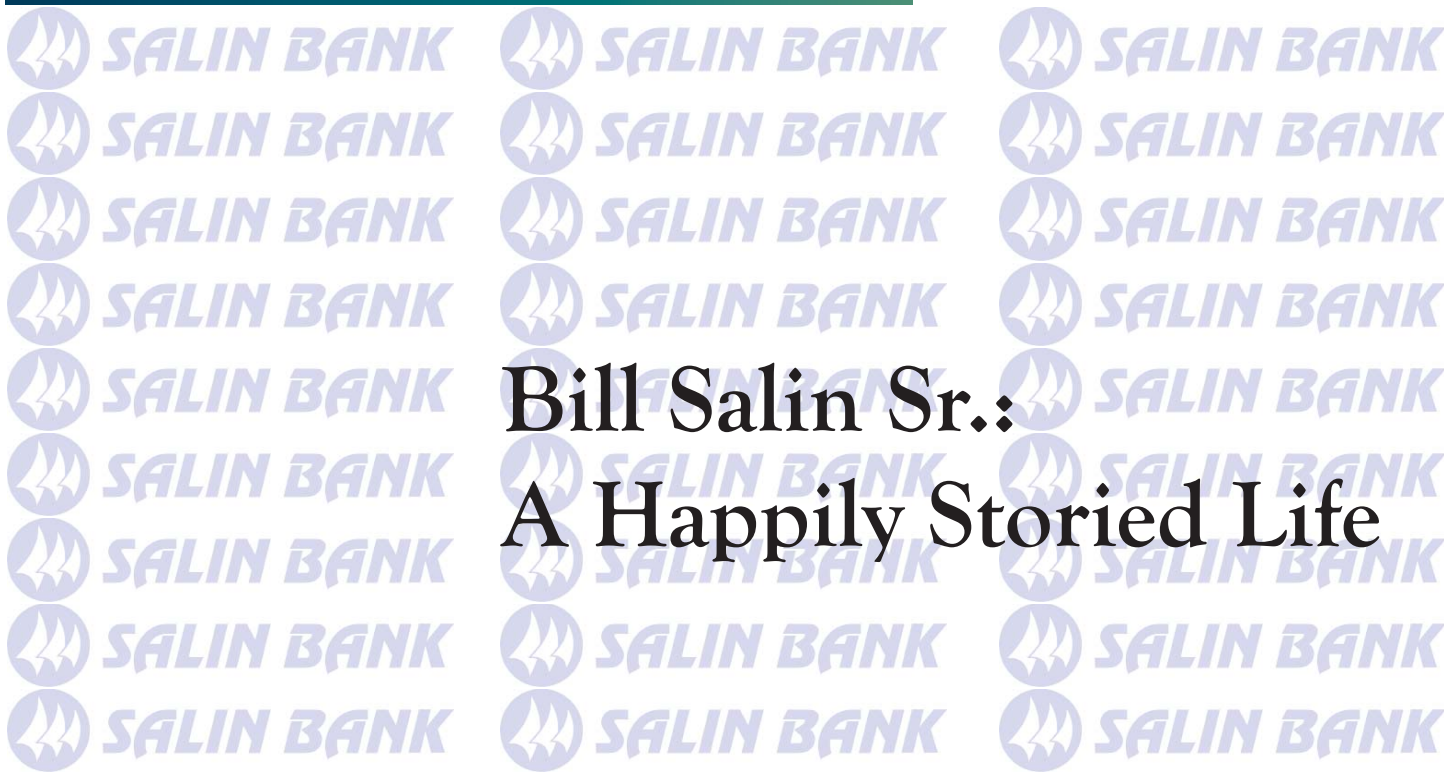
HOOSTIER BANKER

INSIDE

Patriarch
Bill Salin Sr.
is 'captain'
of the Salin
Bancshares ship.

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Bill Salin Sr.: A Happily Storied Life



A gleaming shovel serves as a reminder of a Salin Bank & Trust groundbreaking.

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A few years ago, William N. Salin Sr. of Salin Bancshares Inc. gave a “little talk” to employees about the stewardship of banking. Salin associates were so moved that they asked him to distribute his thoughts in written form.

A gifted wordcrafter, Bill Salin penned his ideas into an employee brochure, “Why the Salin Family Is in the Banking Business.” The handout emphasizes the high trust inherent to banking, the unique purpose of banks as creators of wealth and the importance of each banking associate. “No matter what your specific task and no matter where you perform it,” the brochure affirms, “you have a role.”

Salin is chairman and chief executive officer of the board of Salin Bancshares Inc. and director of Salin Bank & Trust Company, Indianapolis. *Hoosier Banker* recently interviewed him about his life and career.

Background

Salin was born 78 years ago in Anderson, Ind. His father died when he was two years old, making his mother—

“the best business person I ever knew”—sole breadwinner for herself and her young son. In the process, she instilled a formidable work ethic in Salin.

During his teen years, Salin attended Anderson High School, at the time ranking as the second largest high school in the state. Notable classmates included Carl Erskine, baseball great and member of the Indiana banking community, and John E. “Jumpin’ Johnny” Wilson, former player for the Harlem Globetrotters basketball team.

As a student, Salin’s routine was to attend classes by day and to work at the Delco Remy factory at night. Each evening he would clock in at the factory at 11 p.m. and remain until 7 the next morning. Then he would return home, shower and go to school.

When asked about the taxing schedule, Salin smiles and says, “I was in pretty good shape.” He explains that he would sleep after school for a few hours before reporting to work, plus catch a quick nap at school in the nurse’s station.

“But once a friend of mine talked me into trying out for the senior class play,” Salin recalls. “I didn’t want to go, but he wanted me to try out with him.

“I got in the play, and he didn’t,” Salin laughs. “Practices were after school. That’s when I really had a problem with sleep.”

Academics came effortlessly to Salin. He was one of two students from his class of more than 600 to be granted college scholarships through the Naval ROTC program. Salin chose to go to Northwestern University, but modified his plans when he discovered that he was partially color blind, thus ineligible for the scholarship. He considered paying for Northwestern with the \$500 he had saved from his \$1.60-per-hour factory job, but the money would carry him only through one-third of one school year.

Salin instead enrolled at Indiana University, where tuition was \$50 per semester. With an eye for business, he focused on real estate as a major, carrying an average of 18 hours of studies per semester.

Nearing graduation, Salin attended a presentation by the head of worldwide General Motors Real Estate. "After his talk was over," Salin recalls, "I introduced myself and said, 'I'm from Anderson, Indiana.' The speaker said, 'I'm from Fortville,' and I answered, 'I know right where that is.'" Their conversation led to a post-graduation job offer for Salin with General Motors Real Estate.

Career Development

"I was hired in the Argonaut Realty Division of General Motors," says Salin, "They had me working with the legal department, on the 17th floor of the building across the street. I was dealing with the lawyers all the time."

After a brief work stint at General Motors, Salin served a tour of duty with the U.S. Army, during the Korean War. Eager to return to school, he evaluated his options and concluded that "a year of law school was equal to a master's degree," he reasons. "So I elected to go to the I.U. School of Law."

At the time, SAT testing was not in use to screen applicants, so any college graduate could enroll into law school. But not all would pass.

Salin describes his first day of law school: "The professor said, 'Look to your left, and look to your right. The people next to you won't be here at the end of the semester.'"

"I thought, 'I can't flunk out,'" remembers Salin. "So I kept going."

Reflecting on his ease with studies,



Bill Salin confers with Linda Shadel, Salin executive assistant.

Salin says: "I've come to the conclusion that different people learn in different ways. I'm a listener."

"The longer I went to school, the better grades I made. I learned how to study, finally."

Law degree in hand, Salin took his skills to Fort Wayne, where he was named a principal in one of the city's oldest law firms: Kennerk, Dumas, Burke and Backs. In 1984 the company merged with another and, five years later, was rechristened Beers Mellers Backs & Salin. Today the firm still bears Salin's name, and its website offers a quote by the biblical King Solomon: "A good name is to be valued more than good wealth."

Established as a lawyer and keenly interested in people, ideas and challenges, Salin ventured into politics. "I wanted to do good," he explains. In 1968 Salin was elected Indiana secretary of state, a position he filled for two years. He also gained public service experience as city attorney of Kendallville and Fort Wayne.

Bank Ownership

Shortly after serving as secretary of state, a new opportunity opened for Salin. By this time he had already been active in banking: "I had briefly headed up the trust department of a bank in Fort Wayne and, in the practice of law, I represented some small banks in Indiana. But the thing that really took me from the practice of law into banking was my involvement in politics."

He continues: "One day in 1973, a banker I was well acquainted with called and said, 'Bill, you've always wanted to own a bank. There's a bank in Elkhart that's for sale.'" The caller offered to become an investor, if Salin would orchestrate the deal.

"The bank had never made any money and had little or no capital," Salin recalls. Undaunted, he put the deal together and sought additional investors: "I put my best six or seven clients into this enterprise. That's how I got started in the banking business."

When asked about the challenge of convincing investors to take the risk, Salin replies: "It wasn't difficult, because they trusted me. Politics is not a lucrative business, but you do meet a lot of people, and you form a reputation."

"I was blessed in that these people knew me and trusted me. I must say, they were outstanding people. I consider some of them to be financial geniuses."

As for personal risk, Salin observes, "I never had any doubt in my mind." He adds, "A senior law partner once said to me, 'Bill, you take an awful lot of risk.' It surprised me, because I never thought I took any risks. In retrospect, I guess I did."

Salin reflects on the simplicity of banking in 1973: "There weren't a lot of regulations and rules. When I bought the bank, I went up to the office of the lawyer who represented the owners of the stock."

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An embroidered pillow in Bill Salin's office bears the saying: "Triumph is just a little umph added to try."

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I handed him a check, and he handed me the stock certificates.

“We didn’t ask the Department of Financial Institutions, we didn’t ask the FDIC, we didn’t ask anybody. I simply bought the stock.”

Despite increasing complexities in the field of banking, Salin notes that the core business of banking remains uncomplicated: “The banking business is very simple, because there’s no inventory to deal with. For most businesses, the management of inventory can be a serious problem.

“When sales go down, you’ve got too much inventory. Then your money’s tied up, and you’ve got to pay the bank back. When sales go up, you’ve got to finance more inventory. It’s a big issue, but not for the banking business.”

Family Life

Salin met his wife Jane during his Indiana University days. The couple have three grown children—William Salin II, Sherri Salin Fritsch and Susie Salin McClain—and eight grandchildren. One grandson is named William Salin III; another is John Salin McClain. A granddaughter, Sophia Elizabeth Salin, is named after both of her grandmothers.

When the Salin children were growing up, “all three were tellers,” remembers Salin. “They all worked part-time in a bank in the summertime. They would come home, and I’d ask, ‘Did you balance today?’ And they would always say to me, ‘To the penny, Dad. To the penny.’”

Today son Bill Salin II is CEO and chairman of the board of Salin Bank & Trust Company, Indianapolis. Both Salin daughters also work with the bank and serve on the board of the holding company, along with their mother, Jane Salin.

“They own it,” beams Salin. “The females own it. We’re a minority business. We’re probably one of the few minority bank-owned businesses.”

Salin credits his mother’s example for the strength of the women in his family. “My mother could do everything. She could buy, sell, keep the books, take care of the inventory. I grew up thinking that women are capable people.”

Salin shows equal enthusiasm for his

family name: “I have a wonderful name. I’ve been blessed with the name ‘Salin.’ It works well for our sailing logo.

“And it’s easy. Sometimes people don’t know how to spell it or how to pronounce it, but I can tell them, ‘It’s Palin with an S.’”

Spare Time Pursuits

Salin stays in shape by running one to two miles each day. He and Jane spend winter months in Florida, where he devotes additional time to exercise.

Golf is a fairly recent hobby for Salin: “I didn’t take it up until eight or nine years ago,” he admits, “when Jane got nervous thinking I was about to retire.” He admits to no retirement plans. “What would I do?” he asks rhetorically.

Continuing a decades-long legacy of service, Salin is active with several community groups, including the Indiana University Varsity Club, Well House Society, American Business Club, Indiana Society of Chicago and St. Luke’s United Methodist Church. He serves on the board of the Indiana Historical Society is active with the Indianapolis Symphony Orchestra, Indianapolis Museum of Art and the United Way.

Additionally the Salin Family Foundation funds scholarships for high school graduates. Each year the foundation distributes 20 scholarship opportunities within the communities in which Salin Bank operates. “We’ve been very, very fortunate,” says Salin, “and we should share and give back.”

Banking Philosophy

Salin readily identifies government as the primary challenge to the banking industry: “We’re losing the free enterprise system,” he says. “Every time there is a perceived problem, Congress proceeds to come up with ‘solutions.’

“For example the Congress has determined that Internet gambling is a problem, and passed a regulation that makes banks take significant actions to make certain that their customers are not engaged in Internet gambling. In effect, it’s the banks that have to enforce the rules.

“Also the Bank Secrecy Act charges us with making sure that nobody who deposits large sums of money is dealing in drugs. You’d think it would be the police department or the FBI who have to catch drug dealers, but instead it’s us.

“The risk is the government, not the market. Of course there is risk in the market, too, but the free enterprise system takes care of it. If you take too much risk in the market, you go out of business.”

Salin clarifies the importance of banking: “When you’re in the banking business, unlike any other business, people have entrusted you with their savings. Bankers have to invest that money in such a way that the depositor will receive a return for his money and receive his money back.

“A second function of the bank is to loan money to people that need it, deserve it and will make good use of it. These borrowers create jobs, or buy a house or send their kids to college—all the things that human beings want to do and need to do to improve society.

“If we didn’t have banks to take the depositor and the borrower, and put them together, we would never progress. The banking business does all that.”

Looking back on his fruitful career, Salin summarizes: “Everything I did was interesting. I met a lot of nice people, and we did a lot of nice things. I never felt like I was working.

“In banking, there is a great sense of fulfillment,” he adds. “This is why we’re still in the banking business.” ♦



Amid holiday décor, sailing ship crystalware reflects the nautical motif of the Salin Bank & Trust Company logo.