

# KEYSTONE

## Extra

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## Cooperatively Building A Better World

A cooperative is defined as a jointly-owned enterprise engaging in the production or distribution of goods or supplying services for the mutual benefit of its members-owners.

Co-ops provide Pennsylvanians with valuable products and services ranging from farming, to electric, food, and financial, including 539 credit unions.

For more than 150 years, credit unions worldwide have proudly put people before profits in order to provide access to affordable financial services for all members. Cooperatively owned and controlled, credit unions invest their earnings in helping members meet their financial goals. In addition to lower loan rates and better service, members experience the unique difference of credit unions from traditional for-profit banks and financial institutions, in philosophy, structure, and community commitment.

At a time when many national economies are facing financial instability, cooperative enterprises have proven their worth as sources of assistance during the crisis. In recognition of the value of cooperatives, the United Nations has named 2012 the *International Year of Cooperatives*. The official launch was held on October 31 at the United Nations headquarters in New York.

The International Year of Cooperatives marks the first time the United Nations has awarded a business model an "International Year" designation. The theme for the International Year, *Cooperative Enterprises Build a Better World*, recognizes the positive impact values-based businesses that are member-owned and democratically controlled have on both local and global economies.



"In naming 2012 the United Nations *International Year of Cooperatives*, the United Nations has both recognized and honored the important role that credit unions and other cooperatives play on the global stage," said Brian Branch, World Council of Credit Unions (WOCCU) President and CEO and one of 20 global leaders invited to serve on the International Year of Cooperatives Advisory Group (ICA). "Now it is up to us to advance the good work we have already started."

Credit unions are facing more competition and changing consumer demands. But the cooperative structure of credit unions, personal service, and community outreach puts them above the competition.

A recent survey conducted by Intuit Financial Services, a CUNA Strategic Services alliance provider, shows consumers like to remain loyal to their financial institutions. However, 36 percent of survey respondents indicated they planned to switch – or have already switched – institutions due to new service fees.

Beyond member benefits, low fees, and various products and services, what

makes credit unions different is the cooperative structure drive by the seven principles: voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training, and information; cooperation; and a concern for the community.

The success of the credit union movement rests on cooperation at all levels – local, state, national, and worldwide. Working together, credit unions can continue raising awareness about their economic and social contributions, promoting membership for all people, and building long-term stability.

For more information about the *International Year of Cooperatives*, visit [www.woccu.org/iyc2012](http://www.woccu.org/iyc2012).

## Bank Transfer Day Brings New Members, Awareness & New Opportunities

Pennsylvania credit unions added 25,000 new members and \$173 million in new deposits between September 29 and October 29, according to estimates based on a nationwide survey of 5,000 credit unions conducted by CUNA.

In the survey results released November 3, CUNA estimates that at least 650,000 consumers across the nation have joined credit unions since September 29 (the day Bank of America unveiled its now-rescinded \$5 monthly debit card fee). Also during that time, CUNA estimates that credit unions have added \$4.5 billion in new savings accounts, likely from the new members and existing members shifting their funds.

The survey results also show that more than four in every five credit unions experiencing member growth since September 29 attributed the growth to consumer reaction to new fees imposed by banks, or a combination of consumer reactions to the new bank fees plus the social media-inspired November 5th Bank Transfer Day.

At *Keystone Extra* press time, results of new member accounts from Bank Transfer Day were still being tallied. But regardless of the numbers of new accounts or increased deposits generated by “the Day,” the real story for credit unions is the lasting benefits that the event has fostered.

Increased awareness of credit unions and the credit union difference is clearly one of the big benefits. Scores of stories nationwide highlighted that credit unions are not-for-profit and owned by their members, compared to banks that have a responsibility to provide a good return to their shareholders.

Credit unions have a new foundation from which to launch future marketing campaigns for continued growth. New young members present an opportunity for building long-lasting relationships that will result in sharing positive experiences with family and friends, bringing even more new members to the credit union.

## Education & Professional Development

### Registration Open for January CEO Summit in Key West

Credit union leaders from across the Mid-Atlantic region will travel to Key West, Florida, January 15-18, for the **2012 CEO Summit**, hosted by seven state credit union associations/leagues including our newest co-sponsor, the Kentucky Credit Union League.

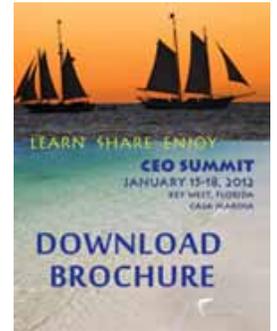
We’re joining forces to share a collective insight on economic forecast implications, operational challenges, and growth strategies through innovation and tapping into member relationships.

These education sessions will help you get refreshed, energized, and prepared to face 2012 with a renewed focus:

- **Economic Outlook & the Impact on Credit Unions**  
Steve Rick, Senior Economist for CUNA will discuss how current U.S. and global financial events may affect the economy, interest rates, and ultimately credit union performance.
- **Opportunities & Strategies in a Challenging Environment**  
Steve will be back to review trends for savings, investments, and loans, and weigh the influence of economic events on growth patterns for 2012 and beyond.
- **Key Initiatives for Profitability and Relationship Building**  
Join Stan Hollen, President/CEO, CO-OP Financial Services, for an engaging discussion on how your credit union can achieve sustainable growth by embracing innovation.
- **Member Business Lending: Challenges and Opportunities**  
Christopher J. Pippett, Partner, Fox Rothschild, LLP, will address compliance concerns, identify key documentation issues, and share his insight on some of the troubling trends in the Member Business Lending marketplace.

To download the brochure or to register, visit the Education page at [www.pcua.org](http://www.pcua.org).

The 2012 CEO Summit is co-sponsored by Delaware Credit Union League, Kentucky Credit Union League, Maryland/District of Columbia Credit Union Association, New Jersey Credit Union League, Credit Union Association of New York, Pennsylvania Credit Union Association, and West Virginia Credit Union League.



## Products & Services

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### Who's Talking About First Heritage Financial?

Why is investing in your members by offering first mortgages a good idea? In an economic environment where Federal Reserve Chairman Ben Bernanke expects long term rates to hold at their current level into 2013, you're hard pressed to find short term investments anywhere near the 4 percent note rate of a 30-year fixed rate loan.

Why First Heritage Financial, LLC, as a mortgage partner?

First Heritage Financial services are delivered in a manner that ensures your credit union will remain involved to capitalize on member loyalty and build on established relationships. First Heritage can handle the processes and paperwork to successfully close approved loans; and can then arrange for servicing of those loans: payments, reporting, year-end tax notifications, and/or member support.

Flexibility is the key to your partnership with First Heritage. You choose your level of operational involvement; First Heritage puts the decision in your hands.

Just look what other Pennsylvania credit unions are saying:

*"Over a 15 year period Erie FCU had used three different mortgage providers and was never able to develop a successful mortgage program until we signed with First Heritage Financial, LLC. First Heritage provided us with ongoing staff training, marketing advice and first class service for our membership. Most importantly they allowed us to determine the extent of our involvement in the mortgage process."*

Erie FCU Denise Kaczmarek, SVP of Lending



*"Over the past several years, the relationship between Service 1st FCU and First Heritage Financial has grown into a very solid partnership. I consider First Heritage to be a leader in the PA credit union mortgage business. Their service, products and pricing have proven to be competitive in our market and have definitely met the standard that is expected by members of Service 1st. I have nothing but positive things to say about my experience with First Heritage and would strongly recommend their services to other credit unions and their members."*

Service First FCU Brett Johnson, Lending Manager

*"First Heritage Financial, LLC, is a valuable partner to our credit union. Through this program, we have the flexibility, expertise and support we need to deliver a core product to our membership that we could not do alone. This truly is a People Helping People success."*

Timberland FCU Carrie Wood, President/CEO

It's time to talk to First Heritage Financial. [Click here](#) for more information, contact your Association Account Executive, or Cos Manzo from First Heritage Financial at 215-969-2822.

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### Support CMN with CU4Kids Holiday Icons

It is time to start planning for the Credit Unions for Kids' Holiday Icon Campaign, benefiting your local Children's Miracle Network Hospital. This year's campaign runs from November 1 through December 31.

The Holiday Icon Campaign is a great way for your credit union and your members to rally behind a great cause which directly helps kids in your community. Your staff invites members to donate a dollar, and in exchange, your members get to write their name on a paper icon which you proudly display in your branch.

It's free and easy for your credit union to participate. Go to [www.cu4kids.org/holidayicons](http://www.cu4kids.org/holidayicons). Click on "Order Icons Now" and select your favorite holiday shape.

Every dollar raised goes back to each branch's local Children's Miracle Network Hospital.

Engage your members with newsletter articles and through Twitter and Facebook. Tips and hints to promote the campaign are available at [CU4Kids.org](http://CU4Kids.org).

#### 2011 Holiday Icon Shapes



## Credit Unions in the News



Val Singleton and Kristie Hughes of Horizon FCU serve chili and cornbread to a member during the Employee Chili Cook Off on Friday, October 21, to cap off International Credit Union Week and support the Williamsport Branch of the Central Pennsylvania Food Bank. Members donated cash or nonperishable food items to vote for their favorite chili at the Williamsport and Lock Haven branches. Seven cartons of food and a \$400 check were presented to the Food Bank.



Mid-Atlantic Corporate FCU held a food drive to benefit the Central Pennsylvania Food Bank. The staff of 85 donated 4,607 food items, which amounted to 3,987 pounds - nearly 47 pounds per employee.



Diamond Credit Union's Diamond Hope Relay Team raised \$71,777 for the American Cancer Society Relay For Life, topping its 2009 record of \$65,000. The team ranked as the top fundraiser for the Pottstown Relay For Life, and Pottstown was the number one Relay in all of Pennsylvania.



Angela Barlup (left), Cornerstone FCU Membership Development Specialist, and Beki Landon, Administrative Assistant (right), present 134 pounds of non-perishable food items and monetary donations to Nicole Deary, Media Relations Director for Project SHARE, which serves the Greater Carlisle area.



Right: Barb Vitolo, CEO, Wyrope Williamsport FCU, presents an Apple iPad to Courtney, winner of a drawing from a Refer A Friend promotion held during October.



Cornerstone FCU held a groundbreaking ceremony for a new full-service branch in Newville. Participants included, from left: Sam Glesner, Board President; Jay Finkenbinder, VP, Lehman Construction Services, Inc.; Rick Wargo, PCUA EVP/General Counsel; Dave Keffer, Cornerstone FCU CEO; and Jim McCormack, PCUA President/CEO. The new branch is slated to open in spring of 2012.

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News stories and photographs are welcome. Submit information for publication to [janet.johnson@pcua.org](mailto:janet.johnson@pcua.org).

## Events Calendar

### November

16  
Marketing Council Meeting,  
Harrisburg

17  
Marketing Council Meeting,  
Pittsburgh

24  
Thanksgiving Day  
Federal Reserve Bank  
Holiday

### December

21  
Hanukkah

25  
Christmas

26  
Federal Reserve Bank  
Holiday in  
Observance of  
Christmas

### 2012

### January

15-18  
CEO Summit,  
Key West, Florida



Visit [www.pcu.org](http://www.pcu.org)  
or contact the  
Association's Education  
Department for details  
on education programs  
and webinars.