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The expertise of Tom Petro, president and CEO of Fox Chase Bank, is regularly sought out by the national press. Read on to see the column featuring Tom’s insights that was featured May 8, 2006 at BusinessWeek Online.

Partnering to Pack a Punch

A partner can give your business that extra edge to beat the competition. Just keep the initial agreement friendly and straightforward

Q: I'd love to know how entrepreneurs set up partnerships with other businesses to better reach and serve their customers, or outmarket bigger competitors. Any thoughts? -- K.A., Sausalito, Calif.

A: Several entrepreneurs who have engineered successful partnerships weighed in on your question. Here are their main points:

- **Look for partnerships with businesses that complement your own, even if at first they may appear to be your competitors.** "The key is to pick the right partner, and everything else will fall into place," says Jacques Stambouli of ViaTrading.com. "Don't choose a direct competitor, but don't choose someone whose business interests are too far removed from yours."

Tom Petro, president and CEO of Fox Chase Bank in Hatboro, Pa., agrees. "It helps if there are natural market synergies between partners. I've had success expanding our product line by partnering with a firm that offers complementary products and services but whose market focus is on customers much larger than we typically serve," he says. "They gain added volume without the associated marketing and sales costs of going down-market. We benefit by gaining product depth, without product development capital investment."

- **Make sure there are compelling, mutually understood economic and strategic benefits for both partners.** "The alliance has to be structured in such a way to ensure that it's both financially meaningful and an important strategic business focus of both partners. If the alliance is more important to one partner than the other, or more financially rewarding for one than the other, the partner with less skin in the game won't be vested in making a contribution towards generating results," says Petro.

For more information on Fox Chase Bank, visit www.foxchasebank.com.
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