

From a building society to a bank

We captured our conversion to a bank on 1 July 1995 with the message Bendigo Bank is here!

It was a significant step in our growth because from that date, Bendigo Bank was able to compete on equal terms with other Australian banks in an environment of steadily falling interest rates – from a high of 17 per cent in 1990 – and greater competition, due to advances in banking technology that gave us ATMs, Eftpos, direct debit and phone banking.

Becoming a bank was also important because it removed regulatory constraints placed on building societies which limited our ability to introduce a wider range of financial products and services. In 1995, more than 80 per cent of our building society's loans were for housing, but we were already offering innovative banking products – such as debit cards – that made us stand out from competitors.

Richard Guy OAM, Chairman at the time, said the conversion would mean faster cheque and payroll clearance for businesses.

“We will also be able to gradually increase our efforts to help small business people in the communities in which we operate, which we cannot offer as a building society,” Mr Guy said.

“As a bank, we will be able to enjoy many advantages not available to us as a building society, including access to a

wider range of markets for (raising capital), generally at better prices than we could achieve previously.

“But in becoming a bank, there are certain things that will not change – our emphasis on friendly service, for one.”

And so it was to be.

Bendigo Bank has four times more customers today than it did 13 years ago. We also have four times the number of branches and employees.

Bank conversion also provided us with the impetus to make Bendigo Bank a bank with a difference.

Three years after conversion we marked the opening of the first **Community Bank**[®] branch. There are now 212 **Community Bank**[®] branches and the network continues to expand.

Managing Director Rob Hunt said in 1995: “Without doubt our greatest attribute is the country values we bring to banking”.

“In everything we do – whether we are designing a product or the way we actually deliver it – we have the customer first in mind and that is what makes us special.”

Mr Hunt's message hasn't changed in 13 years.



How the Bendigo Advertiser reported the birth of Bendigo Bank

