

Getting Your Business Through a Volatile Market

A conversation with Mike Kelley, Senior Director of Middle Market Banking at Synovus

1. From talks of recession to rising interest rates, there's a lot on business owner's minds. What problems are affecting businesses in Western FL specifically?

This is a unique period for businesses in Tampa and across the country. You've got rising interest rates, the looming risk of recession, and record-breaking inflation. But one thing we keep hearing about from clients is concerns about labor. Attracting and retaining qualified, skilled labor in the face of rising inflation, rising wages, and managing those new costs.

Here in Western Florida, we're a bit unique because we're still experiencing growth. But the unintended consequence of that success is an ever-increasing demand for qualified labor. So, you see, we're stuck in a cycle where even our good fortune is also creating challenges.

2. Is this the only area where you've seen growth have unintended consequences?

Not at all. Western Florida is a dynamic market with industries ranging from manufacturing to hospitality. It's a strong distribution and logistics marketplace as well. That wide variety means we keep attracting more people, which adds pressure to housing. The cost of housing around here has skyrocketed whether you

rent or buy. Sometimes that cost is up as much as 50% year-over-year. That's made companies start questioning, "can the labor we want afford to live near us?" We're seeing businesses try to mitigate this issue by doing things like providing transportation or even locating facilities closer to where their labor force is most densely populated. But, these are challenges that historically, companies haven't had to address.

3. What is Synovus currently doing that can help companies today?

First, we're aggressively investing in technology. With that comes new capabilities that, for example, help our clients with cash collection and disbursement, ultimately improving cash flow. The tools we have at our disposal can also make businesses more efficient, which helps them make up for those labor gaps.

You also can't downplay the importance of good advice. We have a lot of businesses in Tampa that do international business, so last month, we hosted an international trade symposium where we invited representatives from EXIM Bank, Florida Makes, and RSM. They discussed the challenges of doing business internationally and provided actionable ideas on managing those risks and improving margins.

For a while now, we were hearing from clients that answering questions about the complexity of international trade was an important need.

If we never sell a product from that symposium, that's fine by me. What matters is that each of the over 100 companies that attended took something away from it that will help them.

4. What's different about what Synovus has to offer businesses?

What we do best at Synovus is get to know our clients in-depth. And not just on the business side but on personal issues of ownership. We approach all discussions from the perspective of what we can do to help them solve their problems.

Taking that deep dive to understand our clients allows us to offer compelling solutions like customized loan structures. And we can create custom interest rate structures that help manage rate risks for businesses. Ultimately, our commitment to research and understanding empowers us to continue making thoughtful investments in areas like commercial real estate and provide access to capital which, as recession risks increase, will be vital for businesses. Whether we sell a solution or not, we want to help people get through this time and to the other side better than ever.

Visit synovus.com/corporate/middle-market-banking to learn more about how Synovus can help your business get there.



L to R: Jordan Livermore (Credit Risk Analyst), Robert Horne (Middle Market Relationship Manager), Tom Dionne (Middle Market Relationship Manager), Jonathan Bradford (Credit Risk Manager), Eric Moochnek (Middle Market Relationship Manager), Michael Kelley (Sr. Director, Middle Market Banking)