

MANAGING BY MOTTO

by [Steve Brown](#)

For some reason, states in this great country thought they needed a motto when they were formed. For gravitas, most states chose to write their motto in Latin, as it sounds much better and the average person can't figure it out. A good motto, like New Hampshire's ("Live Free or Die") pretty much nails it. However, there are some really bad mottos, such as MT ("Gold and Silver" - too materialistic); WA ("By and by" - uninspiring); CA ("I found it" - just goofy); MD ("Manly words, womanly deeds" - sexist); FL ("In God we trust" - plagiaristic); ID ("Let it be perpetual" - weird); NM ("It goes as it grows" - too laid back); and NC ("To be rather than to seem" - too deep). KS (pictured) we can't begin to figure out and a special mention has to go out to SC and KY that couldn't decide on a motto and had to use two (which defeats the purpose of a motto). Of course, there is Puerto Rico that has a motto that loosely translates into "You should name your kid 'John.'"

Our point here is that states, with all their resources, usually fall short at coming up with motivational mottos. This is similar to bank mission statements which are usually a complete waste of time. This is because some committee put the mission statement together and had to fit the concepts of "serving the customer," "pleasing the shareholder," "pandering to the community" and "making employees happy" together in one sentence. The reality is that we have yet to meet a bank with an inspiring mission statement.

While we are not believers in mission statements, a good banking motto could be of use in times like this. Corporate mottos, unlike mission statements, can change and present more flexibility. Starbucks had a good one in 1995 when they rolled out "2000 stores by 2000." Microsoft also had a good one - "A computer on every desk." Everyone knew what these organizations were trying to get accomplished. The few banks we found that do have mottos, such as "Bank on Us" or "We are the friendly bank," left us underwhelmed.

Banks, in our opinion, are in need of a good motto - something that focuses the organization. Deutsche Bank has a good one - "A passion to perform," but the only problem is their service has a lot to be desired. Commerce Bank used to have a good one in "Doing More." A Southern community bank had "Your money is always safe," except they went out of business.

Not finding too many good bank mottos, we set out to come up with mottos that speak of quality and focus everyone on a single goal. The problem is that it is Friday, so we were a little distracted. Admittedly, we didn't spend a lot of time on this, but we would like to suggest a few in case anybody would like to adopt one of these humdingers: "Helping you save today, so you can spend tomorrow"; "Good marketing so you won't notice our fees"; "Keeping your money safe from Congress"; "Enough capital to get by," "Superior lending for the moment"; "We are not happy unless you are not happy"; or "If you think we suck, you should try the credit union down the street." Of course, these all sound better when they are in Latin.

BANK NEWS

M&A On & Off

United Financial Bancorp (\$1.24B, MA) has agreed to purchase CNB Financial Corp (\$297mm, MA) for an estimated \$25mm or 1.25X book, terminating a prior agreement between CNB and Berkshire Hills

Bancorp. CNB will pay a termination fee of \$970k to Berkshire.

Branch M&A

First Place Financial Corp (\$3.39B, OH) will buy 3 branches from AmTrust Financial Corp (\$14.4B, OH) including \$225mm in deposits and \$160mm in mortgages, as AmTrust attempts to increase capital following a C&D order from the OTS last year.

Deposit Heavy

The 2 customer profiles that bring in the highest deposit balances are: 1) those that utilize online banking/mobile banking and maintain high checking account balances/brokerage accounts; and, 2) those with high deposit balances that are more branch oriented. Both held average household balances over \$35k, much higher than the average \$5k of other customers.

Kids

A survey conducted by ING Direct found that, 18% of parents are tapping into their kid's savings accounts, while 34% have reduced contributions. The survey also found that parents are more comfortable discussing sex and drugs than finances with their kids.

Good Bye

Michael Jackson, Farrah Fawcett and Ed McMahon - it has been a sad week for entertainers that captured our attention in the late 70's and early 80's.

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