

10TH ANNIVERSARY - WE WILL NEVER FORGET

by [Steve Brown](#)

Sunday marks the 10th anniversary of the September 11 attacks on the United States. On that day, more than 3,000 children were left without one or more of their parents and 2,977 people died. As you wander around this weekend doing your daily routine, we love the idea of taking time out to stop at fire and police stations and thank them for doing what they do. In addition, if you happen to see a soldier in uniform, be sure to thank them and shake their hand. We will be doing so, as these first responders and protectors of all that is important to us are the heroes that stand ready to help us. Today and this weekend, as we thank the first responders, we will also pay tribute to the fallen heroes, their families and those we knew ourselves that were impacted by this tragic event. We will never forget. As we were looking around the web for this article over the past few days, we came across a quote from General Norman Schwarzkopf who was asked if he thought there was room for forgiveness toward the terrorists who attacked America. His answer was simple and something you would expect from a General of his stature - "I believe that forgiving them is God's function. Our job is simply to arrange the meeting."

BANK NEWS

M&A

Bank of North Carolina (\$2.1B, NC) will buy Regent Bank (\$51mm, SC) for \$9.8mm. AmericanWest Bank (\$2B, WA) will buy the parent company of Viking Bank (\$406mm, WA) for \$7.2mm.

President's Speech

While the speech was as expected, bankers took note that the cost of the jobs creation legislation, if passed, would be about \$147B higher than expected (by 49%). While some banks would benefit from the payroll cuts directly, other parts, particularly the mortgage component of the speech were less clear.

SBLF

The end of the month deadline has the Treasury wrapping up its final SBLF approvals and many banks aren't happy. Of the \$30B tagged for distribution, it appears SBLF will fund just \$4.3B (14%), or 382 of the 932 banks that applied (41%). Approximately 60% of banks were reportedly denied because they did not meet the program requirements, did not get approval from their primary regulatory and/or were not able to pay a dividend.

BofA Cuts

Bank of America will reportedly announce 40k job cuts or 14% of its workforce. The cuts are expected to be largely centered on retail operations. While BofA has already shuttered 63 of its 750 planned branch closures (13%), these cuts would likely mean more are on the way.

Less Branching

A survey by the ABA finds that for the first time ever, people 55Ys old or older prefer to do their banking online compared to any other method. The survey found 57% preferred online banking (compared to 36% last year), followed by branches at 20% and ATMs at 8%.

Wells Mobile

This month, Wells Fargo launched a mobile payment trial with 200 employees in San Francisco. The bank will use technology that can be inserted into existing phones with NFC cards. To make payments at retailers, employees open a mobile banking app, select the pay-with-phone button and wave the phone in front of mobile payment readers. Wells expects to launch a commercial application next and is doing all of this as researchers predict mobile devices will drive more than \$22B in payment transactions by 2015, up from practically none last year (according to a Nov report by Aite Group).

Muni BK

Research finds that since 1937 (when Chapter 9 filings became an option for municipalities), there have been 625 filings. So far this year, 5 municipalities have filed for bankruptcy and 6 filed in 2010.

Less Small Biz

The Bureau of Labor Statistics reports that as of Aug, 14.5mm people were self-employed. That is a drop of about 13% or 2.1mm, from the peak reached in Dec 2006. Experts say tighter bank lending, lower savings levels and weak consumer spending have left it so many simply cannot afford to start a business or keep an existing one going.

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