

HELPING YOU TO BUILD AN EVEN STRONGER BANK

by [Steve Brown](#)

Banking is undergoing a dramatic business model change. That is why we have gathered together experts in one room at our Executive Management Conference and asked them to each bring 5 to 10 good ideas that attendees can immediately use at their bank. Once a year, in what is often called the most effective banking conference in the business, (we have many testimonials to prove it) community bankers from across the country meet together to discuss pressing issues, obtain a heavy dose of education and gain direct access to experts to help solve the toughest issues. Everything at this conference is designed to not only give you a blueprint to help you solve current challenges, but make you more valuable to your organization, as we challenge your thinking about the traditional bank model. The main thing that makes this conference so uniquely different from others is you not only get educated in timely subjects, but also go home with an outline for implementation. Concepts can be leveraged immediately by your bank to improve profitability and reduce risk. The presentations are simple, direct and designed to give you the information you need to solve your problems right now - period. That is exactly what our conference does and a key reason it remains one of the most popular for bankers to attend anywhere in the country. The agenda begins with an overview of key challenges facing the community bank business model. It then begins to lay out a plan to help you continue to succeed, as you address these issues. The economy is then folded in, so you know exactly what you will be dealing with this year and next, and where potential issues might surface. That is then followed by an 80,000 foot view from a global perspective, so you better understand how those forces could specifically impact your community bank. The business is then dissected from a balance sheet perspective, giving you insight into the risks, rewards and specifics on actions you can take right now to hit budgetary targets. Finally, we close out the day by zeroing in on key drivers of bank profitability, to help you better understand how current shifts to the banking model can help you move ahead in delivery, technology, pricing and products. All of this is covered on just the very first day. On the second day, we jump right back into the fray, as we focus on specific ways to boost earnings, better understand issues impacting performance and examine specific solutions other banks are using right now to stay on track. We then go to a panel discussion to make sure protection is in place around your bank, by quizzing experts on tricks and traps in the insurance business and how to avoid mistakes or reduce costs. That session is immediately followed by one focused on helping you increase your net interest margin, capture new customers and keep existing ones around so you can cross sell them new products and services. Then, we move into a deep analysis of your funding structure, outline steps you can take to improve and give you tips to prepare for the future. That session is then followed by one on profitability that goes even deeper into the customer psyche, as it focuses on understanding which sectors can help your bank become more profitable right now. Finally, we close out our discussion on this second day, by exploring lending sectors that offer opportunity, understand the risks and go into specific programs you can try, as you seek out customers. Before you leave, we also provide education and information on the Top 10 new products bankers are using to capture customers and enhance profits; and provide tactics to engage your retail or commercial customers like never before. As you can see from the agenda outlined here, every session is designed to help you solve your specific issues. To help attendees get full access to experts and maximize interaction, we limit space to about 250 to keep dialog going. Registration is

inexpensive at just \$499 and space is limited, so ensure your spot and come get answers. The Conference will be held in San Francisco, May 20 to 23. To register follow the EMC Registration link in our Related Links section on the bottom right.

BANK NEWS

M&A

United Group Banking Co. of Florida (owners of United Legacy Bank (\$187mm, FL)) will purchase a 16% equity position in Citizens Bancorp of Oviedo and its subsidiary, Citizens Bank of Florida (\$225mm, FL) for \$3mm or about 1x tangible book.

FHLBs

Lower advance volumes outweighed better credit quality at most Federal Home Loan banks reporting earnings so far. Five of the six that announced yesterday, reported a decrease in profits from a year earlier. The tale of the tape YOY are: Boston (+174%), Des Moines (-33%), Pittsburgh (- 49%), Dallas (-20%), Atlanta (-22%) & Cincy (-10%).

Job Cuts

Banks remain under strain as growth remains low, capital demands are higher and profitability is lower overall. That is pushing regional banks to cut staff by 1% to 3%, while some of the largest banks cut 3% to 5% (Citigroup, Morgan Stanley, etc.) or as high as 10% (BofA). Meanwhile, Sterling Financial (\$9.2B, WA) just announced a 6% reduction in its workforce, as it attempts to get its efficiency ratio under a 60% target by 2013 (currently at 77%).

Closing Branches

The holding company of People's United Bank (\$26.9B, CT) said it will close 15 of 372 branches this year, as it focuses on cutting overhead costs by roughly \$23mm per year. The Bank wants to reduce its efficiency ratio from 65% to 55% within 2Ys.

More CA Competition

JPMorgan Chase said it will open about 30 branches in Northern CA in 2012 and install 600 ATM machines by March (taking its ATM total in the state to 4,000).

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