

Bank of America after the announcement of a \$5 monthly debit card fee that was later scrapped—Didden overall sees little to love about the Dodd-Frank Act, which forced National Capital to add a third compliance officer to a total staff of 55.

Discussing what it would take to get the banking system and the economy back on track, Didden once again gestures to his neighbors at the Capitol, but this time it's an open palm instead of a pointed finger. "The federal government has to get its nose out of private industry—out of the business cycle, out of the interest rate cycle—and let the free market dictate," he says. "Supply and demand will take over from there and resolve everything."

—Laura Thompson Osuri

From Client To Advocate

'I have never had an experience like this with a bank'

TURN UP AT THE OFFICES OF NORTH JERSEY Community Bank early on the first Thursday of the month, and you'll find more than just bankers getting a jumpstart on the day. You'll likely run into a local accountant, a handful of attorneys, the owner of a jewelry store, an elder care consultant, and about a dozen other entrepreneurs from near the bank's headquarters in Englewood Cliffs, N.J.

These folks, part of the bank's "Breakfast Club," have a few things in common: They are all business owners, they are all women, and they are all part of the reason why North Jersey Community Bank has been posting impressive growth numbers for the past year.

It was about 18 months ago when NJCB vice president and relationship banking officer Jehan Sanders decided that her fe-

male clients needed a forum to network with other women familiar with the challenges of running a small business.

It wouldn't be the first time a bank pulled together business owners, or even specifically women business owners, to connect clients to one another and deepen their banking relationships in the process. Cleveland-based KeyCorp, for example, holds "lunch and learn" sessions for women business owners at KeyBank branches and sponsors larger events featuring executive coaches and the like through Key4Women, an initiative started in 2005.

But for Iris Shamus, whose New Jersey company, AllerMates, markets allergy awareness bracelets for children, the breakfast club at NJCB was a revelation.

"I have never had an experience like this with a bank, where they actually take the time to see who you are and what your needs are," Shamus says. The bank "set me up with meetings with people in public relations, marketing, really anyone they knew who could help me."

The bank has been sure to get its top executives in front of and involved with the group. NJCB's chief operating officer and chief lending officer, both women, are members, and Chairman and CEO Frank Sorrentino III has been among the speakers at the monthly breakfast meetings. The group, which now has its own Facebook page and recently hosted its first major networking event outside the bank, has paid real dividends for NJCB.

Not all of the breakfast club attendees were customers of the bank when the group started up last January, but several, including Shamus, already have brought their corporate accounts over to NJCB. Much more importantly, though, says Sanders, breakfast club participants have become a significant generator of

new leads for the bank by talking up its services to their own clients and business associates.

Sanders says that in her experience, women, much more than men, are likely to advocate for a person or business that has been helpful to them. With the breakfast club, NJCB has in effect created a core group of respected businesswomen willing to personally endorse the bank to other prospective customers.

It's no coincidence that NJCB, though a small institution, has been showing strong loan growth in the past year. It reported \$570 million in loans outstanding at the end of the second quarter, up from \$435 million in the same quarter last year. —Rob Garver

Putting the Emphasis on Community

It's become a Popular idea

THE HUMBOLDT PARK BRANCH OF Popular Community Bank sits at the corner of Pulaski Road and North Avenue in Chicago, a rare new building in a hard-worn corridor on the city's northwest side. The 3,800-square-foot space is surrounded by discount stores, used car dealerships, taquerias and nonprofit service offices set up to minister to ample ranks of the neighborhood's down and out.

Despite the gritty surroundings, this location marks a sweet spot for a Puerto Rico-based company that has staked its U.S. presence on intertwining with the urban fabric of cities such as Chicago, New York and Los Angeles, where its outposts are a natural part of the landscape.

A little more than a year ago, Banco Popular chose Illinois to begin a rebranding campaign, renaming itself Popular

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NJCB Breakfast Club member Iris Shamus

Community Bank—with the “Popular” pronounced in English, not with a Spanish accent—to broaden the firm’s appeal beyond its core Hispanic demographic, and to capitalize on the relatively good name of community banks. “The name that tested best was the name that included community in it,” says Manuel Chinaea, senior vice president of Banco Popular’s U.S. retail banking operations. “Community banks still have a positive image.”

Branches in California and Florida took on the new name in August; the bank is still deciding whether to rename its Banco Popular branches in New York.

Here in Humboldt Park, at Banco Popular’s largest Chicago location, manager Josephine Pacheco proves her branch worthy of having “community” in its name. She grew up in this working-class neighborhood, which is peppered with brick duplexes and subdivided houses where many new immigrants reside. She gives freely of her time to the community and to loyal customers, many who know her by name, and her office is adorned with plaques from the likes of Neighborhood Housing Services and the Chicago Dream Center.

Humboldt Park, still largely Hispanic, also is home to a significant African-American population. The densely populated area presses up against the hipper neighborhoods of Logan Square and Wicker Park, and the bank branch has been making headway in attracting clients from these fast-gentrifying areas.

“We have a really good mixture,” Pacheco says of the ethnic and economic diversity of nearly 7,000 retail and commercial customers. “It’s a big base.”

On a rainy day in October, Maggie Martinez, a longtime activist who runs a community group called the Block Club Federation, walks into Pacheco’s office, sits down and starts talking. The topics discussed include fundraising, meal choices for afterschool programs and brushes with former Mayor Richard M. Daley. Pacheco listens to all of it with rapt attention, as she has during previous vis-



In Chicago’s Humboldt Park and other urban neighborhoods in several U.S. markets, Puerto Rico’s Banco Popular is now doing business as Popular Community Bank.

its. “When I come to this little bank, I feel like I know everybody,” Martinez says.

The bank’s new, Anglicized name is perhaps getting good traction in some markets, like the Koreatown section of Los Angeles. But in Humboldt Park, the rebranding effort often goes unnoticed. Pacheco jokes that locals still refer to “Popular,” a truncated moniker (with a “u” that sounds more like “ooh” than “you,” and an accent on the “lar”) that many have used since the bank first entered the United States in 1961.

According to Chinaea, Banco Popular’s Popular Community Bank branches in Illinois are slowly adding more non-Hispanic customers without alienating old timers. “People are responsive and willing to make the switch,” Chinaea says. The trend has been helped along by technology upgrades meant to help the bank’s 94 U.S. branches keep up with larger rivals.

“The big banks are lacking,” says customer Juanita Parrales, who recently took over her father’s restaurant, Taqueria Huentitan. The bank’s staff can often

be spotted there, she says, mixing with teens, shift workers and beat cops ordering tacos, guacamole, flan and café olla, a coffee flavored with cinnamon.

The branch inherited Huentitan and other neighborhood institutions such as Roeser’s Bakery and Edward Andersen Funeral Home when it acquired Pioneer Bank in 1994, initially staking claim to the neighborhood in Pioneer’s historic building across the street from the newer facility it has occupied since 2008.

Against the backdrop of the recent economic downturn, which has been relentless on neighborhoods such as Humboldt Park, Pacheco has managed to pick up net new accounts each year. That’s likely due in no small part to outreach efforts by her and her staff, whether teaching young parents how to balance a checkbook or helping homeowners avoid foreclosure by renegotiating loans.

“The last two years have been a little tough,” Pacheco says. “We’re really active and known in our community so that also helps.” —Deborah Cohen