

Happy weekend Bank Slaters!

I hope each of you had a fantastic week.

My column today will focus on hiring bankers to enter new markets or add verticals, as opposed to pursuing growth through acquisitions.

The topic is timely given announcements that CapStar Financial Holdings will enter Asheville, N.C., after [hiring a First Horizon banker](#) and Encore Bank will make a splash in Boulder, Colo., after [recruiting of a former market president at Great Western Bank](#).

The banks are looking to capitalize on industry consolidation. Great Western [recently sold](#) to First Interstate BancSystem, and First Horizon is [prepping to sell](#) to TD Bank.

Bankers are also moving from banks that aren't selling. [Columbia Banking System](#) and [Western Alliance Bancorp](#). are moving into Salt Lake City after hiring bankers from large competitors such as Bank of America, U.S. Bancorp and Zions Bancorp.

Executive recruiting has also helped some banks enter or grow business lines. RBB Bancorp [hired three bankers](#) to beef up its SBA lending, while Encore Bank [recruited a banker](#) to work with community associations.

By hiring instead of acquiring, these banks are avoiding the type of attrition they are benefiting from. And they get to enter markets with a clear balance sheet instead of inheriting loan issues from an acquired institution.

A well-respected banker can also bring colleagues over to the new bank. Encore, for its part, already has a team of three bankers ready to go in Boulder.

Lenders seem more open now to switch banks. In comparison, acquisition targets can be picky about pricing – often to the point that they want more than a buyer is willing to pay. Overall, it is often cheaper to recruit talent as opposed to buying a bank.

With several other large deals having recently been completed – or remain on track to close in coming months – it is easy to believe more bankers will make similar moves. It will be interesting to see that future movement and whether the hires can bring meaningful loans, deposits and revenue to their new employers.

Are you looking to hire from a competitor? Have you recently switched banks? How has the experience been? Let me know at paul.davis.mba@gmail.com.

Let's look at some of the week's headlines.

M&A

- Rising interest rates led Seacoast Banking Corp. of Florida in Stuart to [reduce its offer](#) for Drummond Banking Co. in Chiefland, Fla., by more than 10%.
- Pinnacle Bancorp in Nebraska [has agreed to buy](#) Crockett National Bank in Texas in a deal that is expected to close in the second half of this year.

Arrivals/Departures

- Vernon Hill [will resign as CEO](#) of Republic First Bancorp in Philadelphia on Aug. 8. The announcement came days after [an appeals court](#) ruled that a rival faction of directors could oust him as chairman and appoint a director.
- First Community Bank in Arkansas [hired Natalie Bartholomew](#), who created The Girl Banker platform, as its community president in Rogers, Ark.
- Florence Bank in Massachusetts said that Kevin Day will [retire as president and CEO](#) on Nov. 25. The bank is already searching for his successor.
- New Peoples Bankshares in Virginia [has appointed](#) E. Stephen Lilly, a former chief operating officer at First Community Bancshares, to its board.
- Live Oak Bancshares in North Carolina [expanded the roles of several executives](#). Notably, it gave B.J. Losch, its CFO, the added title of chief banking officer and responsibility for lending and deposits.
- Revolut has named Sid Jajodia [as its U.S. CEO](#). Jajodia will remain Revolut's chief banking officer, a role he has held since joining the company a year ago.

(Fin)tech

- The USDF Consortium, [created in January](#) to build a bank network to mint and use stablecoins, [has hired Rob Morgan as its CEO](#). He was senior vice president of innovation and strategy at the American Bankers Association.

Odds & Ends

- Fulton Financial in Pennsylvania will [jettison fees](#) for nonsufficient funds (NSF) and extended overdrafts during the fourth quarter.

That's all for now. It was, after all, a short week. Enjoy some downtime. I have a feeling we have a busy week coming up.

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