

Welcome Bank Slaters!

I don't know about you all but this week seemed to go on forever. Nonetheless we made it to the weekend!

There were a lot of headlines this week, so I'll keep my intro brief. I will reflect on some interviews I gave on the shareholder battles at Heartland Financial USA, where retired CEO Lynn Fuller is [taking issue with management's cost-cutting focus](#), and Republic First Bancorp, where an investor group has [offered to buy the bank](#) – if it parts ways with CEO Vernon Hill.

It is easy to get pulled into the drama and the headlines. The way I look at it, you have a tug-of-war at each bank over how banking once was handled and how it is being handled today. Fuller expressed dismay that Heartland is doing away with the multibank model he championed, and the Norcross-Braca group is taking issue with Hill's strategy of spending on branches and hoarding deposits instead of making more commercial loans in metro markets.

Which strategies are superior? There are tradeoffs between decentralized service vs. efficiencies. The same could be said for low credit risk vs. adding earning assets when yields still remain relatively low (for now). It appears as though each company's institutional investors might have to decide which approach will deliver the most value and if selling these banks will provide a better return than staying independent.

What do you think? Reach out to me at paul.davis.mba@gmail.com. Let's look at some news.

M&A

- JPMorgan Chase in New York [agreed to buy Global Shares](#), an Irish company that provides cloud-based share plan management services. The deal is expected to close in the second half of this year.
- Trustmark in Mississippi is [selling its corporate trust business](#) to Peoples Financial. Peoples, also based in Mississippi, will pay \$650,000 for the business, subject to adjustment.

- The [planned merger](#) of Monona Bank and State Bank of Cross Plains would create a Wisconsin bank with \$3 billion of assets. The deal should close by the end of this year.
- MVB Financial in West Virginia will [buy a minority stake](#) in a mortgage company. The company plans to pay \$48 million for a 38% interest in Warp Speed Holdings in a deal that should close in mid-2022.

Arrivals/Departures

- Heartland [removed Lynn Fuller as chairman](#) after he questioned management's strategy. The company appointed John Schmidt to replace Fuller.
- Huntington Bancshares hired Brant Standridge, [a former Truist Financial executive](#), to oversee consumer and business banking. He will join Huntington in early April. Truist said Dontá Wilson, who was chief digital and client experience officer, will become head of retail community banking and marketing.
- Eagle Bancorp Montana said Laura Clark will succeed Peter Johnson as its [president and CEO](#). Clark, Eagle's CFO and COO, will become president on April 1 and CEO on Dec. 31. Johnson will stay on the board.
- E. Phillip Wenger [will retire](#) as chairman and CEO of Fulton Financial in Pennsylvania on Dec. 31. Curtis Myers, Fulton's president and COO, will succeed Wenger.
- The president of MainStreet Bancshares in Virginia is [retiring](#). The company said Chris Brockett will retire on March 31. Brockett will stay on the board.
- Van Wert Federal Savings Bank in Ohio, which is planning to raise at least \$17 million by converting to a stock-owned company, is looking to [hire a new president and CEO](#). The mutual said it will replace Mark Schumm, who will become its chief operating officer and chief risk officer.

Miscellaneous

- Bank of New York Mellon expects to take [\\$100 million revenue hit](#) in the first quarter tied to government sanctions against Russia and a decision to suspend certain activities in the country after its invasion of Ukraine. Those factors could also reduce annual revenue by \$80 million to \$100 million.

- USAA Federal Savings Bank was ordered to pay [a total of \\$140 million](#) to the Fincen and the OCC tied to lapses in its Bank Secrecy Act compliance. The OCC and Fincen also hit the bank with enforcement actions.
- A group with ties to EverBank, which was sold in 2017 to TIAA, [wants to form a de novo in Colorado](#). The group behind Battle Bank in Avon applied with the FDIC on March 11 for deposit insurance.
- Trustmark is joined a list of banks [eliminating nonsufficient funds fees](#). The company said the move could reduce annual revenue by about \$2 million in 2023.

There were many more announcements this week. Visit the [blog](#) to revisit all the news from the past week.

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