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As a Boutique, Relationship Bank, Signature Bank of Arkansas is focused on being Northwest Arkansas' Full-Service Financial Institution, Assisting Consumers with all of their Monetary Needs

Scott Sandlin
CSO

White River Bancshares Co/ Signature Bank of Arkansas
(OTC Markets:WRIV)

Contact:
CEOCFO Magazine
570-851-1745

Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFO Magazine

CEOCFO: *Mr. Sandlin, would you tell us a bit about the company and the bank today?*

Mr. Sandlin: Signature Bank of Arkansas was founded in 2005 before the financial markets and banking crash. I am proud to report that we forged through all the difficult times, and Signature Bank has emerged as a market leader. The bank in recent years has done a much better job of managing all of the intangibles that are associated with a bank. Signature Bank has increased our loan portfolio to just over \$600 million in assets.

We continue to have as a primary focus, a low-cost deposit strategy. By doing so, we are seeing some success in the market. Our overall theme and idea is that we are a boutique bank, offering outstanding customer service. Some would call it concierge-level service. Signature Bank prides being a relationship bank that values the customers we do business with. We are thrilled to be winning in a competitive market.

CEOCFO: *Would you give us a few examples of how your customer service is different?*

Mr. Sandlin: We take tremendous pride in our customer service. Signature Bank employs customer service representatives who answer the phones and resolve a plethora of banking issues, both after-hours and on the weekends. Our bankers have grown comfortable and accustomed to delivering documents to either our customers' place of employment, and/or homes, in lieu of waiting for the clients to have an opportunity to come in to the bank. We continue to improve our internet and mobile relationships, so that our consumers can proceed with their daily business duties without having to stop to make a trip to the bank. Signature Bank believes that we are a high-touch banking business, and we remain dedicated to developing better means to serve our customers in that respect.

CEOCFO: *When did you recognize the importance of high-touch, the importance of accommodating the customer? Was it a revelation one day or did it develop gradually?*

Mr. Sandlin: Accommodating the customer has always been an integral part of the Signature Bank DNA and culture since inception of the bank. That singular value is something that Gary Head, our Founder, Chairman, CEO, and President, emphasized as an essential part of what our bank philosophy was in 2005 and still is today in 2019.

CEOCFO: *Would you tell us about the communities you serve?*

Mr. Sandlin: Signature Bank is located in and serves Northwest Arkansas. We are fortunate to have a presence in Fayetteville, Springdale, Rogers and Bentonville. NWA continues to be on the list as one of the top growth areas in the country, as well as one of the top ten most desirable places to live and work. Signature Bank is situated in the hills of Northwest Arkansas; home of the Arkansas Razorbacks, Tyson Foods, J.B. Hunt Trucking, and of course, Walmart Stores

Incorporated. Many Fortune 500 companies have relocated here to NWA to support those large corporations. Signature Bank is fortunate to continue to remain in a strong economic environment.

CEOCFO: *What is the competitive landscape for community banks in your area?*

Mr. Sandlin: Signature Bank is located in one of the fastest growing areas in the country. On most roads on which we are located, there are at least thirteen different banking establishments. National, regional and other local banks are in our immediate vicinity. From a local community bank standpoint, there are fewer local community banks. In fact, because of consolidation, Signature Bank is about the last of the true, organic, local community banks in Northwest Arkansas.

CEOCFO: *Do you find that the areas you serve appreciate community banks or do you have to convince people that they are making a better choice with you?*

Mr. Sandlin: Signature Bank's mission is to earn the community's respect by servicing and providing our community by the means with which we say we do. Our organization prides itself on being the best over-all relationship bank in Northwest Arkansas. We strive to open one's checking account, one's business account, and any commercial or mortgage loan requirements that one might have. For those having an interest or a need for wealth management, Signature Bank offers in-house investors that provide a range of wealth management services. We want to be Northwest Arkansas' full-service financial institution, assisting the consumers in our market with all of their monetary needs.

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CEOCFO: *Do people want that today?*

Mr. Sandlin: Yes, I believe they really do. Our society today is fast-paced and people are searching for answers and solutions at their fingertips. Today's way of life is driven towards our cell phones, computers and tablets. Consumers appreciate the level of customer service that we provide.

CEOCFO: *How are you reaching out for new customers and how are you reaching out to increase services?*

Mr. Sandlin: The publicizing landscape is changing and the bank has to market in many different ways. The bank utilizes social media. We focus on digital footprint in reaching our customers through the internet, and through different kinds of mediums, rather than those routes traditionally used in the past. Signature Bank does not use a lot of television or print: as those mediums are not achieving effective results in the current times. Most of our outreach is by word of mouth, as well as utilizing the digital channels; whether it be search engine optimization, Facebook, Instagram, or Twitter.

CEOCFO: *What is the strategy for the next few years and how is it different from what you may have done in the past?*

Mr. Sandlin: The good news in banking is that it continues to evolve every day. Our strategy is just that, Signature Bank will continue to evolve every day as well. From a strategic standpoint, Signature bank will continue to focus on growing low-cost deposits and creating strong working relationships with our customers. That principle will not change and will be a constant going forward. A bank's success models that goal in the banking industry today.

Signature Bank will continue to work on our loan portfolio. We look at efficiency and succession planning as key drivers. Only then can we establish where and how we want to grow. That is the strategic focus for Signature Bank.

CEOCFO: *How do you address the interest rate market?*

Mr. Sandlin: We do the very best that we can. Signature Bank is not always going to offer the best rate, so we have to be thoughtful of that and turn our focus on earning our customer's trust and respect. As rates go up and down, all banks and all financial institutions are chasing the goal to be the best, but banks have to manage that, as well as their profitability. That is a concept that we have to be very mindful of when we go through the process of making ourselves competitive in the market. For Signature Bank, we are constantly progressing and determined to be one of the best. We do realize that sometimes we may not offer the best rate, but that is where our customer service and the way we conduct business, have to stand out from all the rest.

CEOCFO: A couple of your branches have a few different bank names. Why the strategy not to coalesce under the one Signature Bank?

Mr. Sandlin: When Signature Bank acquired the Bank of Brinkley, the Bank of Brinkley was a small town bank: the only bank in town. The bank, founded by a local Brinkley family, situated in a rural community, services many farms and their families. Signature Bank did not feel it was necessary to change the name of an institution that had a long-storied history of being successful.

Traditionally, the first action an acquiring company makes is immediately changing the name of the procured business. In essence, that means the business has now changed. However, we wanted to preserve the elements that were important in Brinkley, and that translates to the customers and the name. Signature Bank chose not to change the name because the Bank of Brinkley was a long-standing, strong financial institution. In reality, they are a partnership bank of Signature Bank. The Bank of Brinkley is obviously part of the Signature family, but we honored what the founding family started and wanted to keep that name the same.

CEOCFO: You mentioned the loan portfolio earlier; what types of loans are you focusing on and what might you like to develop?

Mr. Sandlin: Signature Bank is in a very growth-rich market. That translates to mean there is a vast housing boom, a significant number of new families moving to town, considerable amounts of subdivisions under construction, and a substantial expanse of infrastructure development taking place. Most bankers are eager to invest in that abundant infrastructure development. However, banks should be careful not be too concentrated in any one area. Signature Bank continues to look at diversifying our portfolio. We want to have a varied and distinct loan portfolio: servicing all types of loan needs for our NWA consumers. We aim to focus in on investing in businesses and growing our business relationships versus just capitalizing in raw ground.

CEOCFO: What do you look for in your people? How do you know when someone is a good fit for Signature Bank?

Mr. Sandlin: Our people truly make the difference at Signature Bank. We employ some of the best people I have ever worked alongside, period, in any business. There is something to be said for being kind and caring to the people that you serve. We have been fortunate that the people that we have hired are by-and-large friendly people: teammates who not only get along well with each other, but enjoy tending to our customers. Our colleagues who work here at Signature, all embody that same serving others thought process. Gary Head, our Founder, continues to be instrumental in ensuring that we continue to hire those like-minded kind of individuals.

CEOCFO: Community involvement is clearly important for your bank. How do you decide where to focus your efforts?

Mr. Sandlin: Our individual community branches make the decisions for their own contribution efforts and the local community events for which they support. It is beneficial when our people live and work in the local community, and are there supporting and sponsoring the events that matter. This concept is something that has always been the essence of who Signature Bank is.

Signature Bank strives to be the best community bank: being an active partner in the community and backing relevant events and happenings in the community. Signature Bank demonstrates that philosophy every day by selecting appropriate community partners and being involved with pertinent community organizations.

CEOCFO: What, if anything, might someone miss when they first take a look at Signature Bank?

Mr. Sandlin: When first viewing Signature Bank, it might go unnoticed that we do not have a branch on every corner. We did not surmise that having a branch on every corner was necessary for the success of Signature Bank, or would compromise the ease of banking for our customers. Our bankers can serve our customers whether Signature has a branch on every corner or not: through our internet and mobile applications, our weekday, after-hours and weekends phone customer service, as well as the highly personalized way our teammates serve our customers. Signature Bank has proven that we can be just as successful as other banks that do have a presence on every corner.

CEOCFO: There are so many banks to look at, why choose Signature Bank of Arkansas?

Mr. Sandlin: Signature Bank is continuing to improve and focus on the things that matter for both our bank and our customers. We want to be your complete relationship bank: we have the means to service your every financial interest and potential needs.