



Time Tested

Formula for Community Banking Still Works for Bank of Alameda

Steve Andrews, President and CEO of Bank of Alameda and 2004 President of CIB believes his bank is a testament to the fact that the time tested formula often employed in community banking of treating your customer with respect and providing quality service remains a winning formula for independent community bank franchises wherever their bank is located.

However, Andrews is quick to point out that the formula must be extended to all points of contact, whether it is face-to-face, by phone or other electronic interfaces such as ATM's and online banking.

Bank of Alameda which opened its doors in March 1998 is a relative newcomer to banking, having just graduated from its de novo banking status.

Andrews indicates that since inception, the organization has espoused core values that include:

- Foster employee commitment and satisfaction
- Exemplify superior corporate citizenship
- Deliver exceptional customer service
- Optimize shareholder return

During its first six years of operation, Bank of Alameda has endeav-

ored to live up to these core values and has grown from ground zero to over \$182 million in assets at FYE 12/31/03. In addition, the Bank has posted some very respectable returns along the way, most recently posting an ROA of 1.04% and ROE of 16.25% for the year ended 2003.

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President/ CEO Bank of Alameda**

couple of distinct marketplaces domiciled in the East Bay. Alameda, with a population of approximately 75,000, is an island community in the San Francisco Bay Area that has a feeling of yesteryear and is served by three branches. Emeryville is an urban city served by one branch, and the Bank plans to establish its fifth branch in downtown Oakland in February 2004, according to Andrews.

Andrews' additionally commented

"the markets served by the Bank are diverse; hence we market ourselves as a hometown community bank in Alameda and as a high tech, high touch business bank in the Cities of Emeryville and Oakland."

Andrews feels his organization will only be as good or successful as the service levels delivered by the

Bank employees utilizing a segmented marketing approach grounded in "walking the talk typically hyped by community bankers that we (community bankers) are more responsive and attentive to customers than the larger bank competitors."

So far, the Bank has been widely accepted by the communities it serves. The Bank's success is evident in its steady asset growth, the civic acceptance and from a shareholder's

return perspective.

Since the inception of the Bank, the original shareholders have been rewarded handsomely with the stock appreciation over 425% as of 12/31/03. When quizzed by the Bank's success Andrews indicated "his management team was just implementing the time tested formula for community banking, just take care of your customer and financial success will likely follow."

