

# The Miami Herald

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## BUSINESS MONDAY

### Focus on customers keeps bank CEO busy

■ Jorge Gonzalez is proud of making City National large enough to give clients what they want, and that it remains small enough to provide it the way they want it.

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Jorge Gonzalez took the helm as chief executive of City National Bank in July 2010 after joining the bank as president in January 2009.

It's the culmination of the Miami native's banking career, which has spanned more than two decades, beginning at Southeast Bank.

Founded by the Abess family, City National Bank of Florida ranks as the fourth-largest bank based in Florida, with \$3.9 billion in assets and 450 employees.

Since November 2008, the bank has been owned by Caja Madrid, the third-largest bank in Spain with more than \$400 billion in assets and 4,000 branches.

City National focuses on real estate lending, private banking, corporate banking, and personal/small business banking. It has 26 branches from Miami-Dade County to the Greater Orlando area.

During the past two years, City National has added more than 60 employees and opened nine branches. The bank plans to open another branch, in South Miami, in early 2012.

**Q.** As CEO at City National, what has been your strategy for leading the bank and what is your focus?

**A.** Leonard Abess and his employees built a very successful organization with a very strong brand and a profound commitment to the South Florida community.

My primary goal is to continue building upon CNB's long track record of success by ensuring we always provide the three most important things our clients and the overall market is seeking: (1) stability and safety, (2) consistent best-in-class service, and (3) accessibility to local decision makers. Our strategy is simple: we pride ourselves on being large enough to give clients what they want, but small enough to provide it the way clients want it. During the past two years, we evolved from being a community bank with a primary focus on commercial real estate lending to an institution that can provide its clients with a variety of residential, commercial and private banking services.

**Q.** How do you spend most of your workdays?

**A.** I spend most of my time listening to employees, removing obstacles, and building relationships with clients and potential new clients. It is critically important that clients feel connected to the highest levels within the organization and I listen carefully to how we can improve our client experience.

I also want to lead by example when it comes to community support and therefore sit on the executive committees of United Way, the Greater Miami Chamber of Commerce, and the Miami Beach Chamber of Commerce. I also serve on the



TIM CHAPMAN/MIAMI HERALD STAFF

#### Jorge Gonzalez at a glance

**Title:** CEO and president, City National Bank.

**Career background:** Spent 21 years at Wachovia Bank and its predecessors Southeast Bank and First Union. Was previously Wachovia's Regional Executive for the Florida South Market, responsible for Miami-Dade, Monroe, Broward, Palm Beach, Lee, Collier and Charlotte counties.

**Education:** B.S. in Finance and International Business from Florida International University.

**Age:** 46

**Personal:** Lives in Coconut Grove with his wife and 6-year-old twins.

**Quote:** "I love the diversity and energy that Miami offers and truly believe we live in one of the greatest cities in the world. The potential of this city has yet to be tapped."

FIU Foundation Board.

**Q.** What has been the biggest challenge during this time of change at the bank?

**A.** One of our biggest challenges has been planning and preparing for growth in the midst of a slowly recovering economy. We've had to be somewhat cautious, but by following a very sound strategy, we are managing to grow our presence within our current footprint. The strategic moves we made over the past two years have positioned us well for continued growth.

**Q.** You just moved the bank's headquarters from down-

town to Brickell Avenue a week ago. Why did you undertake the move?

**A.** The primary reason for the move is that we needed additional space. CNB has been headquartered on Flagler since the 1950s and we needed more space and better workflow to accommodate our growth plans. Given the state of the real estate market, it was the right time to secure additional space to accommodate the company's plans for growth.

We chose Brickell Avenue because it has long been known as the financial heart of Miami. Few areas in the United States have the caché that the Brickell area has for

being a banking and finance hub.

**Q.** Your financial results for the first quarter of 2011 showed a profit after losses in 2010. How was that accomplished and why was 2010 such a difficult year in terms of profitability?

**A.** 2010 was a challenging year for all banks, not just City National. The bank's core earnings have remained very strong during this downturn. We generated core earnings of \$34.7 million in 2010. We proactively decided to clean up lingering credit issues, which caused the loss, but the core earning strength of the organization has not

been impacted.

This year we are off to a very strong start with core earnings of \$14.8 million in the first quarter [reporting \$9.2 million in net income] and \$26.5 million projected for the first half of the year.

**Q.** What is your plan to continue the bank's profitability?

**A.** Our primary goals are profitable growth and diversification. Most community banks in Florida have been primarily focused on real estate as the centerpiece of their business model. However, due to the regulatory environment and the cyclical nature of the Florida real estate market, we want to have a more diversified balance sheet that will better weather the downturns of the Florida economy.

We have built lines of business that will add more focus on small and middle market businesses, private banking, professional firms (doctors, CPAs, attorneys, etc.), and residential lending. In the first five months of 2011, we have originated new loans totaling \$289 million and have gained market share.

**Q.** What is the best career advice you ever received, and from whom?

**A.** I have been fortunate to have very good mentors throughout my career. The best career advice I've received: surround yourself with the most hard-working, talented and loyal people possible, be persistent, and always give 200 percent. It also helps to love what you do, which I truly do.

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