

suburban Business Profile

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Signature Bank 2016 & C&I Highlights

- Gross loans outstanding increased 9.5% in FY 2016.
- 14.8% annualized growth since FYE 2011.
- \$22 million increase, 20% annualized increase in Q1 2017.
- C&I loans outstanding ranked #11 of 4,609 banks <\$1B in U.S.



Homegrown
Signature Bank
fills need in Chicago



Signature Bank

Focus on mid-size commercial businesses pays off for three co-founders

By Jean Murphy

Rosemont-based Signature Bank has made a mighty name for itself in the world of commercial and industrial (C&I) loans since blasting onto the scene in mid-2006. Only 11 years after its founding, Signature Bank is ranked No. 1 in total C&I loans and in the top 20 performing banks by return on average assets compared to its Chicago-area peers.

Signature Bank is a full-service commercial bank, focused exclusively on serving the needs of privately owned businesses and their owners. It specializes in working with businesses with revenues between \$10 million and \$250 million that occupy the middle market space in Chicago.

“We founded Signature Bank for one reason: We knew there was a better way to help mid-sized businesses grow, thrive and succeed — on both a business level and a personal level,” Signature Bank President and CEO Michael “Mick” O’Rourke said. “As a mid-sized business owner, you don’t have time to worry about every financial detail to keep your business running smoothly. That’s what Signature Bank is all about: taking care of those details so business owners can really focus on their business.”

O’Rourke and his two business partners, Kevin Bastuga and Bryan Duncan, both co-founders and executive vice presidents, started Signature Bank themselves, recruiting shareholders, raising the capital and writing the business plan. All are native Chicagoans who have a deep connection to the community, so they are all invested in helping Chicago and its businesses thrive.

“The three of us have worked together since 1993 at two different regional banks,” Bastuga said. “In the spring of 2005 the three of us started talking about how we could better



President and CEO Michael O’Rourke, center, founded Signature Bank with partners and Executive Vice Presidents Bryan Duncan, left, and Kevin Bastuga.

serve the middle-market commercial customer by being more responsive, offering advanced technology and developing personal relationships with our customers. Very quickly we recruited five key outside directors and the eight of us personally funded the LLC to start Signature Bank.”

“We left our previous bank in June 2005 and spent a year raising the start-up equity, managing the build-out and attending regulatory meetings,” he continued. “We opened the doors to Signature Bank on Aug. 4, 2006.”

“Our team had a goal to raise \$12.5 million and within 45 days we had raised \$25 million from about 250 customers and friends,” Duncan added. “We didn’t take any private equity money or fund money. It all came from people we

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*Signature Bank President and CEO
Michael “Mick” O’Rourke*

knew who felt Chicago needed a hometown commercial bank.”

After that, the fun began, O’Rourke said. Signature invested in the types of competitive technology (document imaging, deposit scanning, iPhone apps) of which the big banks with legacy technology systems could only dream. And because Signature had this cutting-edge technology, it was able to meet customers’ needs more quickly and efficiently than the bigger banks.

In addition, because of the strong and deep relationships with its customers, Signature Bank has been pro-active in combatting deposit and wire fraud. When transactions occur that don’t follow a customer’s usual pattern, Signature is able to examine those interactions and then pick up the phone and talk to the client to verify them.

“Since those early days we made sure that one of the three of us met with every potential new customer. It’s important for us to know our customers personally when it comes to making credit decisions—and it’s important from our customers’ perspective to know that they have access to the decision-makers here,” Bastuga stated.

“We also have a really solid team of commercial bankers who regularly go out and meet with clients so that there is a level of comfort on both sides,” he continued.

Of course, the tough economic times that began in earnest in 2009 gave the trio some sleepless nights. The economy began to turn around in late 2011 when the real estate market started to stabilize, they recalled, but small businesses were still worried about issues like health care, increased regulation and taxes. So it has really only been recently that clients have stuck their necks out to invest in new equipment, they said.

“The most important thing for us is not the transactions but the long-term relationships,” O’Rourke stated.

“At the end of the day, money is just a commodity. It is the customer service that differentiates one bank from another,” Duncan said. “Signature Bank approaches relationships as a true partnership because if our customer doesn’t succeed, we don’t succeed.”

Patrick LeBeau, president of Cardinal Color Group, a 50-employee printing company in Itasca, shares his success story:



O’Rourke chats with treasury management officer Ania Wojtulewicz at Signature Bank’s corporate office in Rosemont.

“We had been with a larger bank and when they were acquired, we were told that future interest rates would be increasing because of our smaller size. So, when we later decided to acquire another business, we approached Signature Bank for the financing. The people at Signature Bank encouraged and supported us all the way and after we did that deal, we doubled our size. We are highly satisfied.”

This type of encouragement and support is not unusual for Signature Bank customers.

“As a mid-sized business ourselves, we get it. We know what it takes to turn a vision into reality and what it means to build a business in the highly competitive, ever-changing Chicago market.

“When a customer has a question, we get them an answer now, not two days later. If times get tough, we stay by our customer’s side. And when they reach a milestone in their business, we will be the first to celebrate right alongside them,” said Duncan.

Signature is headquartered at 9701 W. Higgins Road in Rosemont and has branches in the Loop and on the northwest side of the city. It also has a loan production office in Milwaukee.

The vast majority of its banking, however, takes place electronically. A decade ago, only 10 to 15 percent of its banking was done that way. Today, 90 percent of deposits are handled electronically, O’Rourke said.

As far as the future goes, O’Rourke said Signature Bank has an organic growth strategy. It constantly reinvests profits back into the bank and is always on the lookout for growth opportunities that will add to its shareholders’ returns. In fact, he predicted that Signature will soon reach \$1 billion in assets.

“This area of the country is very over-banked. When we started Signature Bank there were approximately 700 banks in Illinois. Today that number is around 500. But the banking market in Illinois is highly fragmented. No other bank does what we do,” Duncan explained. “There is a real void in the middle market, which is the bailiwick of family-owned businesses. So this is a great place for us to do business.”

www.signature-bank.com



Signature Bank

Get to know Signature Bank, Chicago's business bank.

“We founded Signature Bank
with one mission —
to help homegrown
Chicago businesses realize
their full potential.”

– Mick O'Rourke

Co-Founder & CEO of Signature Bank

Let's talk.

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