UTAH BANKER

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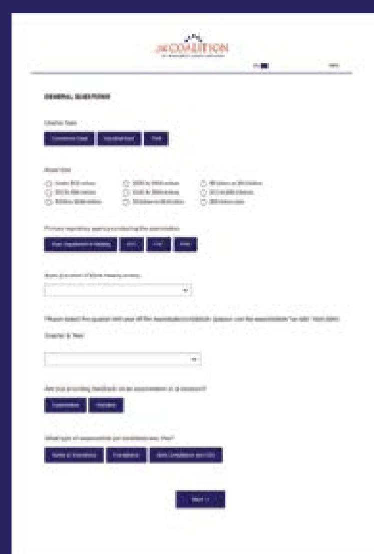

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Howard Headlee
President and CEO
Utah Bankers Association

THE POLITICIZATION OF BANKING

What happens when everything in society becomes political? I really don't want to find out. The political pendulum is swinging higher and faster than ever. Sincere communication and debate are non-existent. Learning is considered a weakness. Reality is twisted to support any number of preferred narratives, which are then used as justification to push the reactive political pendulum higher in the opposite direction.

We all need to be more thoughtful, more honest, more disciplined, more respectful, more kind; the list could go on. But rebuilding and maintaining these attributes in our public dialogue cannot be achieved through collective individual will; it requires institutions. Entities integrate us, and structures bring us together and promote rules and norms that help create a successful and functional society. The greatest contributor to the deficits that plague our society is the attacks on the institutions that promote the behavior that breeds our success.

There are many institutions critical to this outcome, but in my role, I focus on one in particular — banks. Banks bring communities together. They safely guard the collective resources

of a community and prudently deploy them into every corner of the economy, driving the greatest potential benefit for all by diligently pursuing the best and highest outcomes. A bank is a reflection of the community it serves; it cannot outperform that community. If there is a problem in a community, no matter where it is, it will impact the bank. That's why good bankers are actively engaged in solving problems in a community.

Like every other institution in our society, banks have been under constant attack — some deserved, some not deserved. But banks are strong, and fundamentally, they are trusted.

> If there is a problem in a community, no matter where it is, it will impact the bank. That's why good bankers are actively engaged in solving problems in a community.

And as long as they perform their institutional functions well — focusing on the needs of their communities and complying with the rules and norms of safe financial behavior — they will endure any and all attacks, and foster the type of behavior in a community that breeds the collective success.

But all that is at risk. There are loud voices in the political sector that want to politicize the function of banks. They have learned that in a capitalist economy, the fastest way to achieve a political outcome is to alter the flow of capital. Even though banks accept deposits from Republicans and Democrats alike, they want to direct those resources exclusively to uses that support their political agendas. These advocates don't have time to wait for debate, dialogue, and the dysfunctional political process. They are willing to tear down the institutional role banks play in communities throughout the country and turn them into political organs. In their minds, their passion for their public policy ends justifies any means.

I view the politicization of banking as the greatest risk to banking and a significant threat to the continuity of our communities. If we go down this road, banking will become as polarized as everything else in our society. Republicans will put their money in banks that make loans that meet Republican approval, and Democrats will segregate their resources into banks that lend only to those borrowers that are acceptable to their ideology. As a result, we will lose a durable and constant institution that has traditionally brought our communities together and end up with banks that are weaker and more susceptible to economic shocks because of the concentration of their activities.

It's a slippery slope that a few banks — at the urging of politically active shareholders — have begun to explore, which is a horrible mistake. These banks and their shareholders absolutely have the right to do this, but they need to understand they are trading in their role of community institution to become just another political organ, which will fan the political flames that segregate and separate so many aspects of our society today.

Today, more than ever, we need our institutions to resist the political winds and provide a refuge where our communities can integrate and find durable and consistent access to the norms, rules, and habits that lead to a successful and functional society. Every aspect of our society does not have to be political. Leave the political debate to those processes intended to set policy. When there is sufficient consensus to create law, we can all adjust our behavior. But the current trend to use banks to bypass this process to hasten a particular political agenda will not serve any of us well in the long run. ■

Rob Nichols
President and CEO
American Bankers Association

PERSPECTIVE ON THE PAYCHECK PROTECTION PROGRAM

At the end of May, the government's Paycheck Protection Program is scheduled to come to a close. If Congress does not extend the program, we can expect the "Monday morning quarterbacking" about the impact of the program on the economy, its design and implementation, and its ultimate cost to begin. Those are appropriate questions to ask as we consider the lessons learned from the nation's response to the coronavirus pandemic.

Here's what I know already: The biggest small business rescue program in U.S. history would have been an unmitigated failure without the extraordinary efforts of America's banks and their dedicated employees, and it would never have produced the positive results it did without the incredible collaboration between ABA and our state association alliance partners.

It's easy to forget what the world was like when PPP first launched in April 2020. The nation's economy had largely shut down, many Americans were isolating in their homes, and businesses of all sizes were dealing with the stark new reality posed by COVID-19.

Banks across the country were trying to figure out how to keep the banking system fully functioning in the middle of a global pandemic and how to help their customers survive the economic disruption while also trying to figure out how to protect the health and safety of their employees and customers from an invisible threat.

Against that backdrop, the federal government asked banks and other financial institutions to help the Small Business Administration launch the Paycheck Protection Program. On paper, the program dwarfed any previous SBA lending program in its history, and the agency was asked to launch it within days of lawmakers passing the CARES Act.

That launch, to be generous, did not go perfectly. SBA's technical systems, built for its more traditional 7(a) lending program, could not handle the incredible load demanded by a program of this scale. The agency staff was overwhelmed and was slow in issuing the guidance banks needed to begin processing loans, and the guidance they did release was at times contradictory.

From the start, ABA and our state association alliance partners encouraged banks to step up and participate in PPP despite all the obstacles and step up you have. As of April 11, banks were responsible for 80% of the nearly 9.6 million PPP loans so far and 93% of the $755 billion in PPP funding. I am particularly pleased to see how banks of all sizes supported the program. From our largest members to our smallest, the commitment to our small business customers has been truly remarkable. We have been united in this effort.

Banks were able to step up because ABA, working with our state association partners, was able to keep members informed on the program and its many iterations. In daily Zoom calls in the early months of the pandemic, state association executives served as an early warning system, keeping us updated on operational issues popping up, which we relayed back to SBA. Meanwhile, ABA provided members and state associations with the latest SBA changes in real-time.

At one point, ABA hosted a PPP webinar for bankers, only to find that SBA employees in some parts of the country were trying to register. We came to learn that they were getting better information about PPP from ABA and the state associations than they were from SBA headquarters.

ABA and the state associations also partnered on targeted ad campaigns to encourage minority- and women-owned businesses to consider applying for PPP loans. This was just one of many industry initiatives to try and make sure PPP funds reached every business that needed them.

PPP will always have its critics. Some people remain fixated on the large businesses and public companies that applied in the first wave, only to be shamed into returning PPP funds. To be fair, many of those businesses met the initial eligibility requirements set by Congress. Government watchdogs remain rightfully concerned with inexcusable examples of fraud and abuse, many spotted by banks working with law enforcement.

PPP will always have its critics. Some people remain fixated on the large businesses and public companies that applied in the first wave, only to be shamed into returning PPP funds.

Others have suggested that banks earned a windfall from PPP. The reality is that for most banks, the cost of diverting staff from other lines of business to reset systems and oversee this massive new program made PPP lending a break-even business at best. And yet, all of those bankers also tell me they would participate again under similar circumstances because supporting PPP was the right thing to do for their customers, communities, and the country.

I am hopeful we won't need another small business rescue program anytime soon. If we do need another PPP, please rest assured that we have learned some valuable lessons, and ABA and our state association alliance partners will once again be with you every step of the way. ■

THE EDULOGUE

Five Reasons Why Education Helps to Advance Your Career at Any Level

By Beth Parker, Director of Education, Utah Bankers Association

We can all recite numerous methods of self-improvement. You eat right and exercise to get fit; you lift weights to gain physical strength, or play games and learn a new language to improve your brain. But what can you do to grow in your career?

Regardless of whether you are a senior manager or an entry-level employee, you can grow and advance your career and professional goals. Education and training are the keys to personal growth and development.

Many adults return to school to enhance their careers. These individuals believe that additional education will help them make more money, advance in their current occupation, or start anew in a different one. Some also believe that returning to school will enhance their range of marketable skills, making them more competitive both with their current employer and in the wider job market.

While you can certainly take online degree courses through accredited colleges and universities to grow in your career, that is not always necessary. You can take courses towards a certification or attend a webinar to gain knowledge and skills in a specific area. Either way, education is an important step in staying competitive and enhancing your skills.

Here are five reasons why pursuing education in any form can advance your career at all levels.

1. **Gain Knowledge**
   This reason may be a given. However, when you pursue advancement through education, you gain up-to-date, practical skills and knowledge that you can apply in your workplace. Doing this may help you see old problems in new ways and give you the creativity to find resolutions.

2. **Boost Confidence**
   Studies have shown that greater confidence leads to greater career advancement. When you gain knowledge, skills, and experience, it helps both your career and life in general. On top of that, by gaining additional

communication and problem-solving skills and achieving your goals, you increase your confidence.

3. **Grow Your Social Network**
   When you enter a (virtual) classroom, you are given the opportunity to interact with others from both within and outside of your industry with a variety of professional backgrounds. Being exposed to a broader professional network allows you to know people in similar situations or with different perspectives.

4. **Enhance Your Soft Skills**
   Just because you have reached a high-level management position does not mean you should stop learning. When you open your mind to life-long learning, you learn far more than just a different management style or creating an influential presentation or even just the newest regulations. You also learn more subtle but equally important skills. These so-called "soft skills" include strong abilities in communication, teamwork, critical thinking, and problem-solving. Each of these talents can add value to your organization, wherever you are in it.

5. **Demonstrate a Strong Work Ethic**
   Pursuing growth through education and training, in addition to your normal work routine, will most likely not make your schedule easier. It takes work to stay on top of all you must do, but doing so will demonstrate a strong work ethic to your team and your supervisors.

Education is always something direct reports, supervisors, and business executives like to see. When employees have the drive and initiative to expand their knowledge, it is a good sign that they will benefit the company further.

Many companies realize that promoting lifelong learning principles is a great investment in their future success. The knowledge gained can be both factual and practical, and the information you learn may not just be interesting but of great use in your current role, to where you hope to go and keep you young at heart. ■

> Education and training are the keys to personal growth and development.

The Utah Bankers Association provides you access to exceptional instructors — with years of industry insights and experience — who facilitate interactive course sessions focused on the important economic, regulatory, and competitive pressures facing the industry today, as well as management and leadership essentials, diversity in the workplace, and more.

BANANAS, BAKING SODA, AND BANK MARKETING

By Neal Reynolds, President, BankMarketingCenter.com

What do bananas and baking soda have to do with bank marketing? I thought you would never ask. Let's start with the bananas.

If I were to hold up a bunch of bananas and ask an audience what they were, most would probably agree they were bananas. But if I held up a green banana and asked the same audience how many would buy this particular banana, less than half would raise their hands. And if I held up a banana that had already turned dark, even fewer would probably want to buy this banana.

As you can see, we are not really selling bananas! We are selling banana skins. People buy bananas based on how the banana skin looks. In light of this fact, a smart produce manager would market bananas in different ways, understanding that some people prefer ripe bananas while others prefer green or darker bananas. Perhaps he could market the dark bananas alongside recipes for banana pudding and even place them next to the vanilla wafers. Maybe he could even add a headline like, "Ready for Grandma's Banana Pudding?" He might market the green bananas to folks heading out on vacation, with a headline like, "Traveling Bananas — they'll be ripe when you get there!"

A good marketer can take a product that many people think of as one thing and sell it in different ways.

Now let's talk about baking soda. This is a product that has been around for over a hundred years, and there are thousands of ways to use it. A good marketer might list some of these many uses on the side of the package.

You can brush your teeth with it, put it in cat litter to eliminate odors, clean pots and pans with it, eliminate odors in the refrigerator, use it as an antacid, polish silver with it, or even clean batteries. That's how baking soda was marketed for years. Then, one day a very smart marketer decided that he would put this same baking soda in a box with "Fridge-N-Freezer" on the front alongside a tagline that read, "30 days of freshness in every box." He also decided to charge $.10 more per box. And guess what? People started paying $.10 more per box just to have a picture of a refrigerator on the front of the packaging!

Then this very smart marketer decided that if people would pay more to have a picture of a refrigerator on the front of the box, they might pay even more to have a picture of a cat on the front. After all, people spend millions of dollars each year on their pets. They put a picture of a cat on the front of the box, advertising it as "Cat Litter Deodorizer" with "Activated Baking Soda" and starting charging over one dollar more per box! (I love the tagline "Activated Baking Soda." I wonder who would buy non-activated baking soda? I guess people are willing to pay more for their baking soda to be activated!) This proved to be so successful that before you knew it, baking soda was in every aisle of the grocery store with many different product names and profit margins 10 times that of the old-fashioned baking soda in the plain old box.

This brings us to banking. I'm sure you are wondering: what do green bananas and baking soda have to do with banking? Well, they have everything to do with banking! For hundreds of years, banks have marketed and advertised themselves as plain old generic banks. A few got creative and started calling themselves community banks.

Throughout history, we have given our kids piggy banks to put their money into as a savings account and taught them how to take it out in a real emergency (when it was time to buy some candy). Most of us have grown up believing that you put your money in a bank, and the bank keeps it for you until you need it. Historically, banks advertised CDs and money market accounts to get us to put the money in the bank and promoted car loans, mortgages, and home equity loans to lend it out — all while making a small margin in the middle.

But the last few years have changed all of this. Now is the time for a really smart marketer to apply the "green banana" concept to the banking industry. We need to realize that every individual and business has different banking needs. For example, a large apartment community collects dozens of checks every day throughout the month. And each day, the apartment manager leaves at noon to take the checks to the bank and go to lunch. But before they go to the bank, they make copies of the checks and fax them back to headquarters to let them know which residents have paid their rent. Some apartment managers might decide to collect the checks and make a "weekly" run to the bank. Both solutions are inefficient.

A smart bank marketing manager would target those apartment communities with personalized and customized marketing materials that explain how their bank can eliminate the pain of copying checks, faxing checks, and going to the bank every day to deposit them. These marketing messages would talk about the many benefits of remote deposit capture, ACH, and Lock Box services and even include the apartment community's name or logo. A smart marketer could even create an additional piece targeting the apartment community's corporate headquarters, making them aware of the potential liabilities of having their managers driving around town with thousands of dollars on hand at any given time.

This marketing piece would also discuss the many benefits of remote deposit capture and how, if management utilized this service, they would see images of the actual checks instead of faxed copies. And even more importantly, deposits can be made in minutes without requiring anyone to leave the property.

A smart bank marketing manager would target those apartment communities with personalized and customized marketing materials that explain how their bank can eliminate the pain of copying checks, faxing checks, and going to the bank every day to deposit them.

And, of course, customers utilizing remote deposit capture are a prime candidate for online bill pay and e-statements. In fact, that same smart marketer could develop an "Apartment Banking" product line that promotes all the bank's services that an apartment community could use. To promote their apartment banking products, they could even buy the web domain name ApartmentBanking.com for $9.99. (This name is still available, but you'd better hurry!)

The bottom line is this: There is no reason you can't have an Apartment Banking product — just like you can have "Cat Litter Baking Soda." And this doesn't just apply to apartment communities. You can target different industries with this same concept. Find out what each industry needs that is unique and position your products around them. Sure, your bank can work with any industry, but you'll get more business — and possibly better margins — by positioning and marketing yourself in different "aisles."■

Neal Reynolds is President of Bank Marketing Center. BankMarketingCenter.com is a web-based platform that gives banks complete control of their marketing production processes. The portal provides users with unlimited access to more than four thousand professionally designed marketing materials, as well as millions of Getty images, photos, and videos. With this portal, banks can personalize and customize their marketing materials in seconds. No software, design skills, or ad agency are required.

Today, BankMarketingCenter.com has been endorsed by 23 state banking associations and used by over three hundred financial institutions. To learn more about BankMarketingCenter.com and how your bank can benefit from the company's web-based platform, both print and digital, visit BankMarketingCenter.com. Or, you can contact Neal directly by phone at 678-528-6688 or email at nreynolds@bankmarketingcenter.com.

2022 AG OUTLOOK & CONFERENCE RECAP

By Brian Comstock, Director of Communications & Marketing, Utah Bankers Association



Following a virtual meeting in 2021, Ag bankers from around the state came together in person for the 2022 Ag Outlook & Conference, February 10-11 at the Dixie Convention Center in St. George, Utah. The two-day conference — in partnership with the College of Agriculture and Applied Sciences at Utah State University — featured a diverse list of speakers and topics, including economic and weather forecasts, new tools and technologies, and reminders to stay diligent with advocacy efforts.

UBA President Howard Headlee kicked things off, thanking the assembled bankers for supporting their communities — especially these last couple of years — helping Utah lead the way in economic recovery. And while the politicization of banking is heating up at the state and federal levels, bankers will continue to make a difference because we are Bankers for Good.

Then the group broke up into three workshops, including an overview of a range management software platform with Dr. Eric Thacker, a presentation about mental health awareness and advocacy with Dr. Ty Aller, and a discussion about fodder-type systems with Dr. Ryan Larsen.

Next up, Ag commodities expert Shawn Hackett gave a detailed virtual presentation about weather patterns and cycles. Based on his findings, he predicts a bearish market with shorter growing cycles and below-trend crop yields.

Following a repeat of the workshops and a short break, the group reconvened for dinner and a keynote address from Zions Bank President & CEO and ABA Chair Scott Anderson. Anderson touched on a number of topics, including an emphasis that Utahns want to produce more local food. Therefore, it is imperative that we support our farmers and assist them in adopting new technologies, work with community leaders to use land for agriculture, and increase urban farming. All in all, there is a lot to be excited about as lenders, and we should use that credibility with our legislators.

The following morning, State Bank of Southern Utah President & CEO and UBA Chair Eric Schmutz welcomed the audience, reminding them that change in our industry is constant, advocacy is critical, and we must continue to be good stewards of the land.

Building on that last theme, Tom Tippets of the Utah Department of Agriculture and Food gave a presentation about the department's Grazing Improvement Program, aimed at improving productivity, land health, and sustainability of livestock grazing.

USU Agricultural Economists Drs. Ryan Feuz and Ryan Larsen gave their annual Ag Outlook, including hay, corn, wheat, and dairy projections. Supplies are down, and demands are up, so they expect prices to continue rising, and drought and weather will be key factors this year.

Ed Elfmann, Senior Vice President of Agricultural and Rural Banking Policy for the American Bankers Association, provided an update from Washington, D.C. He gave background on legislation and initiatives that the ABA is working on, including ECORA, the farm credit system, rural development, cannabis, and more.

Then Dave Staheli regaled the audience with his fascinating story, in which he was inspired at a taco restaurant to apply steam to hay to make up for inconsistent dew. His products have helped hay producers worldwide become more efficient, with a more consistent and higher quality product.

Katelyn McCullock, Director and Senior Agricultural Economist at the Livestock Marketing Information Center, wrapped up the conference with a Cattle and Sheep Outlook. According to her projections, higher corn and grain prices, as well as uncertainty and inconsistency in exports, will continue to fuel higher beef and lamb prices.

Thank you to everyone who attended this year's conference; we look forward to seeing everyone next year! ■

BANKER DAY AT THE UTAH STATE LEGISLATURE

By Brian Comstock, Director of Communications & Marketing, Utah Bankers Association

More than 60 Utah bankers converged on the State Capitol on February 24, braving a frigid and snowy Salt Lake City morning to participate in the political process. With little more than a week remaining in an active 2022 General Session of the Utah State Legislature, it was a key opportunity for attendees to meet with legislators about critical industry issues.

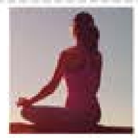
State Bank of Southern Utah President & CEO and UBA Chair Eric Schmutz welcomed the group. UBA President & CEO Howard Headlee gave an overview of the session and relevant bills. He ended his remarks by thanking the assembled bankers, saying, "I'm so proud to represent this industry. We're serving our communities, and we're doing a heck of a job. They (legislators) listen to me because of you."

Then the bankers dispersed throughout the Capitol, sitting in on committee meetings, connecting with officials from their districts, and watching proceedings in both the House of Representatives and the Senate. Their voices were heard loud and clear throughout the session, and their advocacy efforts will benefit the industry for years to come. ■

UTAH BANKERS ASSOCIATION

UPCOMING EVENTS & PROGRAMS

April 2022

SUN	MON	TUE	WED	THU	FRI	SAT
					1	2
3	4	5	6	7	8	9
10	11	12	13		15	16
17	18	19	20	21	22	23
24		26	27	TEACH CHILDREN TO SAVE	29	30

April 14

Women in Banking Conference

A Development for Banking Professionals
University Park Marriott, Salt Lake City

April 25

Credit Analyst Development Program

Classes begin
Wasatch Retreat Center, Salt Lake City

April 28

Teach Children to Save Day

Each year, bankers introduce young consumers to smart financial skills through the Teach Children to Save program. Don't miss this opportunity to provide vital education while highlighting your bank's commitment to the community. The program is available year-round, with free planning materials, step-by-step lesson plans, webinars, activity sheets, and videos. Email beth@utah.bank or visit aba.com/teach25 to participate.

DETAILS & REGISTRATION @ UTAH.BANK

WHY FINANCIAL INSTITUTIONS SHOULD EMBRACE ESG

By Steve Wilkerson and Dirk Cockrum, BKD CPAs & Advisors

Public and regulatory expectations regarding climate change and other environmental, social, and governance (ESG) issues are rapidly changing. The largest banks have made climate commitments, pledging hundreds of billions of dollars to sustainable finance. While the larger financial institutions have adopted ESG reporting and practices, this is expected to apply to community financial institutions in the coming years, as regulation trickles down to smaller institutions. Due to the speed of change of these expectations, executives and boards in community financial institutions can no longer take a "wait and see" approach and should invest in learning and applying ESG factors in their institution.

ESG & CLIMATE CHANGE ARE REGULATORY HOT-BUTTON ISSUES

The importance of climate risk and other ESG factors was a common topic for regulators during 2021. In October 2021, the Financial Stability Oversight Council released its Report on Climate-Related Financial Risk, which identified climate change as an emerging and increasing threat to U.S. financial stability. The report includes recommendations for more regulatory action to address this threat.

The Securities and Exchange Commission (SEC) has been busy in the past year working on proposed mandatory climate disclosure rules for public companies, which it plans to issue in early 2022. It is unclear whether the climate disclosure rules will require disclosure of Scope 3 emissions, including emissions from certain financed projects.

In an Oct. 7, 2021, speech, the Federal Reserve discussed the development of climate scenario models to assess the effects of climate-related risks on financial institutions and the financial system, with differentiation by region and economic sector.

On Dec. 16, 2021, the Office of the Comptroller of the Currency (OCC) issued for comment its draft Principles for Climate-Related Financial Risk Management for Large Banks. Large banks are OCC-regulated institutions with more than $100 billion in total consolidated assets, including national banks, federal savings associations, and federal branches or agencies of foreign banking organizations. The draft climate principles provide a framework with six key aspects for climate-related financial risk management, including:

- Governance
- Policies, procedures, and limits
- Strategic planning
- Risk management
- Data, risk measurement, and reporting
- Scenario analysis

These are the latest examples of increased regulation expected in the coming years to meet the Biden administration's goals of reducing net greenhouse gas emissions by at least 50% below 2005 levels by 2030 and a net-zero economy by 2050.

WHAT FINANCIAL INSTITUTIONS SHOULD DO TO PREPARE FOR REGULATORY SCRUTINY

ESG factors should be seen within the context of strategy and core operations, as ESG factors are enterprise-level considerations. Strategic plans and business models should be evaluated to identify potential threats related to climate risk and other ESG factors. Climate risks include the direct physical risks of climate change on assets, e.g., a portfolio of mortgages in coastal properties at risk of flooding, and the transition risks: e.g., a concentration of loans in high-emitting sectors. The financial institution's loan portfolio should be analyzed by industry to determine whether there is a concentration of industries with high transition or physical climate-related risk.

Financial institutions also should plan for how to introduce ESG and climate risk into risk management processes, such as:

- Capital allocations
- Loan approvals
- Reserve allocations
- Portfolio monitoring
- Reporting

Having a strong climate risk management system also can assist financial institutions in underwriting loans for projects related to climate change, such as:

- Energy efficiency
- Renewable energy
- Carbon capture, use, and sequestration (CCUS)
- Electric vehicles and charging stations

Financial institutions should be prepared to discuss climate-related issues and provide documentation of ESG and climate risk considerations with their regulators.

Regulators are soliciting information from financial institutions to gain knowledge of bank and credit union efforts to measure and monitor ESG and climate risk. The primary goal of these efforts is to establish the infrastructure to help make the financial system more resilient to climate-related financial risks.

RECOMMENDED BOARD CONSIDERATIONS

Boards should assess stakeholder ESG expectations, which are likely to vary by financial institution based on various factors, including the expectations of the customer base. Executives and board members should build awareness of ESG best practices and consider how the organization's strategy can be tied to ESG factors. The board should determine whether the organization has the information and expertise to assess ESG risks. Boards should then discuss with management whether ESG information is to be reported, what reporting frameworks are to be used, and why. The reliability of ESG data and the communication plan needs to be considered. Since executive sponsorship of ESG initiatives is vital to a successful ESG program, the board should discuss what accountabilities are needed to be set for ESG-related performance.

The National Association of Corporate Directors has an ESG resource center, especially for board members on its website; ESG reporting questions that directors should consider include:

- What ESG story do our website and our disclosures tell about the organization?
  - Does that story resonate with existing and potential investors, employees, customers, regulators, and other stakeholders?
  - How does the organization's ESG messaging compare to peers, leaders in the industry, and competitors?

Executives and board members should build awareness of ESG best practices and consider how the organization's strategy can be tied to ESG factors. The board should determine whether the organization has the information and expertise to assess ESG risks.

- Is our ESG reporting satisfying the needs of investors, customers, and other stakeholders?
  - What is management's process for engaging and understanding the expectations of ESG stakeholders?
- What are the organization's ESG initiatives, and who are the executive sponsors for each ESG initiative?
  - How and when do the executive sponsors receive ESG performance reports for each ESG metric?
  - Is ESG performance integrated with financial and operational performance monitoring, so ESG performance gets C-suite attention?
- What are the organization's controls and procedures for ESG metrics and reporting?
  - Is the internal audit function checking the fair presentation of the underlying data?
  - Is an independent auditor providing attestation of the ESG data and disclosures?

On Nov. 8, 2021, the acting head of the OCC issued the following climate questions for bank boards to ask:

- What is our overall exposure to climate change?
- What counterparties, sectors, or locales warrant our heightened attention and focus?
- How exposed are we to a carbon tax?
- How vulnerable are our data centers and other critical services to extreme weather?
- What can we do to position ourselves to seize opportunities from climate change?

A one-size-fits-all ESG program does not exist because every organization faces unique risks and circumstances. Visit BKD's ESG webpage to learn about the four-phase process to develop an effective ESG program. ■

This article is for general information purposes only and is not considered legal advice. This information was written by qualified, experienced BKD professionals, but applying this information to your particular situation requires careful consideration of your specific facts and circumstances. Consult your BKD advisor or legal counsel before acting on any matter covered in this update.

UTAH BANKERS GO TO WASHINGTON

A group of Utah bankers went to Washington, D.C. in early March to attend the ABA Washington Summit and to meet with the Utah Congressional Delegation.

Group photo with Senator Mitt Romney (center, purple tie)

Emerging Bank Leaders Group

Senator Mike Lee (far right) talks with the group

Group photo with Congressman Blake Moore (middle, red tie) and special guest William D. Swenson, Medal of Honor recipient (4th from left)

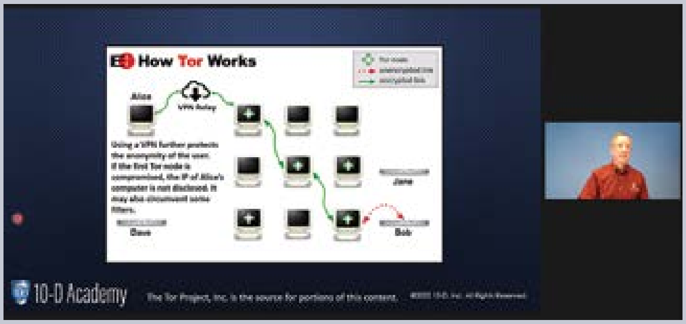
Group photo with Congressman Burgess Owens (center, yellow tie) … and his Super Bowl ring!

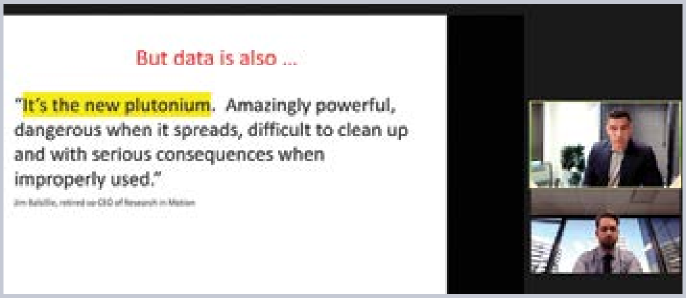
Group photo with Congressman Chris Stewart (front row, 4th from right)

Congressman John Curtis (left) speaks with the group

IT & CYBERSECURITY CONFERENCE RECAP

By Brian Comstock, Director of Communications & Marketing, Utah Bankers Association





Regulators and lawmakers consistently point to cybersecurity as one of the biggest threats facing the banking, or any other industry, for that matter. The UBA brought together a stellar lineup of speakers from IT, security, legal and law enforcement for a virtual IT & Cybersecurity Conference to provide bankers with insights into the current landscape and strategies to mitigate risk.

A common thread throughout the presentations was that IT organizations should not exist in a vacuum but rather need to collaborate with business partners to maximize the bottom line. And it is imperative to have incident response and disaster recovery plans in place … before you need them.

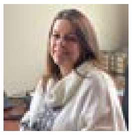
Attendees were also able to choose fascinating breakout sessions throughout the day, including presentations on topics like the Dark Web, Ransomware, Social Engineering, Tabletop Exercises, and Secure Work from Home Environments.

We'll never be able to eliminate cyber threats completely, but we can lower vulnerabilities by being proactive, flexible and collaborative. ■

FHLB DES MOINES MAKES APPOINTMENTS TO AFFORDABLE HOUSE ADVISORY COUNCIL

The Federal Home Loan Bank of Des Moines (FHLB Des Moines) recently appointed Renee Stevens, Juel Burnette and Kevin Bryant to serve three-year terms on its Affordable Housing Advisory Council and reappointed Michael Akerlow and Robert Peterson.

The FHLB Des Moines Board of Directors appoints an Advisory Council to advise on affordable housing and economic development needs throughout the Bank's district, which includes 13 states and three U.S. Pacific Territories. Advisory Council members are selected for their knowledge and experience serving housing and economic development agendas, and will help the Bank create programs and targets for its Community Investment activities.



Renee Stevens — *Executive Director, Open House Ministries (Vancouver, WA)*
Since 1999, Stevens has been associated with Open House Ministries (OHM), a family shelter in Vancouver committed to equipping families with the necessary tools to resolve issues that lead to poverty and homelessness. She entered OHM as a single mother of three, unable to find affordable housing or make ends meet. With the help of OHM, Stevens graduated from the program and was able to find stable housing and support her family. She began employment with OHM as a nighttime security officer, advancing through the organization to become its Executive Director in 2017, where she manages relationships with donors and community partners, leads development efforts and cultivates the skills of others in the areas of leadership, community relations and team building.

Juel Burnette — *Branch Manager, 1st Tribal Lending*
For more than seven years, Burnette has managed a team that transacts business nationwide using HUD 184 mortgages. For 25 years, he has served Indian Country in the mortgage and banking industry, helping Tribes, Tribal Housing Authorities and many tribal members leverage this product to support Native homeownership.

Kevin Bryant — *President, Kingsway Development LLC*
Over the past 24 years, Bryant has been involved in nearly every aspect of commercial real estate and urban planning. He has created many exciting projects to support equitable development in the St. Louis region, including revitalizing vacant and underutilized properties.

Mike Akerlow — *Chief Executive Officer, Community Development Corporation of Utah*
Akerlow oversees acquisition, development, and rehabilitation of single- and multi-family housing. In addition to his role with CDCU, he serves as a member of the National Association of Housing and Redevelopment Officials.

Robert Peterson — *Multifamily Housing and Community Facilities Division Manager, Washington State Housing Finance Commission*
Peterson has been with WSHFC for more than 18 years and has extensive public and private sector experience in affordable housing finance. ■

COURTS CONTINUE TO QUESTION VALIDITY OF THIRD-PARTY RELEASES IN CHAPTER 11 PLANS

For decades, courts have held that, with some limited exceptions, the Bankruptcy Code protects only the debtor in bankruptcy and not third parties related to or connected with the debtor. For example, the automatic stay under 11 U.S.C. § 362(a) generally applies to acts involving the debtor, property of the debtor, or property of the debtor's bankruptcy estate. The automatic stay does not stay actions against related third-party non-debtors, such as guarantors or sureties or their separate property.[i] Likewise, section 524(e) of the Bankruptcy Code provides that the "discharge of a debt of the debtor does not affect the liability of any entity on, or the property of any other entity for, such debt."

However, in recent years, it has become increasingly common in large chapter 11 cases for debtors to include release language for non-debtors in proposed chapter 11 plans. Indeed, in 2019, one bankruptcy court observed that debtors appeared to be seeking such releases as if they were "no big deal" and not an "extraordinary thing."[ii]

Until recently, the many courts supported such third-party non-debtor releases in chapter 11 plans based upon the bankruptcy court's broad equitable powers under sections 105(a) and 1123(b)(6) of the Bankruptcy Code. This was particularly true where the court found that "the entire reorganization hinges on the debtor being free from indirect claims such as suits against parties who would have indemnity or contribution claims against the debtor."[iii]

Change, however, may be on the horizon, as some courts have begun to push back on attempts to grant such third-party non-debtor releases by employing a heightened level of scrutiny when considering such provisions. For example, in late August of 2019, the U.S. Bankruptcy Court in the Northern District of Ohio was troubled that the third-party release was "broadly drafted" and the proposed injunction protecting non-debtor-released parties was not essential to the reorganization of the debtor. As a result, the court concluded that the proposed third-party release provision made the chapter 11 plan "patently unconfirmable."[iv]

More recently, on Dec. 16, 2021, Judge Colleen McMahon of the United States District Court for the Southern District of New York vacated the confirmed chapter 11 plan of Purdue Pharma L.P., the manufacturer of OxyContin, and 23 affiliated debtors, which incorporated a settlement with the Sackler family, the owners of Purdue Pharma. Under the confirmed plan, the Sackler family agreed to provide $4.325 billion towards Purdue Pharma's chapter 11 bankruptcy estates in exchange for the release of third-party claims against the members of the Sackler family, their affiliates, and related entities.

In rejecting the plan, Judge McMahon held that the Bankruptcy Code does not authorize non-consensual releases of third-party claims against non-debtors. She further rejected the concepts of "equitable authority," and "residual authority" in a bankruptcy court untethered to some specific, substantive grant of authority in the Bankruptcy Code.

This decision is not likely to be the final word on the validity of third-party non-debtor releases in chapter 11 plans. Indeed, Purdue Pharma has stated its intention to appeal the decision to the United States Court of Appeals for the Second Circuit.

Additional federal courts, however, appear to be following suit with the Purdue Pharma decision. For example, on Dec. 20, 2021, during oral arguments in an appeal before the United States District Court for the Eastern District of Virginia, the judge forcefully hinted that he intended not to uphold the plan's third-party release provisions. Among other concerns, the court appeared perplexed that the third-party releases were not consensual because they applied to parties who did not submit a form opting out of the releases or who did not object to the plan. After questioning counsel for the debtors, the court stated that it was "pretty clear the releases are going to be invalid."

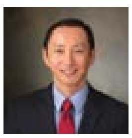
As the law regarding third-party releases under chapter 11 plans continues to develop, the important takeaways from this emerging area of the law are: (1) lenders should carefully review proposed chapter 11 plans to identify whether such plans provide proposed releases of claims for officers, directors, or other third-party non-debtors; (2) where such releases are included, lenders should formally object to those plans and, where possible, opt out of those provisions; and (3) lenders should request that the bankruptcy court employ a heightened level of scrutiny when considering such releases. ■

Ray Quinney & Nebeker P.C.'s banking and creditors' rights lawyers Stephen Tingey, David Leigh, and Michael Mayfield contributed to this article.

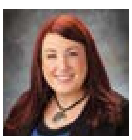
[i]See e.g., Deem v. Baron, 2017 WL 2623840, 15-cv-00755, *2 (June 16, 2017 D. Utah).
[ii]See In re Aegean Marine Petroleum Network Inc., 599 B. R. 717 (Bankr. S. D. N.Y. 2019).
[iii]Menard-Sanford v. Mabey (In re A.H. Robins Co.), 880 F.2d 694 (4th Cir. 1989).
[iv]In re FirstEnergy Sols. Corp., 606 B.R. 720, 746 (Bankr. N.D. Ohio 2019).

BANKERS ON THE MOVE

BANK OF UTAH



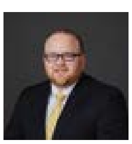
Peter Lee has been hired as a Mortgage Loan Officer in the Brigham City, Tremonton, and Ogden offices, bringing more than 20 years of experience helping customers purchase and refinance loans.



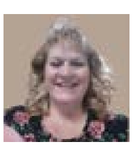
Laura Mitchell has been promoted to Branch Manager at Bank of Utah's Redwood Road location in Salt Lake City. Mitchell previously worked at the bank's Bountiful branch as a Customer Service Manager.

Silvina Pratt has been promoted to Mortgage Loan Officer in the Ogden office, where she will help clients maneuver through the home buying and building process.

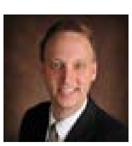
BRIGHTON BANK



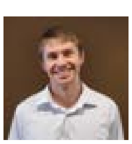
Andy Coleman has been hired as Assistant Vice President and Commercial Lender at Brighton Bank's South Salt Lake office. Coleman has been in the banking industry since 2005, with 11 years of commercial lending.



Julie Candland has been promoted to Brighton Bank's Human Resources Manager. Candland has been with the bank for 19 years and has held many positions, including operations management.



Brett Jensen is Vice President, SBA Manager, and was recently promoted to Branch Manager of the Midtown office. Jensen has 28 years in the financial and banking industry, with 20 years of SBA lending.

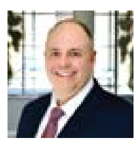


Beau Erickson has been promoted to Operations Manager of Brighton Bank's City Center office. Erickson has been with the bank for eight years.

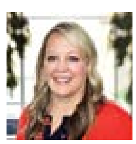
Michelle Meunrath has been promoted to Brighton Bank's Marketing Specialist. Meunrath has been with the bank since 2020; she previously held a position in the Online Banking Department.

CENTRAL BANK

Jeremy Peterson has joined Central Bank as a Loan Officer in their Provo Riverside Office. Peterson has over 15 years of experience in banking and lending.



Ryan Marsh has joined Central Bank as a Loan Officer in their Payson Office. In his 19-year career, Marsh has accumulated experience in commercial and construction lending that will greatly benefit his customers.



Cynthia Harward has been promoted to Manager in Central Bank's Mapleton Office. Harward has worked at Central Bank in various roles since 1992.

Jake McHargue has joined Central Bank as the Director of Central Bank's new Entrepreneur Division, CB Vault. McHargue will assist start-ups, entrepreneurs, students, universities, and founders with their banking needs as they continue to grow toward success.

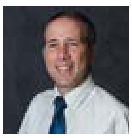
Jesse Berry has joined Central Bank as a Merchant Services Officer in Provo. Berry will assist clients with setup and service of their credit card processing, as well as assisting with treasury management products and sales.

KEYBANK

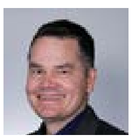
Mont James and Johnny Beck have been named KeyBank Utah Commercial Banking Relationship Managers. Both James and Beck bring nearly 20 years of financial services experience to this role, both joining the KeyBank team most recently from Bank of America.

Ryan Shaw has joined the KeyBank team as Business Banking Sales Leader for Utah and Idaho. He brings more than 20 years of experience in banking and banking leadership roles, most recently serving as the business banking director at Zions Bank.

STATE BANK OF SOUTHERN UTAH



Jon Ashdown has been promoted to Executive Vice President. Jon has been a part of State Bank of Southern Utah for 26 years and currently holds the position of Information Systems Director.



Andy Crosby has been promoted to Senior Vice President. Andy has been with the bank since 2008 and currently holds the position of HR Director.

Brooke Hampton has been promoted to Senior Vice President. Brooke has been a part of the State Bank of Southern Utah for 20 years and currently holds the position of Risk Director.

Clint Penrod has been promoted to Senior Vice President. Clint has been with the bank since 2008 and currently holds the position the Credit Administration Manager.

Luke Harrison has joined State Bank of Southern Utah as a Business Development Manager in the Richfield branch.

Steve Hyde has joined State Bank of Southern Utah as an Area Operations Manager in the bank's main office in Cedar City.

U.S. BANK

Lynnette Gilbert has joined the U.S. Bank Mortgage team as the Mortgage Retail Area Manager. Lynnette has been a leader in the Utah mortgage industry for the last 37 years. ■

BANK KUDOS

CELTIC BANK

CELTIC BANK JOINS THE UTAH LGBTQ+ CHAMBER IN PRESENTING A “UTAH SMALL BUSINESS MICRO-FUNDING PANEL”

Over the past several years, Celtic Bank has been working with local Chambers of Commerce, the Suazo Business Center and the Lassonde Entrepreneur Institute at the University of Utah to develop micro and pathway loan programs. These programs address unmet business credit needs in our community and help underserved businesses make the journey to becoming fully bankable. LGBTQ+ businesses and consultants attended the panel on February 25, and Celtic Bank representatives presented and answered questions alongside representatives from Zions Bank and the Utah Microloan Fund.

FIRST COMMUNITY BANK

COMMUNITY SPOTLIGHT CAMPAIGNS

In 2021, First Community Bank ran its annual Community Spotlight Campaign. For every checking account opened, the bank donated $20 on behalf of the customer to a non-profit from Northern Utah. Over the course of the year, $36,180 was donated to the following organizations: Safe Harbor Crisis Center, People Helping People, Wasatch Community Gardens, and Open Doors.

FIRST COMMUNITY BANK SPONSORS THE FIRST ANNUAL COMMUNITY FAVORITE BUSINESS AWARDS

FCB launched a new program called the Community Favorite Business Awards, designed to recognize and give back to businesses in northern Utah that go above and beyond to help build their community. Community members, customers, employees nominated businesses, and a panel of representatives from Box Elder, Weber, Morgan, Davis, Salt Lake, and Summit Counties selected the winning businesses. Award recipients were selected based on their contribution to the communities they serve, and each winning business received an exclusive marketing package provided by FCB. To see a list of the winning businesses, visit fcbutah.com.

KEYBANK

KEYBANK FUNDS SOUTH VALLEY CHAMBER AND SUAZO BUSINESS CENTER BUSINESS ACCELERATOR WITH $200,000 GRANT

KeyBank, the South Valley Chamber of Commerce, and the Suazo Business Center have announced a $200,000 grant to continue the Chamber’s small business growth and workforce development program for the next two years while introducing the same program for Spanish language participants through the Suazo Business Center.

The KeyBank Business Accelerator is a hands-on program for existing business owners that provides the knowledge and know-how to create and manage a customized, three-year strategic growth plan. The 10-week program is designed to help small- to mid-sized business increase their capacity for growth through education. The program is unique in that it teaches entrepreneurs skills in finance, marketing, sales, and human resources, while also connecting them to a network of local business leaders and entrepreneurs.

The grant also provides the funding for the program and all supporting materials to be translated and delivered in Spanish through the Suazo Business Center beginning in 2022. Participants in both the Salt Lake City and Ogden areas will have access to the Spanish programming.

NELNET BANK

NELNET BANK USES TECHNOLOGY TO UNIFY PLATFORMS, DELIVER A NEW IMMERSIVE EXPERIENCE

Since Nelnet Bank launched in 2020 with a student loan refinance program, the company has focused on what college-bound customers want and need — a streamlined, informative, and immersive borrowing experience throughout their college journey.

As part of this project, Nelnet Bank hand-picked the top tools available to the industry — from API-first bank cores to modern cloud-based environments — and brought them together to develop a modern, scalable, and secure experience that lets customers manage their loans from a native app. The application is nature-themed, with loan products and financial guidance available for exploration within the woods to keep true to the company's Utah roots. This new immersive school loan lending experience launches later in 2022. It will serve as the backbone for future Nelnet Bank products, including a new online loan application experience and deposit products.

SMALL BUSINESS ADMINISTRATION LENDER AWARDS CEREMONY

Zions Bank, Cache Valley Bank, JP Morgan Chase Bank, WebBank, Celtic Bank, and Mountain West Small Business Finance were recognized with SBA Lender Awards for their PPP and lending efforts over the last two years. UBA President Howard Headlee delivered the keynote address at the March 2 breakfast in Salt Lake City, thanking all those in attendance. "We understand the importance of small businesses, as they employ over half the state," he said. "And so few were prepared for such a disruption, but you didn't panic. You dug in and worked around the clock to save business, families and our communities."

TAB BANK

TAB FLOW CHECKING ACCOUNT TO PROVIDE STOCK REWARDS FOR CUSTOMERS' DAY-TO-DAY SPENDING

TAB Bank recently announced TAB Flow, a new checking account that offers customers fractional stock rewards of up to 1% of every eligible purchase they make. TAB has partnered with Bumped — a leading tech company on a mission to create an ownership economy — to leverage Bumped's stock reward platform to enable customers to make their day-to-day spending work for them in the ownership economy.

With TAB's new accounts, customers can sign up for TAB Flow in minutes, with no minimum balance or overdraft fees. Fractional stock rewards are automatic for eligible purchases. Customers simply use their debit cards on daily transactions to build a stock portfolio of some of the world's most popular brands. TAB Flow can provide a simpler, safer path to investing by allowing customers to build up stocks in these companies, providing an upside that traditional cash rewards can't match.

Customers build up stock rewards through the TAB Flow and TAB Flow+ accounts. With Flow, account holders earn 0.5% in rewards through qualified purchases with their debit card at six well-known companies. For $5 per month, customers can join Flow+ and receive stock rewards of up to 1% from a group of 20 major companies for qualified debit card transactions. With Flow+, most debit card purchases receive stock rewards, whether they are made at those brands or elsewhere. More details are available at go.tabbank.com/flow.

ZIONS BANK

ZIONS BANK DONATES TO HEAD START PROGRAMS

Zions Bank recently presented a total of $10,000 in donations to Centro de la Familia in Utah and Western Idaho Community Action Partnership to support their Head Start programs. The funds were generated through a recent Zions Bank campaign where for each qualifying transaction made by a Zions Bank client, $1 was donated to the programs.

Community Engagement and Responsibility Director Robert Rendon and Program Administrator Stephanie Tobey presented a check for $7,500 to Centro de la Familia CEO and Head Start Director Gonzalo Palza. Fruitland Branch Manager Anne Wickersham presented a check for $2,500 to WICAP CEO Heidi Caldwell.

Centro de la Familia is a nonprofit organization that promotes healthy and engaged communities by advocating for children's educational success. WICAP provides education, family development, employment, and financial stability support services to low-income individuals and families.

NATURAL HISTORY MUSEUM, ZIONS BANK BRING 'UNIQUELY UTAH' EXHIBIT TO UTAH COMMUNITIES

From Kamas to Blanding, the Natural History Museum of Utah's "Uniquely Utah" exhibit is making a multi-county tour across Utah in 2022, stopping at a different Zions Bank branch each month as part of the "Traveling Treasures" program. The "Uniquely Utah" exhibit, which is free and open to the public, showcases a collection of these natural and cultural wonders from around the Beehive State.

A long-time partnership between the Natural History Museum of Utah and Zions Bank, "Traveling Treasures" brings natural history collections and research to Utah's diverse communities. Each year, a team of educators, exhibit designers, bankers, and museum volunteers create a new traveling exhibit that explores a unique aspect of natural history in the state, region, and beyond. ■

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ARTICLE

/ UNLEASH YOUR INNER MARKETING GENIUS WITH THIS THREE-STEP MULTICHANNEL MARKETING STRATEGY

By Jeff Hassemer
Senior Vice President, Corporate Marketing
Vericast

How many financial institutions consider their brand to be a multi-sensory, personal experience, and not a service? Not many, perhaps. Considered too bougie for financial services? Maybe. But more institutions should. Apple® does. Amazon® and Netflix® do, as well.

It's hard to argue with their ability to make consumers feel like they're part of a seamless,

connected, multitouch brand experience that speaks more clearly to their wants and needs than anyone else.

It's not because they have more money to spend. Good strategy isn't expensive. It's because they've embraced a holistic multichannel marketing strategy that's only real price is the boss's buy-in.

It doesn't happen by accident, of course. Cohesive multichannel communications share a common look, feel and language. The look, feel and language of your brand. The strength and simplicity of this strategy is so often, and surprisingly, overlooked.

The key is turning random, sporadic communications into continuous, consistent, seamless interactions that, over time, create a feeling of connection, acceptance, inclusion and loyalty that form the basis for new and ongoing consumer relationships.

Silos are the enemy of marketing budgets. Siloed marketing is isolated, disconnected or an incomplete integration of multiple marketing channels. The reason siloed marketing is a widespread problem among financial institutions is because it underperforms just enough to go unnoticed.

> Imagine an oil well that produced a thousand gallons a day. And through a few simple adjustments, you could triple the production. Coordinated multichannel marketing is just like that.

Silos fly under the radar, because they're comfortable. But, being a little uncomfortable is important. Particularly, in marketing. It creates change for the better.

Ever notice how words that begin with multi are usually good for you? Multigrain. Multimedia. Multivitamin. Multipurpose. Multichannel is no different. But in the area of marketing, somehow, somewhere along the way, multichannel got a bad rap for being complicated, hard to manage, disjointed. And it's totally not that at all.

VERICAST

DIRECT MAIL

Going to the mailbox is now an event. With email fatigued and oversaturated, and an incredible 42 percent1 of the U.S. labor force now working from home full-time, direct mail has re-emerged as the channel consumers can touch, feel and trust.

Direct mail is still a powerful marketing tool for financial institutions that want to connect with customers and prospects, providing a valuable phase one for campaigns seeking to gain the trust and confidence of today's tech-savvy consumer.

Here's a simple action plan for delivering a multitouch, cohesive multichannel marketing experience through every stage of the customer lifecycle:

Direct Mail
+ Digital Ads +
Contact Center
Data

= Brand Impact

90% of direct mail **gets opened**[2]

75% of households **read or scan** advertisements in their mail[3]

1 in 7 new checking account customers **were influenced** by direct mail from their financial institution[4]

Plus, **direct mail is a hit with Millennials.** 84% of Millennials **take the time** to look through their mail[5]

75% say receiving personal mail **makes them feel special**[6]

92% are influenced by direct mail **to make purchase decision** as opposed to 78% influenced by email[7]

1 "Stanford research provides a snapshot of a new working-from-home economy," Stanford News, June 29, 2020

2 Fundera, "12 Direct Mail Statistics You Should Know in 2020," February 5, 2020

3 USPS

4 Walker, Rich, "Increasing ROI with Pay-for-Performance Direct Marketing," The Financial Brand, August 16, 2017.

5 USPS

6 Ibid.

7 Proud, Whitney, "MILLENNIALS' RESPONSE TO DIRECT MAIL IS MORE POWERFUL THAN YOU THINK," Digital Dog Direct, June 13, 2016

DIGITAL ADS

The average user spends more than six hours each day online[8]

Deliver a great message on any device. Online display advertising, or digital ads, utilize the ease, relevance and popularity of the digital channel. It reaches more consumers in more places with highly targeted promotions that not only drive response and brand awareness, but deliver the instant gratification that today's consumer craves.

Display advertising raises brand awareness by 12%[9]

In addition, digital ads are a proven, cost-effective way to compete with the big boys, or any size competitor, for capturing attention. The digital channel levels the playing field with the ability to target and time ads, as well as anticipate consumer needs, to deliver high-impact marketing. No customer acquisition, retention or product growth strategy is complete without the endless reach offered by a complementary digital component.

Ad placement and audience targeting are the top optimization tactics used by advertisers today[10]

Digital ads, maybe more than any other channel, benefit most from the one-to-one follow-up dialogue of more personal channels.

CONTACT CENTER

Humans want to talk to humans. Nothing can replace the lasting impact of an excellent customer experience only a knowledgeable, experienced and empathetic contact center representative can deliver. Engaging customers with the personal touch are where lifelong relationships are made and cultivated. Now more than ever, contact centers are expected to serve as revenue centers that drive sales, gather customer insight and deliver leads. A highperformance contact center provides the human touchpoint that is a crucial to any successful omnichannel marketing strategy. Proactive outbound calling of customers and prospects ensure that your omnichannel campaign is delivering quality, on-brand, emotional engagement that consumers expect and demand.

When asked ***the most frustrating aspect*** of a customer service experience,

34% chose "inability to reach a live person for customer support." [11]

[8] Salim, Saima, "More Than Six Hours of Our Day Is Spent Online," Digital Information World, February 4, 2019

[9] (IAB UK)

[10] "The Ultimate List for Marketing Statistics for 2020," HubSpot

[11] Reisenwitz, Cathy, "16 Call Center Stats to Help You Stay On Top of the Trends in 2018," Capterra, January 26, 2018

65% of consumers expect companies to **provide a telephone channel**[12]

Now more than ever, financial institutions are forced to shift their focus from simply providing "service" to using vast amounts of existing customer data to deliver "experiences" in order to stand out and compete. To be a customer-centric institution, you need to be in touch with your customers' experiences. Gathering actionable insight from every engagement touchpoint is necessary to deliver world-class service and build a consistent customer experience.

Skilled inbound contact center professionals with the ability to close interested buyers ensure that you maximize campaign ROI and get the most from your marketing dollars. Scripts and sales training of reps is highly recommended to provide effective customer service.

Supporting your multichannel action plan with databacked insight and decision-making is critical to unlocking its full potential.

Marketing Genius

JEFF HASSEMER has developed a series of strategic tools that enable product management organizations to rapidly determine high-impact development items that solve crucial business problems. His process covers product inception through go-to-market efforts to include market-led product innovation, customer-first product prioritization, high-growth pricing strategies and sales empowerment.

[12] Dodd, David, "What Communication Channels Do Customers Prefer? It Depends!", Customer Think, August 5, 2019

You can count on Vericast for strategic multichannel engagement solutions that deliver superior customer experiences, create brand differentiation, and drive positive bottom-line results.

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