

Ramona National Changes Name on Door to First Business Bank

By ANDY KILLION - 3/26/2007

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Ramona National Bank said it was changing its name to First Business Bank, among other changes, signaling efforts to recover from a regulatory consent order issued by the U.S. Office of the Comptroller of the Currency in 2005.

The consent order cites 10 areas needing improvement at Ramona, nine of which involved shake-ups in management and oversight, most of which have been cleared.

The tenth and final area for improvement is achieving profitability, which President and Chief Executive Officer John McGrath said is soon due.

"We expect to hit profitability this quarter," said McGrath. "They want to see stabilized profitability and that's the only remaining item on the consent order."

In February 2006, McGrath was brought on board to help bring Ramona back into regulators' good graces.

Recently, Ramona National raised \$18 million in capital from its largest shareholder, the Ernest Auerbach Trust, as well as other directors.

"It provides us some of the highest capital ratios in the state and the basis to grow well into the \$200 million (in assets) range," said McGrath. "It helps attract larger businesses and larger loans and deposits, generally making us a more attractive business partner."

Chief Operating Officer Nathan Rogge said the bank has installed new managers and sales officers, who will take the bank in a different direction.

"We kind of cleaned house," said Rogge. "I would guess that half the staff is new. Some of the staff was laid off, but we also increased the size of the bank."

Rogge said the newly renamed bank would focus on small- to middle-market business — businesses with revenues below \$35 million — with a particular emphasis on professionals, such as doctors, lawyers and accountants. The bank's recent branch addition is in University Towne Center, where Rogge said there is an abundance of professionals.

"We're moving to where our client base is," said Rogge. "The demographic between UTC and Del Mar Heights has the largest number of small- to middle-market businesses, particularly professionals," in San Diego County.

Although the executive offices have relocated to the UTC branch, First Business Bank still has its headquarters in Ramona and a branch in La Mesa.