

7C BUSINESS

Johnson banking on financial services

By Herbert L. White
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Charlotte Bobcats owner Bob Johnson is expanding his portfolio in the financial services industry. Johnson told the Washington Post he has bought a black-owned Florida savings and loan and plans to move it to Washington as the platform for a consumer financial services company

Bobcats owner buys Florida trust to compete in urban areas

aimed at African American consumers. The bank, to be renamed Urban Trust, is Johnson's vision of what he hopes to build into the country's largest financial services company that will compete with elite companies and attract Wall Street investors. "Urban Trust will bring more access to capital to individuals and families who

need it, especially those that need help managing their assets and their wealth in a better way," Johnson told The Washington Post. "There's no doubt in my mind that a well-capitalized, well-managed black-owned financial institution will be welcomed." Urban Trust faces a daunting task - reversing a decade-long drop in the number and

performance of black-owned banks whose traditional markets have been snapped up by larger financial institutions. Black banks have served African Americans since the start of the 20th century, including Durham-based Mechanics & Farmers, which has an office in Charlotte. But their influence in black communities started

to wane in the 1990s when federal regulations forced major banks to better serve urban neighborhoods. "I've observed what's been happening with some minority banks out there," Johnson said. "The other big banks have gotten very aggressive in going after their customers. What we're saying is that we can bring the focus

and the capital to compete with those big banks on the same terms."

Dwight L. Bush, a former executive at Sallie Mae and Chase Manhattan Bank, will be Urban Trust's chief executive. The bank will



Johnson

See JOHNSON/6C

Moving up in the world



Claude McDougal opened his new offices of US Financial Alliance Consultants in the Ivey's building on North Tryon Street last week. On hand for the occasion were Ghibind "Garry" Bhowani (left) and Raynard Harris of Wachovia. About 150 people attended the drop-in on March 9.

PHOTO: ELLISON CLARY

BofA's Bessant gets promotion

By Paul Nowell
THE ASSOCIATED PRESS

Cathy Bessant, the top marketing executive for Bank of America Corp. and a key player in Charlotte's winning bid for the NASCAR Hall of Fame, has been named the bank's global treasury services executive, succeeding Tim Arnoult, the bank said Monday.

In her new job, Bessant will have responsibility for the company's global treasury and transaction services.

"It's a line of business I'm very excited about," Bessant, who had been the bank's global marketing chief since 2002, said in an interview after the announcement. "I love driving the organic growth of this company."

Arnoult will retire at the end of April after a 27-year career at the nation's second-largest bank.

Anne Fimucane will take over Bessant's former job as the bank's global marketing and corporate affairs executive. She will retain responsibility for corporate communications, public policy and corporate philanthropy.

Under Bessant, Bank of America expanded its marketing portfolio by adding sponsorship of the Olympics and deepening its ties to NASCAR racing, the country's fastest-growing spectator sport.

"Cathy has done a tremendous job over the past several years building our company's brand and a world-class marketing function to support all our businesses and customers," Liam McGee, president of global consumer and small-business banking for Bank of America, said in a statement.

Bessant also played a key role in helping Charlotte beat out four other U.S. cities to land the coveted NASCAR Hall of Fame. The \$107.5 million hall is expected to lure hundreds of thousands of NASCAR fans annually after its planned opening in 2009.

Besides offering below-market loans for the project, Bank of America and Wachovia Corp. contributed executives, bankers and lawyers to the team that developed and pitched Charlotte's bid for the hall. Bessant was a key figure as head of the Charlotte Chamber of Commerce.

"I've pitched a lot of business before and I realize that you win some and you lose some," Bessant said. "But rarely do you invest 15 months with that much intensity. I think it's so great for Charlotte."

Arnoult, who took over the treasury job in 2004, plans to retire with his wife to his native Texas, the bank said.



Bessant

BellSouth updates severance offer to 1,300

THE ASSOCIATED PRESS

ATLANTA - BellSouth Corp. said Monday that it was updating a voluntary severance offer to 1,300 managers to bring it in line with a plan that will be part of its proposed \$67 billion merger with AT&T Inc.

BellSouth announced in December it was cutting 1,500 management jobs, or 2.4 percent of its total work force, because of

competition from cable providers.

Under the plan contained in a Securities and Exchange Commission filing on Monday, the severance offer is enhanced and an involuntary component of the previous offer is eliminated, BellSouth spokesman Joe Chandler said.

"The offer that we have now is almost identical to the offer that was associated with separation that will occur after the merger,"

Chandler said.

This one is entirely voluntary, he said, which led to a reduction in the estimate of the total number of jobs to be eliminated.

Chandler said about 60 management employees already had agreed to accept the offer made in December, and that BellSouth is in the process of determining the type of package they would receive.

In its SEC filing, BellSouth esti-

mated an after-tax charge of \$100 million related to the work force reduction, with about \$85 million recorded in the second quarter.

San Antonio-based AT&T said after its proposed acquisition of BellSouth was announced earlier this month that it expects to cut 10,000 jobs from the combined 320,000 it would have after the merger, but that the goal should be achieved through normal employee turnover.

TUMULTUOUS SUCCESSION

Cochran law firm beset by changes and uncertainty

By Betty Pleasant
THE ASSOCIATED PRESS

LOS ANGELES - A change has come over Johnnie Cochran's law firm - and not necessarily a change for the better.

Longtime attorneys and staffers who helped build the Cochran legacy are gone and have not been replaced, and whites are occupying leadership positions that did not exist before he died

March 30, 2005.

What is going on in Cochran's Wilshire Boulevard 10th floor suite, and why it's going on is a tale of two versions: The spin from two African-American lawyers who say they are in charge, and the city's black firebrands and other lawyers who have had active associations with Cochran and his band of brothers (and sisters) throughout most of their careers.

Community activist Najee Ali, because of the nature of his activities, frequently interacted with the Cochran legal staff and was one of the

first to raise the alarm about the changing scene in the office.

"None of the lawyers, clerks and secretaries I've been working with are there anymore," Ali said. "And there are white people running the office. I and other black activists have stopped referring people to the firm."

An attorney who was closely associated with Cochran concurs with Ali's observation.

"The office doesn't look the same as it did when Johnnie was alive," he said. "There are a lot of changes going on over there and they are not

occurring voluntarily. People are being forced out and the partners over there have gone into legal areas where I know Johnnie said he did not want to go."

The attorney asked to remain anonymous because, "I don't want to be accused of tearing down the great work Johnnie did," he said. "But all the people who Johnnie loved and trusted and with whom he built the practice have been kicked out, and I think it's disgusting."

Ali and that attorney compiled a list of the Black staff members who, by their observation, have left the

firm since Cochran's death from a brain tumor at age 67. The list includes Jan Bowers, the receptionist who was with the office for 20 years; attorney Eric Ferrer, Cochran's managing partner who worked with him for more than 20 years; attorney Shawn Chapman Holley, a managing partner and Sonia Davis, Cochran's personal assistant for more than 15 years. The status of attorney Cameron Stewart, a Cochran attorney for more than 15 years, is unclear.

New people and new areas added to the practice since Cochran's death are Salli

Wright, the chief operating officer, and a whole new criminal defense division, of which Vincent Imhoff is the managing partner and for which Ron Miller is a Santa Monica-based consultant. Wright, Imhoff and Miller are white.

In an interview with Randy McMurray, the firm's managing partner, and Brian Dunn, a partner - the pair who unequivocally assert that they are the only decision-makers for Cochran's home office - the two were asked the whereabouts of the missing staff,

See COCHRAN/6C

