

Oct. 24, 2006

By [Lorene Yue](#)

HSBC Dips Toe in Commercial Waters



(Crain's) — Aimee Daniels is a litmus test of sorts.

As the senior vice-president and regional commercial executive heading up HSBC North America Holdings Inc.'s new commercial banking group in the Chicago area, her role is to penetrate the market and help the bank expand its presence in the Midwest.

"We want to raise the profile of HSBC," said Ms. Daniels, 43. "The name is not as well known in Chicago as it could be."

HSBC N.A., a unit of London-based HSBC Group PLC, is headquartered in Prospect Heights. Now it wants to come into the heart of Chicago, where it will compete head-to-head with other financial institutions, such as Fifth Third Bank, that have recently set foot downtown.

HSBC opened a wealth and tax advisory business downtown in May, but the commercial lending practice, along with other banking services, is a full-fledged push to see just how much of a toehold HSBC can grab in the city.

"Chicago is a competitive market and one could ask if we need another bank in Chicago," she said. "I think it's very crowded (with banks servicing) the lower end of the middle market, the \$5 million to \$100 million (range in sales)."

But the way she sees it, HSBC isn't technically new.

"We already have a lot of relationships in Chicago and even though the middle market is new (for HSBC), a lot of the infrastructure exists," she said.

The commercial lending practice joins three other business lines — cash management, private banking and commercial real estate banking. Each has its own team leader with the exception of commercial real estate, a position that has yet to be filled.

Banking analyst Gary Townsend of Friedman Billings Ramsey said HSBC's move into downtown Chicago could be a precursor of a larger commitment to the city.

"It's a toe in the water and they will leave it in the water and decide if it's too cold and withdraw or warm enough and go in to the ankle," he said.

These days Ms. Daniels, previously in charge of sales and marketing for Chicago-based lending firm CapX Partners, is busy recruiting team members and clients. Together they are making cold calls and contacting referrals to sell companies with more than \$100 million in sales on HSBC's advantage of having offices around the globe.

"They could see we have strengths on the international side, such as in Asia," she said. "We could assist clients with needs in those countries (where we have operations). "

It's a strategy that could pay off. For commercial banks to succeed in Chicago, they have to be able to offer services not found at other financial institutions, said Rich Kerbis, head of commercial banking for Wells Fargo & Co. in Chicago.

"You can't just be a 'Me too,'" he said. "If a bank can add value, if it can do something special (it will succeed)."

Ms. Daniels, who started in banking at American National Bank & Trust Co. after graduating from University of Illinois at Chicago in 1985, has experience in building an office from the ground up. She started LaSalle Bank's commercial banking office in Des Moines in 1996.

"When I left, it had eight people," said Ms. Daniels, who has a master's in management and finance from Kellogg Graduate School of Management at Northwestern University. "It is quite successful. A nice-performing business for LaSalle."

Her HSBC team currently consists of three people out scouting for business. She plans to add one more by the end of the year and then add six more next year. But recruiting could be tough if competitors are also looking to beef up their commercial banking staffs.

"In recruiting, it's all about the brand," said Peter Crist, chairman and founder of executive search firm Crist Associates. "HSBC is a fabulous brand. It's a global bank with tremendous resources."

In the meantime, Ms. Daniels will try to stay ahead of her competitors by building her team and client list.

"You win this one customer at a time," Mr. Townsend of Friedman Billings Ramsey said.