

Opinion

Streuli: Trunks, coffee shops give trust company a start

July 9, 2008

Mike Carroll and Bond Payne started their company the way many would-be entrepreneurs do. They had some business cards made and worked out of their cars and on the tables of local coffee shops.

Working out of the trunk, in the corner booth and on a cell phone is common enough if you want to launch a career in insurance sales or real estate, but it's not the way one imagines the birth of a trust company.

As Carroll said, trust officers are the stodgy people at the bank. Think on that for a moment. It's sort of like saying the deacons are the religious folks at the tent revival.

Carroll had been a trust officer for some 25 years when BankOne came along to purchase his employer, Liberty Bank. Banking was changing 10 years ago, and as far as Carroll was concerned the changes weren't going to benefit consumers. It looked like an opportunity to Carroll and one of his best clients, Bond Payne, grandson of Oklahoma City oilman William T. Payne.

Payne lived in Heritage Hills; Carroll lived in Edmond. For mutual convenience, they met in the morning at historic Kamp's to discuss potential partners and their plan for the day. At day's end they met again at Café 501 in Edmond.

The pair settled on leasing about 5,000 square feet at 50 Penn Place, and while the space was being built out the building's management gave the budding Heritage Trust 1,000 square feet of temporary space.

Apropos to almost any new business except a trust company, the space was furnished with folding chairs and card tables. Carroll and Bond covered the peeling wallpaper with butcher paper that doubled as a giant notepad.

Carroll still has some of it tucked in his credenza.

Would-be clients were first shown the office under construction and the renderings for the space, but a lot of the early business came from people who already knew and trusted Carroll, Payne or both. Their accounting software vendor, Sunguard Data Systems, got them up and running after

accepting a temporary check for \$5,000. It was probably 10 days before Sunguard knew if the check was any good.

Carroll still has the canceled check.

Adding to the fly-by-night feel was the new trust company's next-door neighbor, a dating service. Carroll said they were having fun at Heritage, but not as much fun as the folks next door. It was a long way from floor-to-ceiling drapes, thick wool carpeting and solid mahogany desks. Although the trappings of the startup were humble that first year, Carroll and Payne had good reputations.

Ken Ferguson's National Bank of Commerce had trust powers but had few clients. Ferguson agreed to a relationship that allowed Carroll and Payne to launch their enterprise. It worked out; Heritage still provides NBC's trust services, as it does for Stillwater National Bank, the home of its first branch office.

A second branch office was born when Chief Investment Officer John McCollum needed to move to his wife's hometown, Atlanta. With some air travel and good technology, the company became a bi-state operation.

Carroll and Payne bought a 5,000-square-foot building near North May Avenue and Grand Boulevard five years ago. They manage about \$500 million for their clients and employ 18, including themselves.

Carroll said trust companies tend to brag about the amount of money they manage, but he said that's not the foundation of the business. What allowed Heritage to launch from the trunk of a car and a booth at the coffee shop is the same thing that helped them grow: their relationships with people, whether they are clients, partners or employees.

They don't call it a trust company for nothing.