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Fifth Third growth could add operation center here

Charlotte Business Journal - by [Will Boye](#) Staff writer

First Charter Corp. employees will find out next month if they are going to lose their jobs due to the bank's sale to Cincinnati-based **Fifth Third Bancorp.**

As it prepares to reduce headcount at the bank, however, Fifth Third is also weighing the need for a Southern operations center and whether Charlotte might be an appropriate location for such a facility. That could potentially create new positions here.

"It comes down to what they decide to do from a big-picture operational standpoint -- whether or not they decide to build a third operations center in the South or roll it all into Cincinnati, for example," says Bob James, First Charter chief executive. "And there really have been no decisions made about that yet."

In August, First Charter announced it had agreed to sell to Fifth Third for \$1.1 billion. Fifth Third plans to cut 25% of First Charter's annual expenses and expects to eliminate duplicative corporate jobs and back-office positions in operations and information technology. The company expects to achieve nearly 40% of its cost-cutting goal in 2008 and the remainder in 2009.

The deal is expected to close early next year, with a systems conversion likely in April.

James says the company has promised to let all impacted employees know by the end of November.

As it prepares to trim expenses at First Charter, Fifth Third has been bulking up in the Southeast recently, a trend that has prompted some new dialogue about a Southern operations center. The bank's retail branch network already extends into Florida and Tennessee. With the First Charter acquisition, it will pick up 58 branches in North Carolina and plans to add between 20 and 40 more in the state.

Fifth Third has also been adding locations in Georgia as well. It is buying nine Atlanta-area branches from First Horizon National Corp.

Fifth Third has two operations centers, one in the Cincinnati area and another in Michigan. But with its growing presence in the South, the bank is giving thought to a third. "I think it's something they knew they had to consider at some point in the future, so why not consider it now," James says.

The available space that First Charter has in its 230,000 square-foot First Charter Center would be a positive for Fifth Third if it decided to pursue an operations center here, James says. The bank is still pursuing a sale of the headquarters campus but has identified space nearby for an operations center in the event that it is sold, which Fifth Third also found encouraging.

James says the bank would still like to move its main office to a more visible location in Charlotte. "We'd very much like to be in the uptown area of Charlotte and have our name on one of those nice big tall buildings down there," he says.

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