

Nicolet National Bank raises \$9.5 million in private capital

By Paul Gores of the Journal Sentinel

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million in private Green Bay's Nicolet National Bank said it has raised \$9.5 million investment it recently received from capital on top of the almost \$15 the U.S. Treasury, positioning it for new business opportunities and possible acquisitions.

Privately held Nicolet, which is third in deposit market share in Green Bay behind Associated Bank and M&I Bank, said it had planned to raise capital - which ultimately came from board members and existing shareholders - even before the government's cash infusions to bolster healthy banks became available.

"We were under no pressure from anybody to raise additional capital of any kind. But during the course of the summer, we decided that this would be a very important time to be a very, very well-capitalized bank, both defensively and offensively," said Robert Atwell, chairman and chief executive.

The private capital-raising effort concluded Dec. 31.

million million. It had profit of about \$1.3 Nicolet has assets of \$625 through the first nine months of 2008.

Atwell said the additional capital "gives us an extraordinary strength during turbulent times."

"Our No. 1 responsibility and objective is to support the needs of our customer base. We want to grow that customer base in a prudent way," Atwell said. "We want to develop solid relationship business. We have the resources to do it."

Nicolet was one of the first private banks in the U.S. to receive money through the Treasury's Capital Purchase Program, in which the government has been buying preferred stock in selected banks.

In a tough environment for raising capital, banks that have received or were approved for an investment from the Treasury are having more success finding private investors to help boost capital levels, said Jon C. Bruss, chief executive of Fortress Partners Capital Management in Hartland.

"To be able to raise it locally speaks very highly of the job they've done in the community and with their customers," Bruss said of Nicolet.

Atwell said the new capital from the government and private investors million. translates to new growth capacity of about \$250

"While it's a great time to have a great defensive position - and we certainly are in that - we do think the next several years are going to be a time of extraordinary opportunity for organizations that have the discipline to keep themselves well positioned," Atwell said.

That could include acquisitions of other banks - or branches of banks - that aren't as strong. Nicolet currently operates in northeastern Wisconsin and the Upper Peninsula of Michigan, and probably wouldn't make an acquisition far from its current market, Atwell said.

"We are going to keep our eyes open," said Mike Daniels, Nicolet's president.

Nicolet also has been picking up business from companies whose previous banks have been more focused on internal matters during the financial crisis, Daniels said.