

Rolodex

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EMORY

GOIZUETA
BUSINESS
SCHOOL

Introduction



- Iqbal Kahn
- Tidjane Thiam



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"Citizens has been adding around 300 new clients every year across its footprint, and it's done so primarily by hiring local bankers in its newer

Summary

Theory:

- The ability of banks to create information about their borrowers is at the core of banking (e.g., Diamond, 1984; Petersen and Rajan, 1994; Berger and Udell, 1995).
- The soft information of these relationships is concentrated in individual bankers (Liberti & Petersen 2019).

We find that

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Related literature and contribution

We contribute to the nascent literature on the role of bankers for large borrowers and the literature on information flows through capital providers

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- Herpfer (2017) shows that individual bankers in the U.S. syndicated loan market obtain significant information about their borrowers
- We show that
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 - ▶

Data I

Bankers, Loans, Firms, Alliances

We need data on loans, accounting variables, strategic alliances and bankers. Data spans 2002 to 2012, sources are

- LPC Dealscan
- Compustat
- SDC Platinum and CapitalIQ
- Banker data from Herpfer (2017)

Data II: Individual Bankers

Data on bankers from the signature pages of loan contracts

- Algorithm to identify publicly available loan contracts from EDGAR

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

COMPANY:

██████████ CORPORATION

By: /s/ K. ████████ P. A. ████████

Name: K. ████████ P. A. ████████
Title: Vice President and Chief Financial Officer

Notice Address:

██████████
San Francisco, CA 94111
Attention: Mr. K. ████████ P. A. ████████
Vice President and Chief
Financial Officer
Fax: (415) 398-1905

LENDERS:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
individually and as Administrative Agent

By: /s/ D. ████████ A. N. ████████

Name: D. ████████ A. N. ████████
Title: Vice President

Notice Address:

420 Montgomery Street, 9th Floor
San Francisco, CA 94163
Attention: Mr. D. ████████ A. N. ████████
Vice President
Fax: (415) 421-1352

Data II: Individual Bankers

Data on bankers from the signature pages of loan contracts

- Algorithm to identify publicly available loan contracts from EDGAR
- Extract the following data items from signature page:
 - Bank Name
 - Bank Role
 - Person Name
 - Person Title

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Appendix

Data: Quality Assurance

Most contracts feature signatures. Algorithm is reliable. Signatures proxy for involvement.

Randomly sample 100 contracts to check quality of data:

- 65% of contracts feature signatures, other contracts are dropped
- 80% of signatories are extracted successfully

Talk to various bankers in commercial lending

- Authorization of signature only for high ranking bankers
- Bankers that sign are the ones negotiating
- Titles are at the level of junior seniors
- LinkedIn search: Relationship bankers, commercial bankers

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