

It was satisfying to beat The Wall Street Journal on this one. Ran on 1A in The Charlotte Observer.

BANKER MCCOLL TO RETIRE IN APRIL ANNOUNCEMENT TO BOFA SET
WEDNESDAY

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Text:

Hugh McColl Jr. on Wednesday is expected to announce to Bank of America Corp.'s board that he will step down as chairman and chief executive of the nation's largest consumer bank in April, sources said.

McColl also is expected to recommend that Bank of America President and Chief Operating Officer Ken Lewis succeed him as CEO.

The move will signal the end of one of the most significant business careers of the past 100 years and the close of an era for Charlotte.

Appointed chief of predecessor company NCNB in 1983, McColl built that bank from \$12 billion in assets and 7,600 employees into a coast-to-coast empire with about \$642 billion in assets and a payroll of more than 140,000. In Charlotte alone, the bank employs more than 10,000.

A Bank of America spokesman declined to comment and said McColl was unavailable.

McColl has been expected to retire in late April at the company's annual shareholders' meeting, though no announcement has been made. Sources say McColl, 65, will make that decision official to directors during their regular meeting Wednesday.

Lewis, who will turn 54 in April, has been considered the favorite to succeed McColl for more than a year.

The transition is a seismic shift for Charlotte, a city that McColl helped build.

"When he retires, he will lose his platform and his vault, but he will retain a vast personal influence," said Rolfe Neill, retired publisher of The Observer. Neill was a longtime member with McColl in "The Group," business leaders who met to discuss ways to improve Charlotte.

McColl won't disappear from Charlotte's civic life, Neill said. But "it's just like anything else: There are certain tools that come with the job of being chairman of a bank, " he said.

McColl used those tools, which included the bank's own need for expansion, to fill uptown Charlotte with everything from the bank's 60-story, crown-topped headquarters to a company-sponsored child-care center.

McColl's bank launched the revitalization of North Tryon Street. The bank led redevelopment of Fourth Ward some 20 years ago and built a technology-and-housing campus called Gateway Village in a dilapidated corner of Third Ward. McColl was determined to bring people back to the once-empty uptown, to make it a 24-hour hub of housing, shops and entertainment.

McColl's exit to private life will come just after another titan of Charlotte and the banking industry, Ed Crutchfield, steps down as chairman of First Union Corp. in March. Crutchfield in the past year has battled cancer. He has said it is now in remission.

"With guys like Ed Crutchfield and Hugh McColl retiring, that sort of passes the mantle on to the next generation of business leaders and civic leaders in Charlotte to fill the void," Ken Thompson, Crutchfield's successor, said Saturday. "And I think we all look forward to doing that."

At his bank, McColl created a culture that emphasized teamwork, intense loyalty and a taste for risk.

With breathtaking speed, he bought bank after bank, continuing a merger campaign launched by his predecessors, Addison Reese and Tom Storrs. Each time his team landed in another city, hunkered down in hotel rooms booked under false names, and then celebrated another bank takeover, McColl's reputation as a tough negotiator, hard-charging ex-Marine and all-around ruthless banker grew.

"I was born with competitive blood," he told *The Observer* in 1989.

He wasn't far from the truth: His father, Hugh McColl Sr., ran a bank in his hometown of Bennettsville, S.C., that had been started by McColl Jr.'s great-grandfather. Throughout his life, McColl's father demanded big things of Hugh, but not at the family bank. When McColl Jr. got out of the Marine Corps, his father told him he wasn't needed at home in Bennettsville. Instead, father got son a job at American Trust Co. in Charlotte - a forerunner of Bank of America.

From the time he was small, McColl was drilled in the ways of winning. As a schoolboy, he once proudly brought his report card to his grandmother to show her he was second in his class. She patted him on the hand and said, "You'll do better next time, son."

Still, the image of himself as a hyper-aggressive businessman has chafed McColl. And some former employees who were close to him say that along with his drive to win, he's exhibited empathy and interest in the individuals around him.

In 1998 McColl sealed the deal to merge Charlotte's NationsBank with San Francisco's BankAmerica. Since that heady victory, McColl has seen his bank's stock plunge from a high of more than \$80 a share to Friday's \$49.19. Last year's interest-rate hikes, stock market shakeups and a slowdown in the traditional business of banking have hurt many banks, including McColl's. Last year, to slash costs, Bank of America began cutting what will ultimately total 10,000 jobs nationwide.

In 1998, at the board's request, McColl agreed to stay on at the bank until June 30, 2002, rather than retire when he turned 65, in June 2000. That decision came after McColl's intended successor, David Coulter, head of the old BankAmerica, resigned under pressure from McColl's team. Coulter's career with the merged bank ended when a risky hedge fund investment he engineered lost several hundred million dollars.

Over the past year, however, McColl has said he intends to retire "sooner, rather than later."

In an earlier interview, McColl said after retirement he intends to stay active in Charlotte's center-city development.

McColl, said First Union's Thompson, has been "a real leader in our industry. He's built a great organization and an incredibly strong competitor."