

Banking on a common language

By **Kirsten Orsini-Meinhard**
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Pianist Victor Noriega performs in the lobby of Lynnwood's UniBank, which has become an Asian-American gathering place.

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Eva Ahn, whose mother once ran a bakery in South Korea, secured a line of credit from UniBank to open Shilla Bakery in Lynnwood.

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Eva Ahn's mother ran a bakery in South Korea, and it was Ahn's dream to start her own when she moved to Lynnwood about a year ago from Virginia.

The problem was finding financing, especially with a sizable language barrier to break through.

After shopping around, she landed at **UniBank**, a new bank in Lynnwood catering to Asian-American clients, where she secured a \$50,000 line of credit.

Ahn opened Shilla Bakery in July on Highway 99 in Lynnwood, filling the small store with sweet-potato pastries and European-style croissants.

"It's picking up," Ahn said proudly as a steady stream of customers filled trays with freshly baked goods on a recent morning.

UniBank is the latest in a growing wave of banks opening specifically to reach Asian-American customers, a largely underserved demographic in the Puget Sound region, according to banking experts.

In Snohomish and King counties, Asian Americans represent 11 percent of the population — the largest minority group, according to research firm Claritas.

In Lynnwood, about 18 percent of the population is Asian American.

Many of the mom-and-pop stores dotting Snohomish County are run by Asian Americans who often have just immigrated to the United States from their native countries and don't speak English very well.

That's a problem Andrew Ghim, president and chief executive of **UniBank**, is keenly aware of.

"It's not easy to cater to those different languages," said Ghim, who was born in South Korea and raised in Brazil. UniBank's 17 employees speak a collective six languages.

Ghim founded **UniBank** last November with \$20.5 million in capital. Seven months later, the company posted its first monthly profit of \$12,033 — eight months ahead of expectations. Customer loans and deposits total \$57 million.

Buoyed by its success, the company plans to open branches in Tacoma, Federal Way and Bellevue by the end of 2008.

"We feel very optimistic about the future," said Ghim.

The growing Asian-American population across the Puget Sound region makes community banks a necessity for the businesses that serve them, said Jim Pishue, president of the Washington Bankers Association.

Already-established national banks also are jumping on board, hiring tellers who speak different languages to reach more diverse groups of residents.

"We've seen several more banks open over the last several years, so obviously there's a reason for it," Pishue said.

Also expanding is Seattle-based Pacific International Bank, with four branches across the Puget Sound region, including a small location in Lynnwood.

The bank, which caters largely to Korean-American clients, hopes to open a Bellevue branch.

"Community banking is very personal in a way that's not the same at a bigger bank," said Steve Faust, executive vice president and chief operating officer.

Ghim likes to make one thing clear: Though his bank largely serves Asian-American commercial clients, it's an American bank, chartered in Washington. That's a big distinction because there are branches of Asia-based banks scattered throughout the country.

Those are different, Ghim said, because their charters allow them different rules.

To alleviate any confusion, UniBank's business cards have a red and blue logo against a white background.

"The face of America is changing, and all the banks must adapt a different standard," Ghim said.

As banks step up to fill the niche, inevitably comes competition. Pacific International Bank filed suit against **UniBank** in May, alleging that the bank improperly recruited its employees and "utilized improper means" to solicit customers, according to the complaint filed in King County Superior Court.

Faust declined to comment extensively on the lawsuit but did say it wasn't about the competition between the two financial institutions. Ghim said he doesn't expect the ongoing suit to dampen the company's growth plans.

In some ways, **UniBank** has become more than a financial institution for Lynnwood. It also hosts weekly concerts in its expansive lobby, featuring local musicians.

As a result, it serves as a gathering place for the Asian-American community, said Ahn, who attends the concerts.

"Communication [at the bank] is a lot easier," she said.

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