

## TAKING STOCK IN A NEW LATINO-OWNED BANK

Friday, 14 July 2006



**Maria Contreras-Sweet (center), founder of the new Latino-owned Promerica Bank, is welcomed by Richard Mac Bride, Carlos Figueroa, and Angie Cardoza, Board Members with the Greater San Jose Hispanic Chamber of Commerce. Photo by Elena E. Robles**

**By Elena E. Robles**

Yes, there have always been the role models. Unfortunately too few of the "firsts," the door openers, or the path breakers have been Latinos or Latinas.

On Thursday, July 6th, the Greater San Jose Hispanic Chamber of Commerce hosted a "first" at their weekly business luncheon held at Maggiano's Restaurant. At one time, Maria Contreras-Sweet, the first Latina Secretary of the Business, Transportation and Housing Agency of the State of California, managed a \$12.4 billion budget that represented the 13 departments that maintained the state's industrial and financial infrastructure.

"California is now the fifth largest economy in the world," said Contreras-Sweet. "Diversity is its strength, both in geography and in its people and pluralities. And," she continued, "we need to remember that the issues for Latinos are issues for all families."

Now, Contreras-Sweet along with a select group of stockholders is opening a new bank; the first Latino-owned bank in California in 35 years.

Promerica Bank of California is being created from the investments of an initial 25 Latino families. It will be centered in Los Angeles, home to the largest Hispanic population in the United States. It's a logical and practical move considering that Latino purchasing power nationally will top \$1.08 trillion by 2010.

California already has the largest total Latino buying power in the nation, but by 2010, Latino purchasing power in the state is expected to reach \$294 billion, a jump of more than 45 percent in less than four years.

In spite of the fact that U.S. Latino buying power is greater than the GDP of most countries in the world, the 2000 U.S. Census estimates that one-third of the U.S. born Hispanics and nearly half of all Mexican immigrants do not have bank accounts. Promerica Bank founders intend to create a customer service model that addresses the reasons for the Latino preference to deal primarily in cash, and will open branches beginning with the largest California communities of Latino demographics.

According to a study by the Joint Center for Housing Studies of Harvard University, Latinos are also expected to account for nearly one-third of the nation's home buying pool by 2010. Among the various banks and institutions that currently finance Latino home ownership and family-owned businesses in California, there are over 40 Asian-oriented ones but none focused on Latinos.

When asked why anyone should be concerned as long as Latinos are getting good service, Contreras-Sweet answered: "Because its time we owned it. It is just time."

Maria is a former member of the Federal Glass Ceiling Commission and serves as a member of the International Women's Forum and the Women's Leadership Board at the John F Kennedy School of Government at Harvard University. She is also on the executive committee of the Los Angeles Chamber of Commerce.

Close Window