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## The banker's architect

Local firm has created the look for thousands of bank branches

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Clay Elder wondered if his first design job from NationsBank Corp. 15 years ago was some kind of test.

The bank hired him to renovate a dingy branch in Greensboro that was badly in need of an overhaul. With its worn, gloomy brick exterior, the building simply didn't convey the welcome that banks need in trying to appeal to customers.

"I got the impression they gave me this dog figuring there's no way I could make it any worse," Elder jokes.

He and his firm, ESD Architects and Interior Design, came up with a makeover that impressed bank officials and led to a long relationship with what is now Bank of America Corp. spanning more than 450 projects.

Since leaving Little & Associates Architects (now Little Diversified Architectural Consulting) in 1989 to launch his own firm, Elder has focused on the banking and financial services industry, working on more than 3,500 projects for dozens of clients, including SouthTrust Corp., RBC Centura Banks Inc., SunTrust Banks Inc. and Citizens South Banking Corp.

By specializing, Elder says his firm can offer banks a comprehensive view into industry trends and developments that other firms can't match.



**BANKING ON DESIGNS:** Clay Elder's architectural firm has worked on more than 3,500 bank office projects, including GrandSouth Bank, below, in Greenville, S.C. photo SEAN BUSHER

"You ought to be able to be the expert and take the burden off the customer," Elder says. "We've become a resource that the banks don't have."

His firm generated \$2.7 million in revenue last year, and it handles 80 to 100 projects annually. Among his current local projects are designs for First Trust Bank in Charlotte and Carolina Commerce Bank, a recently launched bank in Gastonia.

"He knew what the issues were," says Steve Campbell, chief executive of Carolina Commerce, who hopes to move into a new, 10,000-square-foot facility next spring. "Even as experienced bankers, there were things that we probably wouldn't have thought about," such as how to configure the teller area for more efficient operations and how to design the bank's drive through canopy.

The Carolina Commerce building will resemble the headquarters of GrandSouth Bank in Greenville, S.C., which Elder also designed.

### **Presenting the right image**

A graduate of UNC Charlotte's college of architecture, Elder describes the look as old-line and stately, a design he says evolved after the Depression, when thousands of banks either suspended operations or closed. Between 1929 and 1934, the number of banks in the United States fell by one-third, according to historical data. In the wake of the

crisis, banks were forced to reconsider how they projected themselves to consumers, who were badly shaken.



photo courtesy ESD ARCHITECTS AND INTERIOR DESIGN

"The Depression forced the banks to start looking for ways to prove to the world that they're stable," Elder says. That included designs that conveyed long-term commitment, an aesthetic that told consumers, "It's safe to put your money here," he adds.

Beyond their often-staid exteriors, however, banks have begun to embrace retail concepts when it comes to interior design. BofA and Wachovia are among the institutions moving toward branches that are open and brightly lit, featuring amenities such as comfortable chairs, plasma-screen televisions, coffee stations and Internet stations.

The informal, warmer environment is a step away from the dark, fearful motif Elder says has traditionally accompanied a loan officer's desk. But smaller banks will wait and see how the experiment is received before following suit.

"They want to let the power hitters make all the mistakes before they invest," he says. "But I think it's coming to stay."

Building a branch typically takes five months and costs \$1 million in construction alone, Elder says, but large renovations can take up to eight or nine months and may cost more.

## **Restoration pays dividends**



**PRESERVATION:** ESD gained praise, and Bank of America Predecessor NationsBank saw an increase in deposits, after this former Graham funeral home was converted into a bank branch.  
photo courtesy ESD ARCHITECTS AND INTERIOR DESIGN

One of his unusual projects involved the \$1.3 conversion of a 100-year-old funeral home in Graham into a NationsBank branch 10 years ago. While the project was more expensive than simply tearing down the house and erecting a new branch, the community -- known for its preservation of historic buildings -- rewarded the bank with an influx of deposits it hadn't seen in years, Elder says.

"I'm convinced it's because they saved that old house," he says. "Tearing this thing down would have ruined this bank in that town."

While bankers are conservative by nature and tend to default to the safe and sound when it comes to design, Elder says RBC Centura has taken a particularly progressive, refreshing approach to the look of its branches. While he declines to discuss specific design innovations, citing a confidentiality agreement, Elder says RBC Centura has been willing to take more chances than many banks, motivated in part by its desire to increase its market share within its U.S. footprint.

The bank's Canadian executives have also peppered Elder with questions about U.S. bank-branch design. For example, in Canada, where customers are more reliant on ATMs, branches don't have drive-through areas, and officials asked Elder why U.S. bank branches had them at all.

"Why don't you have them here (in Canada)?" Elder recalls replying. "It's cold up here!"

The bank executives conceded he had a point.

"The Canadians have really questioned every little thing," he says, which has afforded the 25-person ESD staff a great opportunity to reevaluate its work and the rationale behind it. "We have a renewed sense of why we're doing it."

While the majority of ESD's business is with financial institutions, the firm has also worked on medical facilities such as the Duke Medical Center in Durham, and Elder says he would like to diversify his client base further. While ESD continues to grow, Elder also feels the impact of consolidation in the industry.

"It affects me every year," he says. When a client bank is acquired, "my relationship ends. That's the nature of the beast. You could pick up a client today and lose one tomorrow."

Will Boye  
Staff writer