

✓ County Bank merger nearly complete

SANTA CRUZ — County Bank of Santa Cruz will soon be changing its name to Pacific Western Bank, which will be the most visible result of a merger with Pacific Valley Bank that should be completed by next week.

County Bank's parent company, Cobanco Inc., will merge with Pacific Western Bancshares of San Jose to form California's tenth-largest domestically owned bank, valued at \$1 billion.

Pacific Western's 27 offices stretch from Los Altos to Carmel, including branches in Santa Cruz, Los Gatos, Gilroy and Monterey. The bank's support services will be relocated to County Bank and Trust's

existing service center in Scotts Valley.

No branch offices will be closed as a result of the merger, and fewer than 25 of 900 regular employees will lose their jobs, according to Pacific Western Chairman Phillip R. Boyce. Through attrition and limited hiring, total employment figures in both companies have been significantly lowered.

The merger has been in planning stages since last fall, and received Federal Reserve Board approval only three weeks ago. Now only approval from the U.S. Justice Department is required before the transaction can be completed.

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In January, shareholders of both companies approved the merger transaction, which calls for each Cobanco shareholder to receive 2.38 shares of Pacific Western common stock for each share of Cobanco stock.

The new company will be run by a management team combining employees of both companies. Boyce, who founded Pacific Western in 1975, will continue as chairman and E. Reese Davis, Cobanco's chairman since 1980 will serve as vice chairman.

James R. Kenny, president of Pacific Valley since 1984 will serve as

president of the new bank and Eugene E. Blakeslee will continue as executive vice president and chief executive officer. James R. Barranti, associated with Pacific Valley since 1984 will remain executive vice president and cashier.

Former County Bank managers Mel Switzer, Jr. and George R. Gallucci will hold senior management positions with the new bank. Switzer will become executive vice president for the bank's credit administration activities, and Gallucci will continue as executive vice president for the bank's retail financial services activities, supervising the new bank's 27 offices.

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