

Hoefer & Arnett to merge with Chicago firm

San Francisco Business Times - April 21, 2006 by [Mark Calvey](#)

Hoefer & Arnett, a San Francisco investment bank focused on community banks, said Friday that it agreed to merge with **Howe Barnes Investments Inc.** in Chicago.

The merger will allow the combined firm greater resources and financial capacity to serve its client community banks.

"This transaction represents a continuation of our initial mission and the next logical progression for our firm," said Steven Didion, president and CEO of Hoefer & Arnett, founded in 1982.

Didion along with Philip Economopoulos, president of **Hoefer & Arnett Capital Management** and Bob Arnett, founder and chairman of Hoefer & Arnett, will be nominated to sit on the nine-member board of the new Howe Barnes Hoefer & Arnett immediately following the deal's closing, expected to occur by the end of June.

The combined firm will have 140 employees in eight offices nationwide.

"The merger is big news in community banking circles," a Bay Area community banker said Friday.

Hoefer & Arnett will keep its San Francisco offices, where the current team is expected to remain in place.

"We are partnering with arguably the only firm that is more focused on community banks than we are," Dave Bonaccorso wrote in an email to community bankers. "Our community bank practice will remain intact."

Howe Barnes, founded in 1915, has deep roots in the community bank sector. The Independent Community Bankers of America has named Howe Barnes the exclusive provider of capital markets services for its clients.

Howe Barnes also brings strong retail-investor expertise, which will be beneficial when community banks raise capital.

"We will have substantially more capital," Bonaccorso wrote. "This will allow us to make more markets, commit more capital to trading, complete larger M&A deals and build a stronger team."