



A Wisconsin bank reaches into northwest suburban Chicago

By [H. Lee Murphy](#) March 15, 2018

Outsiders have had little success in cracking the suburban Chicago market, but Blackhawk Bancorp figures its small-business formula can work in Elgin and points northwest.

Based in Beloit, Wis., with a major office in Rockford, Blackhawk this week has opened a small commercial banking branch on Elgin's west side. The bank, **founded in 1881**, specializes in small loans of \$10 million and less to manufacturers.

"Our market is small companies with less than \$20 million in sales and fewer than 100 employees who are not being served very well by the big banks in Chicago," says Rick Bastian, the 71-year-old CEO and chairman of Blackhawk. "We had a study performed for us that showed that there are a lot of small manufacturers around Elgin who fit our target profile."

Blackhawk is filling a void, Bastian says, left by the failure of Rockford-based Amcore Bank in 2010. (Its remnants were acquired by Harris Bank from the Federal Deposit Insurance Corp.)

Bastian says he isn't afraid of declining industrial markets. In December Blackhawk opened a branch in Janesville, Wis., a city devastated by the loss of a General Motors assembly plant almost 10 years ago. "Big industry, including the fastener companies in Rockford, has left many of our markets, but there are still plenty of smaller firms engaged in machining and stamping and fabricating that we can develop relationships with," he says. "Most of these don't have chief financial officers and they are in great need of bankers who can show them how to grow."

The Elgin office of Blackhawk will be headed by **Pam Cumpata** as senior vice president of business banking. She had been president of the McHenry County Economic Development Corp. the previous eight years and an executive with other banks in the area before that.

Bastian says Blackhawk will be in the hunt for smaller community banks that want to be acquired. The company, which is publicly traded, raised \$23 million in capital in a private issue of stock a year ago and has watched its OTC shares climb from \$17 to \$27 in the past two years for one of the best small-bank returns in that period. It has close to \$750 million in assets and generated a return on assets of 0.90 last year, considered good by small-banks standards.
