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Nolan Ryan's pitch: Join my new bank

Venture based in Round Rock

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Hall of Fame pitcher Nolan Ryan and investment firm founder Don Sanders, co-principal owners of the Round Rock Express triple-A baseball team, are set to launch a new bank based in Round Rock.

R Bank Texas, projected to open in early June, has raised \$12 million in startup capital, according to filings with the Texas Department of Banking.

When Sanders and Ryan met in 1979, Sanders was a minority owner of the Houston Astros, and Ryan was a hard-throwing hurler with the California Angels who was lured from the West Coast to sign with the Houston team before going on to become enshrined in the Hall of Fame.

And with their new banking venture, those baseball ties will stay all in the family.

Sanders, founder and chairman of Houston-based investment bank Sanders Morris Harris Group Inc., and his sons Bret Sanders and Brad Sanders are among R Bank's organizers and investors. Bret and Brad are also bank directors, while their father is an advisory director.

Ryan, known equally for his savvy business skills and his 100-mph fastball during his record 27-year Major League Baseball career, is also an R Bank organizer and director along with his sons Reid Ryan and Reese Ryan, who is the bank's board chairman.

The four sons spent most of the 1980s hanging around together in the Houston Astros clubhouse due to their fathers' connections to the team until Ryan went north to join the Texas Rangers, where he played until retiring in 1993.

Banking on Round Rock Sanders says the combination of experienced bankers brought in to run R Bank and the fact that its organizers are so well-connected to the Round Rock business community should give it a leg up on the competition.

"Round Rock is growing so quickly that putting in a bank of this caliber makes sense," Sanders says. "If you were there six or seven years ago, the city looked like a different world. Management is the key when you start a bank, and we think our management and board will have a lot to contribute."

The six members of the Ryan-Sanders families involved with R Bank Texas are also interconnected as co-owners of the Houston Astros' two minor league baseball teams, the Express and the double-A Corpus Christi Hooks.

Reid Ryan is CEO of both minor league teams, while brother Reese holds the title as chief financial officer for the two franchises. Nolan Ryan and Don Sanders are the teams' principal owners.

The proposed bank's CEO is Steve Sapp, a 30-year banking veteran previously with State Bank, based in La Grange. State Bank is a subsidiary of Texas United Bancshares Inc., which was acquired by Houston-based Prosperity Bancshares Inc. in late 2006.

Reese Ryan says the bank had no difficulty raising startup capital. Over the longer term, he says the bank's already-seasoned connections in the Houston and Dallas-Fort Worth areas will likely lead R Bank into those markets.

"We already have a lot of relationships in Houston, so we feel that eventually there could be an opportunity there," Reese Ryan says.

This isn't the first inning for the Ryan and Sanders families in the banking sector. Both family patriarchs and their sons were involved in previous banking ventures in the Austin and Houston areas.

The first Ryan-Sanders joint venture in the financial services sector was The Express Bank, which opened in 1990 south of Houston, after Nolan Ryan acquired nearby Danbury State Bank and renamed the charter. A year later, he acquired the Alvin branch of Merchants Bank-Houston and folded it into The Express Bank.

That two-branch franchise, with about \$50 million in assets, was sold to

Houston-based First Community Bank in 2002. The bank took its name from Ryan's nickname, "The Express," when he was a ballplayer.

A year later, the Ryan-Sanders team resurrected the name as The Express Bank of Texas, another startup bank that opened in Round Rock with \$5.5 million in capital. The Express Bank of Texas was sold as a two-branch operation in 2006 for \$10 million to State Bank of La Grange, just before that bank's sale to Prosperity.

Courtesy of JB Goodwin