

## BFA publishes Letter on behalf of the National Black Farmers Association ("NBFA") objecting to the proposed merger of SunTrust Banks, Inc. and BB&T Corporation

Bleichmar Fonti & Auld LLP ("BFA") has published a letter on behalf of the National Black Farmers Association ("NBFA") objecting to the proposed merger of SunTrust Banks, Inc. and BB&T Corporation, and urging the Board of Governors for the Federal Reserve System ("Board" or "Fed") to reject the merger. The proposed merger of SunTrust and BB&T would be the largest since the financial crisis and it would create the sixth-largest bank in the United States. "That the proposed merger is moving forward without a lending program to offer full banking services to black and other small scale farmers is unacceptable," said John Boyd, Founder and President of the NBFA. "For decades the NBFA has raised the issue of a lack of loans to NBFA members by SunTrust and BB&T, it is time for regulators to take some action," Boyd concluded.

The NBFA is concerned that the proposed merger will increase concentration of market power as measured in banking deposits in at least eleven markets in the Southeastern United States. The merger will result in highly concentrated markets in communities in Virginia, Georgia, North Carolina, and Florida, diminishing consumer choice. In seven of these communities, the resulting increase in market share will be "presumed to likely increase market power" according to the U.S. Department of Justice & FTC Guidelines, measured through the Herfindahl-Hirschman Index.

The merged bank will be less responsive to the needs of the communities it serves. In rural and economically disadvantaged areas the merger will have disproportionate effects, such as closing branch offices and reduction in staff that oversee compliance with the Community Reinvestment Act. The supposed benefits of the merger—the increased investment in banking online or on mobile devices—are dubious because they are not tied to the introduction of new or improved products or services, but are premised on furthering industry-wide trends of realizing the cost savings associated with replacing customer service and consumer choice with technology. For these reasons, the NBFA urges the Fed to reject the proposed merger.

The letter is addressed to Jerome H. Powell, Chairman of the Federal Reserve System, Makan Delrahim, Assistant Attorney General of the U.S. Department of Justice's Antitrust Division, and Joseph J. Simons, Chairman of the Federal Trade Commission. Congressman Jerrold Nadler, Congressman James Sensenbrenner,

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Senator Lindsey Graham and Senator Amy Klobuchar were also provided copies of the letter.

**More about NBFA:**

NBFA is a non-profit organization representing tens of thousands of African American farmers and their families in the United States. NBFA provides education services and advocacy efforts concerning civil rights, land retention, access to public and private loans, education and agricultural training, and rural economic development for black and other small farmers. NBFA has fought discrimination on all fronts and has been a driving force in remedying past discrimination by the United States government. You can find more information regarding NBFA at: [http://www.nationalblackfarmersassociation.org/about\\_us](http://www.nationalblackfarmersassociation.org/about_us).