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Bill would limit state approval process.

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City National moves in on Music Row

BY ANNIE JOHNSON

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Los Angeles-based City National Bank is bringing a portion of its \$1 billion entertainment practice to Nashville, a sizable footprint that will boost competition for Music Row's financial services sector.

The bank's entry into the Middle Tennessee market also foreshadows wide-reaching possibilities for the region's multi-billion dollar music industry: optimism for an increase in lending to entertainment businesses and the evolution of niche banking amid industry consolidation.

Officials at City National declined to comment on their future plans, but several Music Row insiders said the move has been planned for at least a few months and could happen this summer.

To that point, Holly Bell, a former private bank manager with Wells Fargo, has listed a new title on the professional social networking site LinkedIn. Bell calls herself the senior vice president for the entertainment division at City National in charge of leading "a group of highly talented

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PURE LUXURY — IT'S BACK

BY ERIC SNYDER

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The apology that was written, again and again, about the end of luxury apparently needs to be struck from the record.

From high-end homes to high-heeled shoes, the luxury consumer is

making a comeback in Nashville. Turns out they weren't killed by the recession, after all — just shell-shocked.

"The human condition always leads people to want to aspire to something greater. And luxury goods are part of that," said Nelson Andrews, owner of Andrews Cadillac and Land Rover Nashville.

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Accordingly, Andrews did not panic amid reports that consumers were embracing a new frugality that would last well after any economic recovery.

But he did watch sales drop, with

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Local banks bolster efforts to salvage bad loans, leases

BY BRIAN REISINGER

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Nashville-area banks are restructuring loans at a pace that dwarfs pre-recession levels, a stark indication of how much economic pain has torn through the region.

At the end of 2010, the number of restructured loans and leases among 34 Middle Tennessee banks stood at \$132.5 million, according to a *Nashville Business Journal* review of data submitted to the Federal Deposit Insurance Corp. By comparison, that number stood at \$4.4 million at the

end of 2008 and has risen nearly every quarter for the past two years.

While not all re-worked loans qualify as "restructured," the numbers offer the clearest sign yet of how often banks are sitting down with distressed businesses of all kinds to renegotiate. Borrowers who once

could have just renewed their loans are now facing tough cuts to show their bankers they can make new agreements work.

"Years ago, no one worried about that," said Daryl McCubbin, senior

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EXECUTIVE PROFILE

PAUL FRANKENBERG

On launching a business in a recession, finding the right candidate for the job, his gift of time and his double life as Steve Kerr.

In January, health care executive search firm Kraft Search Associates spun off from KraftCPAs to become Focus Search Partners LLC. Paul Frankenberg became president and CEO, continuing the firm's mission of finding top executives and board directors for health care companies.

Q & A

WHAT IS THE MOST OUTSIDE-OF-THE-BOX IDEA YOU HAVE EVER HAD IN YOUR PROFESSIONAL CAREER? With the

support of my wife, Beth, I started Focus Search Partners (known as Kraft Search Associates at the time) in February 2001 at age 27. The recession hit in March 2001, and the events of Sept. 11, 2001, caused the search industry to experience its worst year in 35 years. The following year proved to be even worse. It's hindsight to say it was out-of-the-box thinking to start this business when the economy and employment market were not doing well.

WHAT WAS THE RESULT? The outcome was very positive. I only needed a few clients to survive during this time, and it forced me to focus on client service, marketing and positioning. With the large number of search firms exiting the market during this time, I believed that as long as I was able to serve clients well and market effectively, I would be in a good position when the market turned. This proved to be true.

WHAT DOES YOUR ORGANIZATION HAVE IN THE WORKS FOR 2011? February 2011 is our firm's 10-year anniversary. We have rebranded this year, and we expect to continue our development. Last year was the best year in our 10-year history, and 2011 is on track to surpass 2010.

HOW DID YOU WIND UP IN YOUR CURRENT POSITION? The quickest way to become CEO is to start a company.

WHAT MAKES AN EFFECTIVE BUSINESS LEADER? Organizationally: clear communication, accountability and building a great team. Personally: integrity and personal character.

WHAT WORD BEST DESCRIBES YOUR LEADERSHIP STYLE? Passionate.

GOAL YET TO BE ACHIEVED? Join a corporate board of directors to assist in business development and sales strategies.

PROFESSIONAL PET PEEVE? Showing up late to meetings.

WHAT DO YOU DO TO RELIEVE STRESS? Exercise in the morning, typically either on my bike or at the Green Hills YMCA.

WHAT IS THE SIMPLEST THING YOU NEVER LEARNED TO DO? Play the guitar. In this



JAMES YATES | NASHVILLE BUSINESS JOURNAL

town, it seems like I am probably the only person who can't play the guitar.

FAVORITE HOBBIES? Traveling; spending time with family in Tennessee, Georgia and Alabama; fitness; cycling; hiking; snow skiing and reading.

WHAT'S THE BEST GIFT YOU'VE EVER RECEIVED? Time. Medical science has benefited my life, as I was a recipient of a pacemaker in March 2005. The amazing aspect to this device is that quality of life is not impacted at all. I can work out as much as I'd like, travel wherever we choose, wrestle with nephews, enjoy a good wine and know I have a long lifetime ahead to spend with my wife.

PERSON OUTSIDE OF YOUR FAMILY YOU WOULD MOST LIKE TO SPEND TIME WITH ON AN ISLAND? Deceased: Either President John F. Kennedy or Abraham Lin-

coln. Alive: David Ingram, because he could either supply us with plenty of Coors Light or he would be able to send for someone to come get us, even by barge.

YOU'VE JUST BEEN GIVEN \$100,000 TO DONATE TO CHARITY. WHERE WOULD YOU GIVE IT, AND WHY? Monroe Carell Jr. Children's Hospital at Vanderbilt. The people within the hospital have done amazing research, and they continually provide world-class patient care.

WHEN FACED WITH TWO EQUALLY QUALIFIED CANDIDATES, HOW DO YOU DETERMINE WHOM TO HIRE? It depends how you define qualified. We focus on board, C-suite and vice president-level roles, and in these assignments it depends on whether our client needs technical experience, leadership experience or public-face/market experience. Much of the decision is based on the individual's

About Frankenberg

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Title: President, CEO and founder
Company: Focus Search Partners
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Employees: 7 (Nashville, Denver and Dallas)
Most recently read book: "Fresh Medicine" by former Gov. Phil Bredesen
Favorite music artist: Our most recent concerts are Rascal Flatts, Zac Brown, Tim McGraw and Isaac Hayden.
Education: Bachelor's degree, University of Tennessee-Knoxville; MBA, Vanderbilt University's Owen Graduate School of Management
Community involvement: Board member, Monroe Carell Jr. Children's Hospital at Vanderbilt; board member, Vanderbilt's Owen Graduate School of Management; member, Nashville Healthcare Council and Leadership Healthcare

previous experience and success, known references, communication style, cultural fit and initial level of trust between individual and company leadership or investor.

WHAT WOULD YOU LIKE TO CROSS OFF YOUR "BUCKET LIST" NEXT? Visit Italy and its vineyards with my wife.

WHAT LINE OF WORK WOULD YOU PURSUE IF YOU COULDN'T WORK IN YOUR PRESENT ONE? General manager for the Boston Red Sox.

ORGANIZATION OR COMPANY OTHER THAN YOUR OWN THAT YOU MOST ADMIRE? Big company: I'm brand loyal to Southwest, Apple and Starbucks. Smaller business: I am a fan of Purity, Mayfield, Sunset Grill, Midtown Cafe and Cabana.

CAN YOU NAME A PERSON WHO HAS HAD A TREMENDOUS IMPACT ON YOU AS A LEADER? Dick Cowart with Baker Donelson Bearman Caldwell & Berkowitz PC. He has built, and continues to build, a nationally recognized health care law practice. He shows a great commitment to his community service, and he has provided me countless hours of time to share thoughts, ideas and counsel.

WHAT IS THE ONE BEHAVIOR THAT MOST OFTEN DERAILS LEADERS' CAREERS? Flaws with their character, integrity or trust.

THEY'RE MAKING A MOVIE OF YOUR LIFE. IS IT A DRAMA OR COMEDY AND WHO PLAYS YOU? Comedy, and I am a fan of Will Ferrell.

IF YOU COULD LIVE A DOUBLE LIFE, THE OTHER WOULD BE: Steve Kerr from the Chicago Bulls and San Antonio Spurs. I regularly have people in airports and hotels shake my hand and ask me for autographs. If I only had a jump shot.