

Pick the Bank's Name: Trulance, Trulicity, Tru-micin, Trulia, Tru, Truweo, or Truist

by Charles Wendel

Which one of the above is the new name for the combined operation of Sun Trust and BB&T?

- Trulance is a drug for treating irritable bowel syndrome. Side effects include hives, difficulty breathing, facial swelling, and diarrhea.
- Trulicity treats type 2 diabetes. The most common side effects of Trulicity include nausea, diarrhea, vomiting, abdominal pain and decreased appetite.
- Tru-micin treats muscle inflammation and sports injuries. Side effects include rashes and other allergic reactions.
- Trulia is a real estate company.
- Tru is a brand of Hilton hotels and, also unrelated, a motor home manufacturer.
- Truweo makes back supports.
- Truist, the company with a symbol that looks like a knockoff of the Hermes "H", is the new bank. Side effects: TBD.

Why? Why drop two names that have a long history for one that sounds, in a word, silly? Don't the many good people at SunTrust and BB&T deserve better?

Name changes usually occur for one of three reasons:

- A company spinoff that requires a new identify
- Management wishing to assert that a company is moving in a new direction
- Mergers and acquisitions in which senior management cannot agree on the name (ego) and, therefore, decides to create a new one

Unstated as an impetus by management is a fourth reason: management wishes to look like they are heading in a new direction when in reality they might not be.

Years ago I worked for a consulting firm that had a unit focusing on name change and branding. My financial services client was being spun off from a larger industrial company and needed a new name and identity, no choice. The man who ran the branding group had a style that differed from management consultants like me; he wore bespoke suits, had a plummy British accent, and oozed significant charm. Back then the process involved, first, a diagnostic and, then, reviewing lists of names that were available. There did not appear to be a lot of science involved in the process.

Today, I am sure science or at least pseudo-science plays a greater role in the naming process. From the above list of names it is apparent that "Tru" with something after it tests positively with focus groups.

In many of the M&A deals we have seen, including a number recently, the heads of the two companies involved pick the winning name from one of the two existing names; in some cases the surviving name is a consolation prize for the bank that, in truth, is being

swallowed up the bank that is giving up its name.

Sun Trust and B&T spent shareholder dollars on developing “Truist purple”, in the company’s words: “You take the BB&T burgundy and the SunTrust blue and you put those together — the merger of those color palettes brings out the Truist purple.” The logo consists of two “Ts” in a square, as the Charlotte Observer reported: “The two T’s inside the square are supposed to represent touch and technology, while the square itself is meant to symbolize trust, according to a company presentation on the logo.” Yikes!

Name changes can be fun; the process creates a sense of excitement and allows management to digress from the really important decision-making. For banks considering a name change, top management and the Board should ask the following questions and push bank on the initial answers that the branding consultants provide:

- ✓ What is the strategic purpose of the name change? What will it really accomplish?
- ✓ What’s the all in cost involved in making this change in signage, advertising, people, etc.?
- ✓ What’s the ROI impact of the change and over what period?
- ✓ How might the same amount of dollars be used in other ways, such as, revenue generation, preserving more jobs, improving the customer experience (they often get forgotten in this process), etc.?
- ✓ Is there a better option or an MVP-like option?

In the case of this transaction, there is no doubt that the two banks needed one name to go forward. But think for a minute of words and images that a bank might like to conjure up in its customers.

Who doesn’t like the Sun? What bank would not desire to be Trusted? I think it is fair to ask how many dollars and many person-hours might have been saved with this obvious choice.

Why did the combined bank not make this choice? Since this is Black History Month it is particularly fitting that Dick Gregory, the great comedian and social commentator, should provide a valuable perspective: “The most difficult thing to get people to do is to accept the obvious.”