

**OPENING REMARKS
JOHN W. RYAN
CSBS PRESIDENT AND CEO**

**COMMUNITY BANKING IN THE 21ST CENTURY RESEARCH CONFERENCE
ST. LOUIS, MISSOURI**

October 2, 2013

Thank you.

I am honored to be here today, helping to kick off the inaugural Community Banking in the 21st Century research conference.

The value of this conference, and I hope the conferences that will follow it in coming years, is that it brings together multiple perspectives: of the industry itself, of state and federal regulators, and now of academics.

Combined, this breadth of information and research provides us with a thoughtful and wide-ranging foundation for assessing the importance of community banks, as well as the challenges and opportunities they face.

As public officials with a local presence, state financial regulators have the opportunity to see the impact community banks have on the towns and areas they serve. We see firsthand the unique and positive relationships community bankers have with their customers. And through the town hall meetings state regulators held this summer, we have heard directly from the industry about the challenges and opportunities they see.

The recent financial crisis sometimes affirmed, and often challenged, what we think we know about how our financial system works. It renewed discussions about the importance of a diverse banking system to provide a more stable and resilient financial system. And it highlighted the system's dynamic nature and the push and pull of local, national, and global forces.

The crisis also showed us how important it is to have public policy that better reflects how the various components of our financial system contribute to the economic life and financial well-being of individuals, businesses, states, and the national economy. And there is still much to understand about how financial policy and regulation shapes and impacts all aspects of the financial system.

By conducting new research, collecting better data, and compiling more thorough information, our hope is to provide a better basis for future public policy.

As public servants, we must strive for better tools to assess how our banking system is meeting the diverse needs of our economy and whether we are achieving our goals of a more stable and resilient financial system. To do this, we need robust, honest, disciplined research and a willingness to challenge our assumptions.

I hope this conference, the academic research being presented, and the feedback state regulators gathered directly from the banking industry will give us a better understanding of where we are now and where we are going. Moreover, I hope this is just the beginning of a more vigorous discussion among the industry, academics, researchers, and regulators about how our banking system and its regulation can better serve individuals, our local communities, and our national interests.

Thank you for your participation in this important conference.