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Justin Wolnitzek

Good morning, Justin

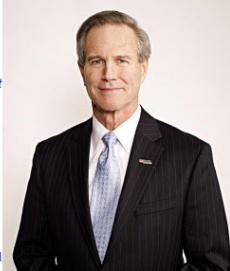
Meet the Lead Director of U.S. Bancorp

Art Collins is about to celebrate his 20th year on U.S. Bancorp's Board of Directors.

Monday, December 07, 2015

Inside USB recently sat down with Arthur (Art) Collins, the lead director on U.S. Bancorp's Board of Directors. In 2016, Art will celebrate 20 years of service on our board. Along with his service on our board, Art also serves on the boards of Alcoa, Inc., The Boeing Company and Cargill. In addition, he is senior adviser at Oak Hill Capital Partners. Formerly, Art served as Chairman and CEO of Medtronic. In 2016, Art will add a new activity to his busy schedule as he and Sophia Shaw, President and CEO of the Chicago Botanic Garden, establish Acom Advisors, a consulting firm that will provide counsel to nonprofit organizations.

Art is also the author of nine children's books titled "The Adventures of Archibald and Jockabeb," which chronicle two young brothers' amazing adventures as they grow up in the 1980s. You can find more information on his books at www.theadventures.com.



Hi, Art. Thanks for speaking with us today. You joined our board in 1996, and in 2016, you'll be with the company for 20 years. What are you most proud of during your time on the Board?

First of all, it is great to connect with employees – the Board spends a lot of time thinking about and working on behalf of the U.S. Bank team. Over the past 20 years, I have watched the business evolve and I have also worked with three different and uniquely distinct CEOs. I have seen significant expansion of the company both in terms of the employee base, which has grown to more than 67,000, and our asset base, which is now more than \$415 billion.

What I am most proud of is how the business has stayed true to its core values as it demonstrated sustainable growth, particularly during the financial crisis of 2007-2009. While every bank was affected during that period, we did not suffer many of the significant problems and losses that a number of the other banks did. I think this is a tribute to the effective policies, procedures and oversight that we had in place then, and that are even stronger today.

What is the biggest change you have seen here?

Setting aside the regulatory constraints under which banks now operate, the biggest change during the last 20 years has been the increased breadth of services we provide, both from a geographic and product/service standpoint. Now we are organized into four different revenue-generating business lines. Geography-wise, our footprint has expanded in the United States, and when it comes to Payment Services, internationally as well.

Was this evolution initially part of the board's vision? Can you talk about how we went from being a small to a large bank?

I think some of it was foreseen, but we also made a few opportunistic decisions when potential acquisitions became available. Many banks expanded geographically in order to build a much broader footprint. We also did this, but only when the investment made good financial and strategic sense. As U.S. Bancorp became larger and more diverse, and as we continued to operate at a level in which all of our financial metrics were best-in-class, we evolved to a point where we controlled our destiny rather than the other way around.

U.S. Bancorp operates in a highly regulated industry. What are some of the differences and similarities for a lead director in the banking industry versus other industries?

One of my roles as lead director is to periodically meet with regulators who oversee U.S. Bancorp. These regulatory bodies in the U.S. include the OCC, Federal Reserve, FDIC and CFPB. This is not a requirement for lead directors of companies in many other industries. Many of the lead director responsibilities that are outlined in our proxy statement are similar to those of other companies. In addition, as is the case with other boards on which I sit, the lead director occasionally meets with key investors so they can obtain an independent view from management.

What perspective are investors looking for?

Our major investors look for an indication that the lead director and the Board have a good understanding of U.S. Bancorp's business and corporate strategy. Investors also want to be assured that there is a strong governance model in place, that there is a robust risk management system, and that opportunities and challenges can be effectively overseen as they arise.

What is your vision for U.S. Bancorp?

In June, management presented to the Board its new three-year strategic plan. It was a very comprehensive plan that focused on growing through three pillars: Optimization, Governance, and Customer Focus. The Board fully supports this strategic plan and given the dynamic evolution of the competitive environment, overseeing the execution of this strategic plan will be one of our highest priorities. The Board understands that U.S. Bancorp is starting from a strong position; however, we know that we have to keep building our competitive advantages in order to continue to profitably grow over the long-term.

What is it like to be Richard Davis's boss?

(Laughter) I am fortunate to have Richard as my partner in the lead director/CEO relationship. In my view, Richard is the best CEO in banking. He is knowledgeable and well-respected, both inside and outside of the banking industry. He has excellent values and ethics, he leads by example, and he is a great communicator. Frankly, working with Richard is enjoyable, and that makes my job a whole lot easier. I also have a very good relationship with the entire Managing Committee. And, by the way, knowing the entire senior management team is another major responsibility of the Board.

What motivates you when it comes to daily board activities?

First of all, I think it is extremely important to remember that what U.S. Bancorp does is fundamental to a well-functioning financial infrastructure in this country. We really do affect people's lives because if individuals and businesses do not have access to our products and services, their daily activities come to a halt. I am also fortunate not only to represent the company, but also to be a conduit for communication between the Board and the CEO. As I said before, my job is made much easier due to the quality of our Board and our senior management team.

What do you do in your spare time?

When I retired as Chairman and CEO of Medtronic, many people thought I would write a book on leadership or strategy. Quite frankly, I didn't think the world needed another ex-CEO espousing on these topics, let alone the fact that it would have been a somewhat boring undertaking. At the encouragement of my two daughters, I wrote a series of children's books and it took me about seven years to complete nine books. When I am not working, I enjoy hiking, skiing, golfing and spending time with my family.

I am also pleased to be launching a new consulting firm at the beginning of 2016. Acom Advisors will consult with CEOs and board chairs of nonprofit institutions, as well as corporations that make philanthropic investments, focusing on governance, strategic planning, goal setting, succession planning and risk management.

As you can tell, spare time is a relative term!

Anything else you'd like our employees to know?

Let me conclude by saying that I am honored and very proud to serve on U.S. Bancorp's Board and as the lead director. I am very excited about the U.S. Bank's future, and on behalf of the entire Board, I would like to thank each and every one of our employees for all your hard work and for making U.S. Bancorp one of the strongest financial institutions in the world.





*Art (left) and Bill Parker (right),
Chief Risk Officer.*

*Art after a reading to a group of
children in Charleston, South
Carolina.*

The information in this article is current as of Dec. 7, 2015, and is subject to change. For U.S. Bancorp internal use only. Visit U.S. Bank online at usbank.com, or on [Facebook](#), [Twitter](#) and [YouTube](#), for more U.S. Bank news and updates.

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Cristalee Brynwood posted about 2 hours ago:

Thanks for taking the time to share with us Mr. Collins. I will have to check out your books, *The Adventures of Archibald & Jockabeb*, and I look forward to hearing about your work with Acorn Consulting.