

Sivb 1678



**ASSIGN
BUSTER**

Silicon Valley Bancshares (SIVB) NASDAQ

Silicon Valley Bancshares is helping to fund the high-tech revolution. The Santa Clara, California firmly established parent of Silicon Valley Bank, which essentially serves companies in the high-tech and entertainment industries. This bank provides lines of credit, cash management, factoring, and foreign exchange services through 17 offices throughout California and other high growth areas. The bank specializes in offering startup scratch (in the form of short-term loans, and lines of credit) to nascent Net nabobs waiting for their venture capital to come through. In exchange, startup clients are counted upon to deposit venture funds in Silicon Valley Bank accounts. As a part of its lending, the bank also pursues warrants to buy equity stakes in its clients. Silicon Valley Bancshares' key competitors are Bank One, Bank of America, Bank of West Comerica, FleetBoston, Imperial Bancorp, Mitsubishi Trust and Banking U. S., Bancorp, and Wells Fargo. These are some of Silicon Valley Bancshares targeted industries; communications, online services, computers, emerging technologies, life sciences, semiconductors, software, venture capital, entertainment, premium wineries, and real estate.

The Silicon Valley Bank brought into existence by Roger Smith in 1983, which provided bank services to tech startups in San Jose. The bank grew along with tech companies, and was a main lender to Cisco Systems. Silicon Valley was introduced to Boston's technology companies in 1990, and was also being used Oregon and Washington. The bank has also expanded to residential and commercial real estate lending. The recession of 1989-1991 found Silicon Valley Bancshares with an overextended loan portfolio, and in 1992 the bank booked a loss due to non-performing loans. In 1993, Silicon

Valley Bancshares was put under Federal Supervision. To gain stockholder confidence Silicon Valley brought in new management and reduced its lending and diversified into factoring, foreign exchange, and executive banking for venture capitalists and clients' upper management. In 1999, Silicon Valley Bancshares created a web-site targeted at technology firms in need of financing, employees, office space, and equipment. But, the problem with non-performing loans has continues to affect the company's profits.