



UPDATE 1-Ex-Commerce Bancorp CEO Hill joins Saladworks

By Jonathan Stempel

NEW YORK, Feb 12 (Reuters) - Vernon Hill, ousted last June as chief executive of Commerce Bancorp Inc (CBH.N: [Quote](#), [Profile](#), [Research](#)), is returning to his roots in the restaurant business.

Saladworks Inc, which operates 88 stores, said on Tuesday that Hill, 62, joined as chairman of its executive committee, and made a "major investment." The company said it hopes to open 42 locations this year, and more than 500 within five years.

Hill founded Cherry Hill, New Jersey-based Commerce in 1973 and tried to make banking more enjoyable for customers, using his experience from owning Burger King restaurants.

Commerce kept branches open seven days a week, and wouldn't install bulletproof glass to shield tellers. It eventually became New Jersey's largest bank and opened more than 400 branches, mainly in and around New York City and Philadelphia, but also in Washington, D.C. and southern Florida. Commerce regularly gets high marks in customer satisfaction surveys.

"I was in the banking business for 30 years, and we built what I considered a great brand," Hill said in an interview. "I'm always looking for concepts that have been successful on a relatively small scale, that can be expanded nationwide on a large scale. We're hoping to do this with Saladworks."

Hill said he still owns 40 Burger Kings in the Philadelphia area, but that this wouldn't pose a conflict with Conshohocken, Pennsylvania-based Saladworks.

Commerce forced Hill out in June after regulators complained about dealings between the bank and partnerships controlled by Hill, and between the bank and an architectural design firm run by Hill's wife, Shirley.

Last month, Hill sued Commerce, saying his wrongful ouster cost him and his wife more than \$57.5 million. Hill declined to discuss legal and regulatory matters.

Since leaving Commerce, Hill said he has started a hedge fund investing in stocks of medium-sized banks, and took part ownership in Bankstocks.com, an online publication run by hedge fund manager Thomas Brown of Second Curve Capital LLC.

Hill's departure from Commerce cleared the way for the bank last October to agree to sell itself to Canada's Toronto-Dominion Bank (TD.TO: [Quote](#), [Profile](#), [Research](#)) for \$8.5 billion. The merger is expected to close by the end of March. Commerce shareholders approved the merger last week. Hill said he voted no.

"I'm afraid that the magic of Commerce is going to be lost," Hill said. "I'm afraid that the typical large bank mentality will cheapen the Commerce model." (Editing by Tim Dobbyn)