



Russell Goldsmith
Chairman & Chief Executive Officer
City National Bank
Remarks at Los Angeles Area Chamber of Commerce 2005 Inaugural
Gala: Corporate Achievement Award acceptance remarks
February 11, 2005

[AWARD PRESENTED BY CHRISTOPHER MARTIN]

THANK YOU, CHRISTOPHER. GOOD EVENING,
LADIES AND GENTLEMEN.

ON BEHALF OF OUR COMPANY'S 2,400
COLLEAGUES, I WANT TO THANK GEORGE KIEFER,
RUSTY HAMMER AND EVERYONE AT THE L.A.
CHAMBER FOR THIS AWARD.

I ALSO WANT TO CONGRATULATE SHARON
ALLEN, JOHN MACK AND CHRISTOPHER MARTIN. IT'S
AN HONOR TO SHARE IN TONIGHT'S RECOGNITION WITH
YOU.

IT IS ALSO A PARTICULAR PLEASURE TO WELCOME ALL OF YOU FOR THE FIRST TIME TO WHAT IS NOW CITY NATIONAL PLAZA, OUR NEW ADMINISTRATIVE AND BANKING CENTER. SOON, WE WILL HAVE 800 COLLEAGUES WORKING HERE TO BETTER SERVE OUR CLIENTS, SHAREHOLDERS AND THIS COMMUNITY.

THIS PROPERTY – IN ITS OWN WAY – REFLECTS THE FACT THAT LOS ANGELES AND CALIFORNIA ARE FERTILE GROUND FOR ENTREPRENEURS, AND THAT THE ECONOMIC LANDSCAPE CHANGES AND NEEDS TO BE NURTURED.

AS SOME OF YOU MAY RECALL, THIS LAND WAS ONCE OWNED BY AN OLD LOS ANGELES COMPANY -- THE RICHFIELD OIL COMPANY -- WHICH BECAME ARCO. ALONG WITH BANK OF AMERICA, WHICH WAS THEN A CALIFORNIA COMPANY, THEY CONCEIVED, BUILT AND OCCUPIED THIS MAGNIFICENT LOS ANGELES LANDMARK.

FOR OVER A QUARTER OF A CENTURY, THOSE TWO COMPANIES HAD A MAJOR PRESENCE RIGHT HERE, SYMBOLIC OF A REGIONAL ECONOMY THAT RELIED HEAVILY ON BIG CALIFORNIA CORPORATIONS. BUT THE LANDSCAPE HAS CHANGED. BOTH COMPANIES HAVE BEEN ACQUIRED AND MOVED OUT OF THIS COMPLEX.

SIMILARLY, OTHER GREAT CALIFORNIA COMPANIES THAT WERE HEADQUARTERED IN LOS ANGELES ALSO HAVE BEEN ACQUIRED, AND THEIR LOCAL LEADERSHIP IS GONE.

JOB CREATION IN CALIFORNIA IS NOW POWERED LESS AND LESS BY LARGE CALIFORNIA CORPORATIONS AND MORE AND MORE BY LOCAL ENTREPRENEURS, PROFESSIONAL FIRMS AND SMALL AND MID-SIZED COMPANIES.

THEY'RE INNOVATIVE; FLEXIBLE; AGGRESSIVE AND DIVERSE. THE FACT THAT THIS IS NOW CITY NATIONAL PLAZA AND THAT CITY NATIONAL – A 50-YEAR OLD LOCAL COMPANY -- HAS BECOME THE LARGEST BANK HEADQUARTERED IN SOUTHERN CALIFORNIA... THESE THINGS TELL YOU THAT HERE IN CALIFORNIA WE NEED TO CONTINUE TO NURTURE THE ENTREPRENEURS, PROFESSIONALS, SMALL AND MID-SIZED BUSINESSES, WHO ARE NOT ONLY THE FOCUS OF CITY NATIONAL'S SUCCESS BUT THE DRIVING FORCE IN THE GROWTH OF THIS REGION'S ECONOMY.

IN TURN, THESE BUSINESSES NEED TO STEP UP – AS THE CHAMBER HAS DONE FOR MORE THAN 100 YEARS – TO HELP FILL THE VACUUM OF LEADERSHIP AND COMMUNITY INVOLVEMENT SO THAT ENTREPRENEURS AND BUSINESSES TO GROW, PROSPER AND CONTRIBUTE TO THE WELL-BEING OF LOS ANGELES.

IN THAT SPIRIT, WE AT CITY NATIONAL ARE
ESPECIALLY APPRECIATIVE OF TONIGHT'S RECOGNITION
FROM THE CHAMBER.

AND THIS AWARD WILL ENCOURAGE US TO DO
MORE.

WHEN THE *WALL ST. JOURNAL* – ERRONEOUSLY IN
MY VIEW – RANKS CALIFORNIA AS THE WORST STATE
IN THE NATION TO DO BUSINESS IN, THEN IT SHOULD BE
CLEAR WE ALL HAVE MORE WORK TO DO.
FORTUNATELY, SOME PROGRESS HAS BEEN MADE SINCE
THE *JOURNAL* SAID THAT.

GOVERNOR SCHWARZENEGGER, THROUGH HIS OUTSTANDING LEADERSHIP, HAS CHANGED THE TONE, THE DIRECTION AND SOME OF THE REALITIES – NOTABLY WORKERS COMP – THAT CHARACTERIZE THE CALIFORNIA ECONOMY. HE HAS ALREADY MADE A REAL DIFFERENCE. BUT, OF COURSE, MUCH MORE NEEDS TO BE DONE.

CALIFORNIA'S ECONOMY AND ITS ENTREPRENEURS ARE STRONG, BUT THEY SHOULD NOT BE TAKEN FOR GRANTED.

IN A HIGHLY COMPETITIVE NATIONAL AND GLOBAL ECONOMY, ECONOMIC GROWTH AND OPPORTUNITY REQUIRE SUPPORTIVE PUBLIC POLICIES AND EFFECTIVE AND FAIR PARTNERSHIPS BETWEEN THE PUBLIC AND PRIVATE SECTORS AT THE CITY, COUNTY AND STATE LEVELS.

IT ALSO REQUIRES THAT WE RECEIVE OUR FAIR SHARE OF FEDERAL TAX DOLLARS.

FOR EVERY TAX DOLLAR THAT CALIFORNIA SENDS TO WASHINGTON, D.C., WE GET BACK ONLY 76 CENTS. BY THAT MEASURE, CALIFORNIA RANKS 45TH PER CAPITA AMONG THE 50 STATES.

OUR CONGRESSIONAL DELEGATION – THE LARGEST IN THE HOUSE OF REPRESENTATIVES – NEEDS TO DO A BETTER JOB AS CALIFORNIANS.

AND ALL THOSE OTHER SENATORS AND CONGRESSMEN WHO COME TO CALIFORNIA FOR OUR CAMPAIGN FUNDS NEED TO HEAR FROM US THAT THEY SHOULD STOP SHORTCHANGING US WHEN THEY GO BACK TO WASHINGTON AND DISTRIBUTE FUNDS FOR HOMELAND SECURITY, MEDICARE AND SO MANY OTHER FEDERAL PROGRAMS.

ANOTHER ISSUE THAT DEMANDS OUR ATTENTION
HERE IN LOS ANGELES IS PUBLIC SAFETY. WE NEED
MORE POLICE OFFICERS. THE CITY NEEDS TO FIND A
WAY TO START HIRING THEM NOW. THAT WON'T BE
EASY, BUT SAFE STREETS ARE A PRE-REQUISITE FOR A
STRONG ECONOMY AND AN ATTRACTIVE PLACE TO LIVE
AND WORK.

AT CITY NATIONAL, WE BELIEVE STRONGLY IN
LOS ANGELES AND CALIFORNIA. OUR COMPANY HAS
BEEN HEADQUARTERED HERE FOR MORE THAN 50
YEARS, AND OUR COMMITMENT TO THIS CITY – AS THIS
COMPLEX SHOWS -- IS STRONGER THAN EVER BEFORE.

WE'RE DEEPLY GRATEFUL TO THIS COMMUNITY
FOR OUR SUCCESS AND APPRECIATE THE
OPPORTUNITIES WE HAVE EVERY DAY TO HELP IT GROW
AND PROSPER.

THANK YOU VERY MUCH.

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