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## Charlotte Chamber: Time to take a breath

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With Charlotte-based Wachovia now in a bicoastal tug-of-war between Citigroup of New York and Wells Fargo of San Francisco, the head of the Charlotte Chamber talked about baseball this morning.

“We do not know if we're in the third inning or the eighth inning of this game,” said Bob Morgan, Chamber president.

“It's time for all of us to draw a deep breath,” he added. “Clarity is going to take time.”

When the Wells Fargo bid was announced this morning, Morgan said, “Initially I think there was a euphoria” among Wachovia employees and shareholders, as well as local leaders unsure of how Citigroup's plan to break up Wachovia into pieces would affect the Charlotte region.

UNC Charlotte finance professor Tony Plath said in a statement that Charlotte “dodged a bullet” with the Wachovia/Wells Fargo announcement.

“It is a great deal for Charlotte – for the taxpayers, the shareholders, Wachovia employees and the citizens of Charlotte,” Plath said.

“These banks are made for one another; a great combination,” he added. “This deal is still unfolding, but I would speculate that there will be joint headquarters. West of the Mississippi would be headquartered in San Francisco and East, headquartered in Charlotte.”

But Citigroup's plan to fight the Wells Fargo merger – claiming Wachovia's new agreement “is in clear breach” of an exclusive agreement with Citigroup – now has many wondering which deal will win out ... and dealing with whiplash from a crazy week.

As one Observer reader wrote in an online post, “this litigation is far from over. ... This will get extremely ugly in court.”

Morgan said that local leaders will continue to pitch Charlotte as an ideal business location, although how much of the current Wachovia remains part of that picture – thanks to the competing deals – remains to be seen.

“We don't know if it's a blow or it creates opportunity for us,” he said.