

## How Hemp Compliance Brought West Town Bank \$40M+ of Deposits in First Year

### Case Study

### The Challenge

West Town Bank & Trust is a community bank focused on thriving in niche or emerging markets. Hemp and cannabis industries have been underserved from a banking perspective for far too long. The management team was looking for a way to partner with these underserved markets without adding excessive overhead costs and providing expedient service and response rates.

West Town recognized that hemp businesses were already banking with them, so why not monetize the rewards by doing it the right way and supporting a vastly underserved market? The bank set out to find ways to monetize the risk and set themselves apart from their competitors. This would also mitigate the potential problem of making exceptions by not “kicking out” all of the current business customers in this high-risk industry.

### The Solution

West Town focused on educating the Board and Executives on how the organization could bank the hemp industry and do it right. The objective was to determine the potential gain, potential risk, and how the bank would mitigate the risk.

### The Results

West Town **screens hundreds of businesses**; allowing them to focus only on the leads that fit their target customer profile. This has enabled their team to **make risk-based decisions faster** and has streamlined their account opening process.

RiskScout automatically validates information on business operations, formation, license, key parties, related businesses, and more.

Conducting ongoing **due diligence with RiskScout Reviews** allows West Town to maintain an agile BSA team, while ensuring adherence to their program’s plan, policy, and procedures. West Town’s compliance team is able to **directly communicate with their businesses** through the RiskScout platform to inquire about material events or request updated documents.

By providing their applicants with a **completely online application process** that allows them to reuse information previously provided, **West Town garnered a higher initial app completion rate**. These efficiencies have allowed the bank to begin offering additional services, such as merchant services, lending, and insurance.



*“I had a room full of compliance people that were **actually excited about banking hemp!** A bank can’t be profitable if trying to do everything in-house. RiskScout is an incredible partner for us.”*

**Melissa Marsal**  
EVP & COO, West Town Bank & Trust



Reduced screening & onboarding from

**10 weeks to 2 Days**

**200+**

New Hemp  
Business Accounts



**\$47M+**

New Business  
Deposit Growth



**118K+**

New Fee  
Revenue

