

The Consumer Finance Podcast and Payments Pros: Welcome Trevor Salter: A Deep Dive Into Financial Services Transactions

Hosts: Chris Willis and Carlin McCrory

Guests: Trevor Salter

Date Aired: August 8, 2024

Chris Willis:

Welcome to this special joint episode of [Payments Pros](#) and [The Consumer Finance Podcast](#). I'm Chris Willis, the co-leader of Troutman Pepper's Consumer Financial Services Regulatory Practice. And Carlin McCrory and I will be co-hosting today's episode to introduce you to an old friend and colleague of mine, Trevor Salter, who just joined us here at Troutman Pepper.

But before we get into talking with Trevor, let me remind you to visit and subscribe to our blogs, [TroutmanPepperFinancialServices.com](#) and [ConsumerFinancialServicesLawMonitor.com](#). And don't forget about all of our other podcasts. In addition to these two, *Consumer Finance Podcast* and [Payments Pros](#), we also have the [FCRA Focus](#) podcast, all about credit reporting. We have [Unauthorized Access](#), which is our privacy and data security podcast. We have [The Crypto Exchange](#), about everything crypto. And we have our newest podcast, [Moving the Metal](#), all about the auto finance industry. All those podcasts are available in all popular podcast platforms.

And speaking of those platforms, if you like these podcasts, let us know. Leave us a review on your podcast platform of choice and let us know how we're doing. And if you enjoy reading our blogs and listening to our podcasts, our mobile app is a great way to do it. It's available for both IOS and [Android](#). Just look at your app store under Troutman Pepper, download it and give it a try. You'll have access to all of our blogs as well as listen access to all of our podcasts. And even a handy directory of all of our financial services lawyers. It's a great convenience so give it a try.

Now as I said, this is a special joint episode that Carlin and I are doing for both the [Payments Pros](#) podcast and *Consumer Finance Podcast*. Carlin, it's great to be doing this episode jointly with you.

Carlin McCrory:

Great to be here. And thanks for having me.

Chris Willis:

And as I said, the purpose of today's podcast is one that gives me a lot of special joy because we've recently been reunited with one of my old friends and colleagues, Trevor Salter. And so, Trevor, welcome to the podcast. Thanks for being here. And thanks for being here at Troutman with us.

Trevor Salter:

Yeah. Thanks, Chris. I'm really excited. And, Carlin, thanks so much for hosting.

Carlin McCrory:

Of course. Well, Trevor, do you want to go ahead and dive right in and tell us a little bit about your background?

Trevor Salter:

Yeah. Let's do it. Like many people, I rode the wave of the upsurge of consumer financial services work that happened at the start or that occurred with the founding of the Consumer Financial Protection Bureau. I wish I could say, since I was a baby, I've always had it in my mind that I wanted to be a consumer financial services lawyer. No surprise. That was not the case.

I grew up in Northern California. Hiking through Redwood forests and eating granola and wearing plaid. And so, I wanted to initially become an environmental lawyer. And I came out of law school and worked in-house for a solar panel company, solar panel manufacturer, and found out that I really didn't like the practice of environmental law.

And so, I needed to kind of make a career pivot and went back to the law firm that I had summered at. And that's where I met Chris and a lot of other good friends and colleagues and fell into, at that time, just the confluence of events, fell into practicing financial services and consumer financial services specifically.

Initially, it was doing a lot of regulatory work and increasing enforcement work as Director Cordray and the initial group of enforcement attorneys really started to ramp up their targeted investigations, civil investigative demands of financial institutions, both bank and non-bank in the 2010, 2011, 2012-time frame. And just ended up really loving that work. Really enjoying it.

And over the course of my years starting to do that work, the only thing that I had a tough time with just personality-wise is the zero-sum game of enforcement work and kind of pre-litigation work. Meaning that, usually, one side was not happy at all. And, oftentimes, for better or worse, it was my clients, right? Just because sometimes with those investigations, with the government both being the prosecutor and the judge, it was tough to really get our clients in a very, very happy place all the time.

And with regulatory questions, clients obviously have regulatory questions. They only really come to us when there's not a clear answer to those regulatory questions. And so, it's always challenging with regulatory sometimes to find a clear, bright line. Yes-no clear answer. And so, over time, I increasingly kind of gravitated towards transactional or deal work.

And one of the great things or one of the things that I really attracted me about that type of practice is, at the end of the day, usually both parties were pretty happy. You're engaged on a joint business enterprise. Both parties are usually out to achieve their business objectives, increased revenue, etc. And at the end of the day, people are usually pretty happy. I like that aspect.

Over time, through this kind of winding way of my career path, first starting in financial services and then finding my way to what I primarily do now is I primarily consider myself a financial services transactional attorney, deal lawyer focused mostly on strategic partnerships between banks and non-banks. Both because I enjoy that work. It's in my home. It's in my comfort level

of doing financial services work. But it's also, as I said – it usually results at the end of that rainbow in both parties being pretty happy with the result.

Chris Willis:

And Trevor, I definitely want to get into that with you in a second. But even though I've known you for at least 10 years, maybe more, I just learned something new about you that we have in common. I didn't realize you started off wanting to be an environmental lawyer. Because I also started law school wanting to be an environmental lawyer.

Trevor Salter:

Well, what happened to you?

Chris Willis:

During my first summer, between my first and second years of law school, I clerked at a firm and I did a variety of different work, including some environmental work, and I discovered, like you did, that I didn't enjoy it. And that same summer, I also happened to work with a partner named John Chiles who was into consumer financial services litigation. And I loved John. and I loved the work that he was doing. And he brought me into it. And that's how I got into consumer finance between the first and second years of law school.

Trevor Salter:

Yeah. You know, I thought that I was going to be out there going after the bad guy polluters, and saving the Earth, and so forth. And I think there are a subset of environmental lawyers that is absolutely what they end up doing. I just happened not to be one of them. The reality didn't exactly match up with the ideal that I had in my mind.

Chris Willis:

Sure. Well, let's go back to the evolution in your practice and talk about sort of where you are now. You talked about the fact that you're doing primarily transactional work and strategic partnerships between banks and non-banks. Can you give the audience a little bit more detail about the specific types of work that you do and the types of deals that you work on?

Trevor Salter:

Yeah. I put it in three buckets, Chris. The first bucket is card partnerships, payments partnerships. And so, the best example to talk about and that is co-brand credit card partnerships. I represent one bank in a number of travel brands and retailers. I primarily am actually – even though I'm a financial services lawyer, I actually primarily, not entirely, but I primarily represent the party partnering with the financial institution rather than financial institution.

In these branded card partnerships, I'll be representing the brand, so to speak, the hotel, the airline, the retailer as they partner with a credit card issuer to offer a co-branded credit card to the brand's customers. Those can be incredibly lucrative relationships. They allow the bank to

reach customers that they otherwise wouldn't get. If you want just a credit card, there's lots of different options you can go. But if you have a particular affinity for a retailer for a brand or for a travel provider, then you're going to go get that bank's credit card with that travel brander retailer. I do a lot of those strategic partnerships in the branded card space.

And so, the second bucket of work I do, I think of it as outsourcing financial services Outsourcing payments, outsourcing lending relationships. And so, this is where, again, maybe a retailer, maybe a hotel, maybe an airline, maybe a real estate back office services or a medical office services provider will need to provide payments functionality for their customers, whether their consumer customers or their business customers. And they need a payments integration or a financing integration. They need to partner with a finance provider or a payments provider to take payments, to run their business, to extend credit to their clients, to their customers.

Just to make a little bit more concrete, Chris, the example of that is merchant acquiring agreement. When a merchant wants to take credit card payments, they'll of course need to partner with a payment processor, with a merchant bank sponsor to be able to process those payments.

I'd say the third and last bucket of kind of the core types of deal work that I do, it's a little bit more kind of grab bag. I think the common thread is consumer data Integrations, I would call it. These are going to be loyalty partnerships. These are going to be taking customer data and essentially monetizing it to provide products and services beyond just the core service offering that the hotel, or the airline, or the retailer is providing. But be able to provide other products and services that that customer may be interested in.

And so, these are going to be agreements where I partner with a data broker or I partner with a data source, maybe a bank that has account information relating to that customer. Or I partner with another provider of goods and services. I would, if I'm representing a hotel or an airline, maybe I partner with a rideshare company. Or maybe I partner with a streaming company, a digital content streaming company to be able to offer shared services to that same customer base to really enrich that product experience and that customer experience that my client has with them.

Chris Willis:

I would imagine, on that last category of transaction, the CFPS's sort of forthcoming FCRA rulemaking would be of great potential impact to those sorts of partnerships.

Trevor Salter:

That's exactly right. Yeah. I mean, yeah. In addition to that, I've been following along a lot with the 1033 ruling, with the 1033 rulemaking process. And part of the work I do in that space is representing data aggregators as they access information from financial institutions. And so, just trying to track the push and the pull between where the CFPB is going to come out with – what the CFPB is going to expect an aggregator to do. Versus what the CFPB is going to expect a bank to do in that shared data ecosystem.

Carlin McCrory:

Trevor, what made you choose Troutman?

Trevor Salter:

In large part, due to fine folks like Chris. I worked with Chris and with others a lot in the past. Folks like Mark Furletti, and Kim Phan, Glen Trudel and others where I had some really great relationships and really great experiences and a lot of respect. And as I worked with them in the past, as I was on the other side of the table from them at my last firm, just a lot of respect that I have in working with them.

And, personally, friends, you want to work with people that you can talk to and you can hang out with. And that you enjoy being with when you're not talking on podcasts about financial services matters, right? And that was really key for me. When I got the call and I knew the firm, I knew Troutman, I knew the great reputation and I knew that folks like Chris and others were there and were interested and continue to work with me, it was a no-brainer for me to take that call.

Beyond that, it's clear to me that Troutman's leadership is heavily invested and motivated to continue to grow Troutman's brand profile and the depth of the Troutman bench and the financial services industry. That was really what I needed at that time. I was growing my practice, but I was just kind of reaching I think a little bit of an inflection point where it wasn't entirely clear to me how I was going to continue to dramatically grow my practice from where I was.

And so, just continue to have conversations with Chris, and with firm leadership, and with others at Troutman, it was very clear, very apparent to me that the firm wanted to only reinforce the success that Troutman has had from a brand profile, from a client debt profile, from a client depth, and from just the level of resources and attention that's being focused on this group on financial services industry generally.

Chris Willis:

Yeah. And Carlin, what I would say from my standpoint and from the firm's standpoint is we're so happy and lucky to have Trevor. And our reasons really parallel what you heard from him. First of all, Trevor's our friend. We've known him for 10 years or more. We hold him an incredibly high esteem and we know he's a really great lawyer. But from a business standpoint, you can hear in the description of his practice just how much mesh and overlap there is between the types of transactions that he does and the need for the other kinds of financial services expertise we have in the house. Dealing with regulators, doing compliance work things that you and I do, for example.

And Trevor mentioned the commitment of the firm's management to build out our financial services capabilities. And Trevor's joining of the firm is just the latest example of that. We've been marching forward, step after step after step to continue to add to our capabilities to make sure that we are able to fulfill every client need in the financial services space. And Trevor adds a whole lot to that in terms of his deal expertise and the various kinds of very important and necessary transactions that he works on all the time. He's our next evolution forward in terms of

building out this comprehensive financial services practice. And that's why we were so keen to get him here at Troutman and so happy to be reunited with him.

Trevor Salter:

Yeah, it was really clear to me as I talked to – no surprise, I talked to a number of firms in kind of my process and it was apparent to me that there are a lot of firms out there that do value of financial services practice and having financial services practitioners. And of course, they're not going to clearly say it this way, but it was a little bit more apparent to me that they value them in so far as it was there as a kind of a supporting piece to a "more core practice". Whether that's a corporate M&A or an IPO, early-stage company type of practice. And so, that financial services practice was valued in so far as it was supplementary to or a helper to another practice.

And I think that's important. I think that is of course a valued practice. But it's going to be hard to build out as much depth and breadth. Breadth of experience, covering all different financial services bases. Depth of expertise at all different levels of lawyering unless you really have a self-generated, independent, standalone financial services practice.

And so, I think talking to some of those other firms, there wasn't as much clear commitment to having a very broad, a very deep financial services practice like you have at Troutman. Because as I said, those practices were viewed a little bit more supplementary than they are viewed at Troutman and what is a core part of the engine driving other aspects of the firm.

Carlin McCrory:

Trevor, we're absolutely thrilled to have you and your expertise. And I know the financial services group is really looking forward to working with you even more than we are today.

Trevor Salter:

Yeah. Excited. Thank you, Carlin.

Chris Willis:

Well, and Carlin, thanks for co-hosting this episode with me. It's been a great pleasure for me to introduce our listeners and your listeners, Carlin, on the [Payments Pros](#) podcast to Trevor. And as I said before, we feel so lucky to have him here. Welcome to the firm, Trevor. And welcome to our podcast feed. I'm sure you're going to be a regular guest on both of these podcast feeds.

In the meantime, let me thank our audience for tuning in to today's episode. Don't forget to visit and subscribe to our blogs, [TroutmanPepperFinancialServices.com](#) and [ConsumerFinancialServicesLawMonitor.com](#). And while you're at it, why don't visit us over at [troutman.com](#) and add yourself to our Consumer Financial Services email list? That way, we can send you copies of the alerts and advisories that we send out, as well as invitations to the industry-only webinars that we put on from time to time.

And as I mentioned at the beginning of the episode, don't forget to check out our handy mobile app. It's a great one-stop-shop for all of our thought leadership content. Just search for

Troutman Pepper in your app store. And of course, stay tuned for great new episodes of both [Payments Pros](#) and [The Consumer Finance Podcast](#) in your podcast feed coming soon.

Thank you, all, for listening.

Copyright, Troutman Pepper Hamilton Sanders LLP. These recorded materials are designed for educational purposes only. This podcast is not legal advice and does not create an attorney-client relationship. The views and opinions expressed in this podcast are solely those of the individual participants. Troutman Pepper does not make any representations or warranties, express or implied, regarding the contents of this podcast. Information on previous case results does not guarantee a similar future result. Users of this podcast may save and use the podcast only for personal or other non-commercial, educational purposes. No other use, including, without limitation, reproduction, retransmission or editing of this podcast may be made without the prior written permission of Troutman Pepper. If you have any questions, please contact us at troutman.com.