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COMMERCE BANCORP INC /NJ/  
Form 8-K  
March 10, 2005

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) March 10, 2005  
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Commerce Bancorp, Inc.

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(Exact name of registrant as specified in its charter)

New Jersey

1-12609

22-2433468

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(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

Commerce Atrium, 1701 Route 70 East, Cherry Hill, NJ

08034-5400

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(Address of principal executive office)

(Zip Code)

Registrant's telephone number, including area code 856-751-9000  
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N/A

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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to  
simultaneously satisfy the filing obligation of the registrant under any of the  
following provisions:

Written communication pursuant to Rule 425 under the Securities Act  
(17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act  
(17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the  
Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the  
Exchange Act (17 CFR 240.13e-4(c))

ITEM 8.01 OTHER EVENTS

The following information is included in this document as a result of the Company's desire to comply with its policy regarding public disclosure of corporate information. The Company may or may not continue to provide similar information in the future using this format.

Forward-looking Statements and Associated Risk Factors

The Company may from time to time make written or oral "forward-looking statements", including statements contained in the Company's filings with the Securities and Exchange Commission, in its reports to stockholders and in other communications by the Company, which are made in good faith by the Company pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995.

These forward-looking statements include statements with respect to the Company's beliefs, plans, objectives, goals, expectations, anticipations, estimates and intentions, that are subject to significant risks and uncertainties and are subject to change based on various factors (some of which are beyond the Company's control). The words "may", "could", "should", "would", "believe", "anticipate", "estimate", "expect", "intend", "plan", and similar expressions are intended to identify forward-looking statements. The following factors, among others, could cause the Company's financial performance to differ materially from that expressed in such forward-looking statements: the strength of the United States economy in general and the strength of the local economies in which the company conducts operations; the effects of, and changes in, trade, monetary and fiscal policies, including interest rate policies of the Board of Governors of the Federal Reserve System (the "FRB"); inflation; interest rates, market and monetary fluctuations; the timely development of competitive new products and services by the Company and the acceptance of such products and services by customers; the willingness of customers to substitute competitors' products and services for the Company's products and services and vice versa; the impact of changes in financial services' laws and regulations (including laws concerning taxes, banking, securities and insurance); technological changes; future acquisitions; the expense savings and revenue enhancements from acquisitions being less than expected; the growth and profitability of the Company's non-interest or fee income being less than expected; unanticipated regulatory or judicial proceedings; changes in consumer spending and saving habits; and the success of the Company at managing the risks involved in the foregoing.

The Company cautions that the foregoing list of important factors is not exclusive. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of the Company.

1. Q. Did you just declare a stock split?
- A. Yes, a 2-for-1 stock split was payable on March 7, 2005 and all numbers appearing herein are post split.

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2. Q. The current First Call earnings per share ("E.P.S.") consensus projection for the first quarter of 2005 is \$.45 and the current E.P.S. consensus projection for 2005 is \$1.90. Do you expect to meet these consensus projections?
- A. Yes, we expect to meet or exceed the current consensus projections. The consensus of \$.45 for the first quarter would represent a 20% increase over the first quarter of 2004.
3. Q. What has been your deposit growth this year through February 2005?
- A. Core deposits are up 35% year-over-year at February 28, 2005, and total deposits are up 32%.
4. Q. What is your loan growth through February 2005?
- A. At February 28, 2005, year-over-year loans are up 28%.
5. Q. How are your branch expansion plans progressing?
- A. We continue to aggressively expand our branch network in the Metropolitan New York and Metropolitan Philadelphia markets.
- We expect to open 56 branches in 2005, which is consistent with our target of 17-18% growth in new branches annually. By year-end 2005, we expect to have 375 branches, and we plan to open 55 to 60 branches in 2006.
- We presently have +/- 120 new sites under Agreement.
6. Q. Under what circumstances can you force conversion of your 5.95% Convertible Trust Preferred Securities?
- A. These securities are already convertible at the option of the holder and the shares are included in our share count for purposes of calculating diluted earnings per share.
- We may force conversion on or after March 11, 2005, provided various terms and conditions are met, primarily related to the market price of our common stock. From this point forward, the Company's common stock must trade at a price of \$31.65 or higher for 20 trading days in a period of 30 consecutive trading days in order for the Company to force conversion.
7. Q. How are your plans for your Washington, DC - Baltimore market expansion progressing?
- A. We expect to open 10 offices in the Metropolitan Washington, DC market in 2005. Our first two branches should open in Manassas, Virginia and Washington, D.C. this June. Important personnel hires and infrastructure investments are well advanced.

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8. Q. What is the risk to your net income from a flattening yield curve?
- A. Obviously we would prefer a steeper yield curve. The timing of short-term rate movements versus long-term rate movements during the first quarter will likely result in margin rate compression similar to what we experienced in the fourth quarter of 2004. However any rate compression will be offset by volume increases in net interest income due to our continuing significant deposit growth.
- The recent movement in long-term rates should be beneficial to our margin and net interest income in subsequent quarters.
9. Q. In addition to opening 56 branch offices this year, what other major fixed assets expenditures are planned?
- A. We are building a 75,000 square foot state-of-the art Commerce University, making renovations to approximately 65 older branches, and making significant expenditures for infrastructure enhancements to support our planned future growth.
10. Q. When do you expect to file your December 31, 2004 Annual Report on Form 10-K?
- A. The 10-K will be filed on or about March 15, 2005.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 10, 2005

COMMERCE BANCORP, INC.

By: /s/ DOUGLAS J. PAULS

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Douglas J. Pauls  
Senior Vice President and Chief  
Financial Officer