

# SWIFT for Corporates

## Top 10 considerations

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Windy City Summit  
Thursday, May 20, 2010

**Together we'll go far**



# What we'll cover

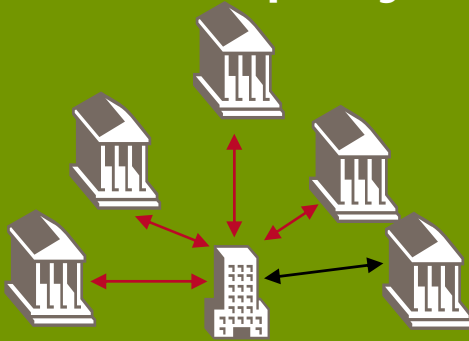
- What is SWIFT for Corporates?
- Who's using it?
- Why should you be interested?
- What do you need to think about?
- Where to go for help?
- Questions

# What is SWIFT for Corporates?

SWIFT for Corporates enables corporates to exchange financial information (payments, securities orders, reporting) with all their financial institutions through one highly secure, standardised communication platform, as opposed to multiple connections

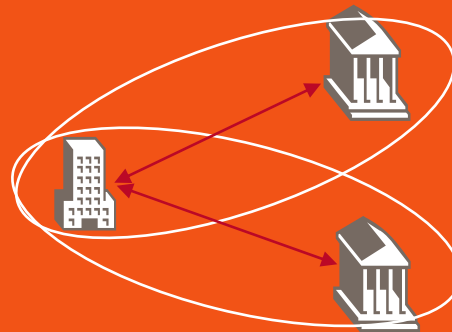
# The Corporate access story

## Introduced 1998 Treasury Counterparty



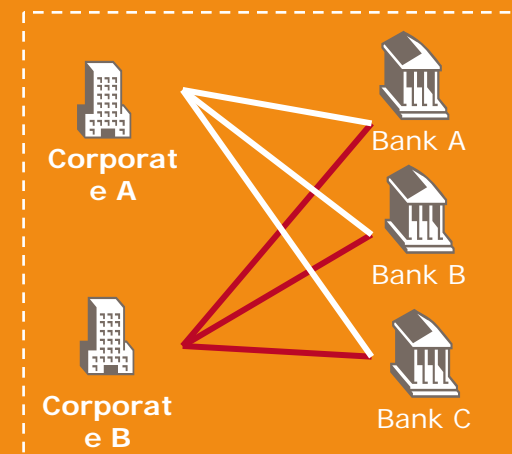
- Access to all banks on SWIFT
- Message usage limited to treasury deal confirmations

## Introduced 2001 MA-CUG



- Each bank sets up its own environment – Corporates can join several MA-CUGs
- No usage restrictions

## Introduced 2007 SCORE

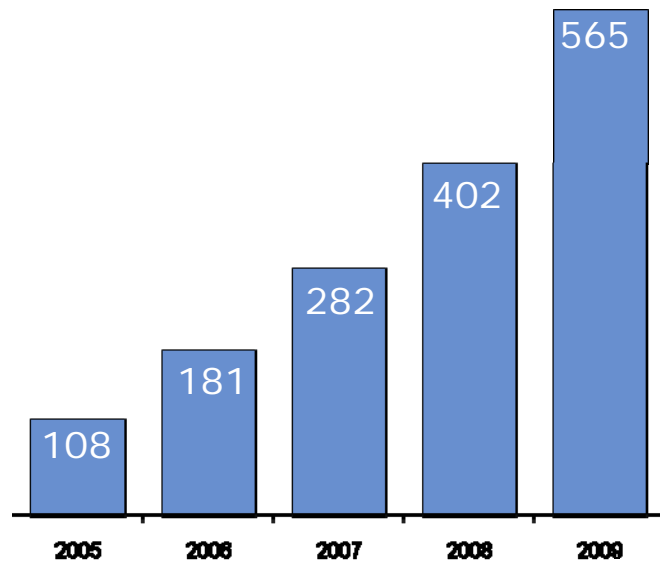


- Each bank joins the SWIFT administered CUG - Corporates access all banks in SCORE
- Limited usage restrictions

**Who's using it?**

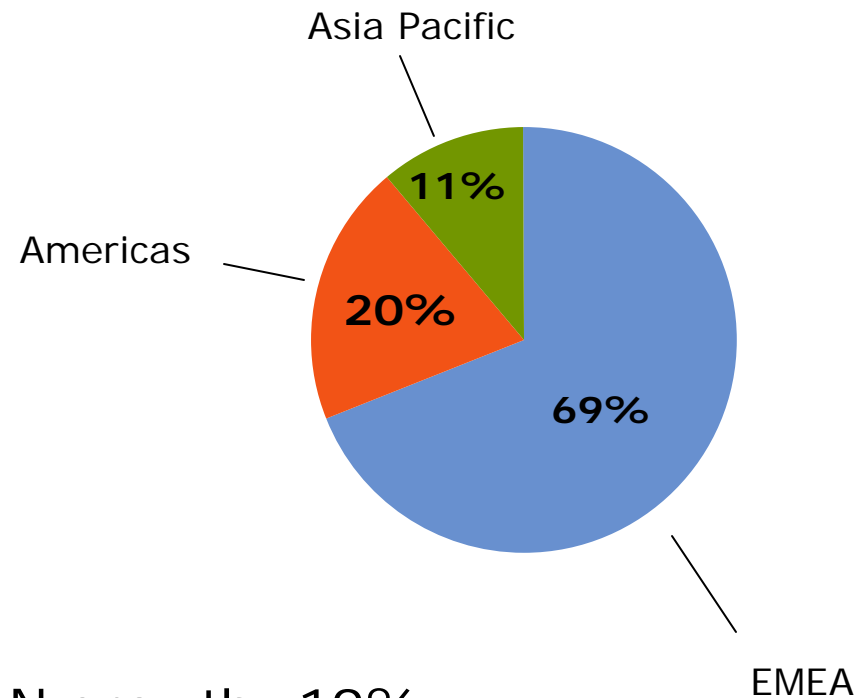
# Corporates on SWIFT

# of registered corporate entities



Source: SWIFT

Geographical Split

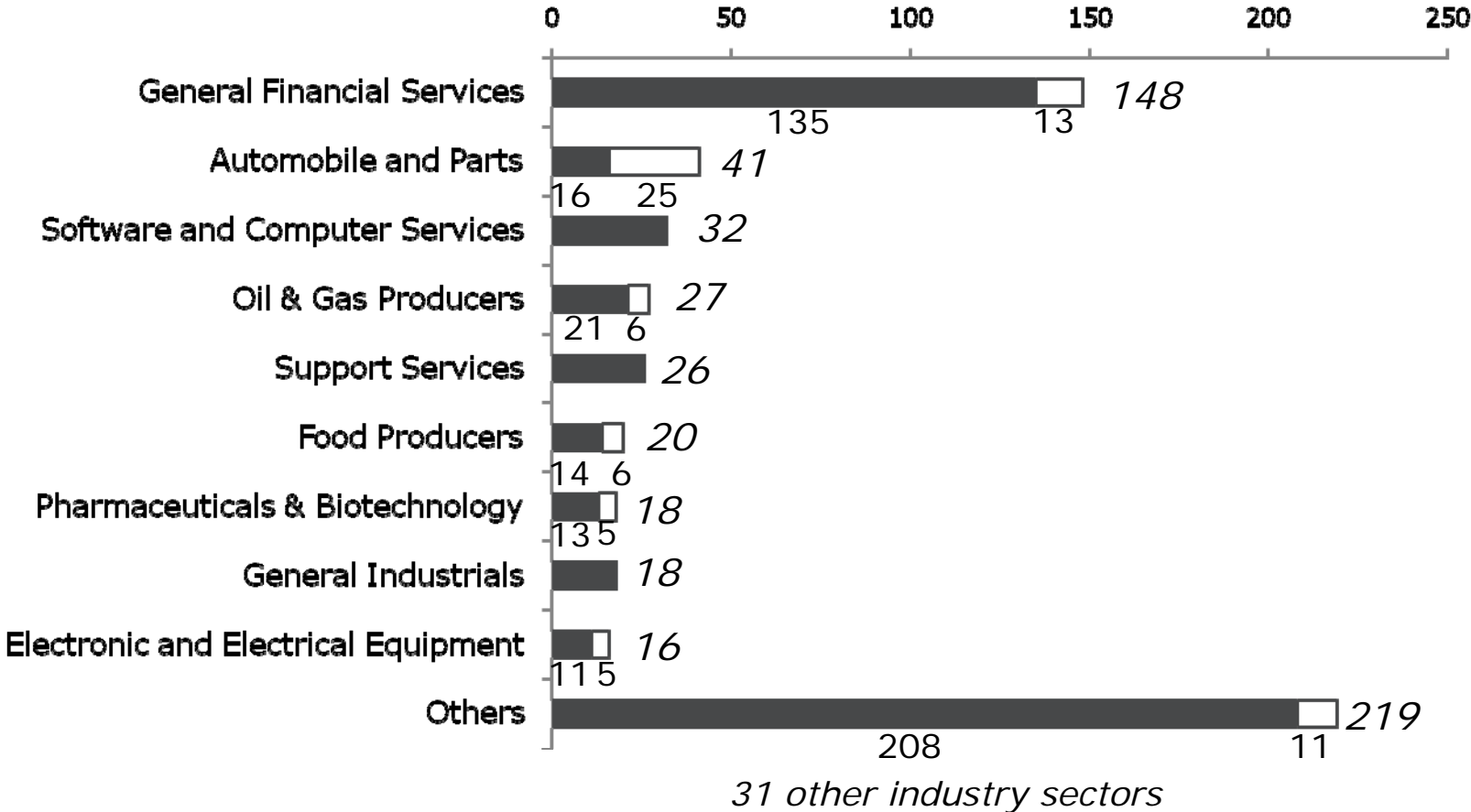


FIN growth: 19%  
FileAct growth: 42%

# Corporates on SWIFT

## Breakdown by industry sector

■ Distinctive corporates  
 Additional corporate subsidiaries



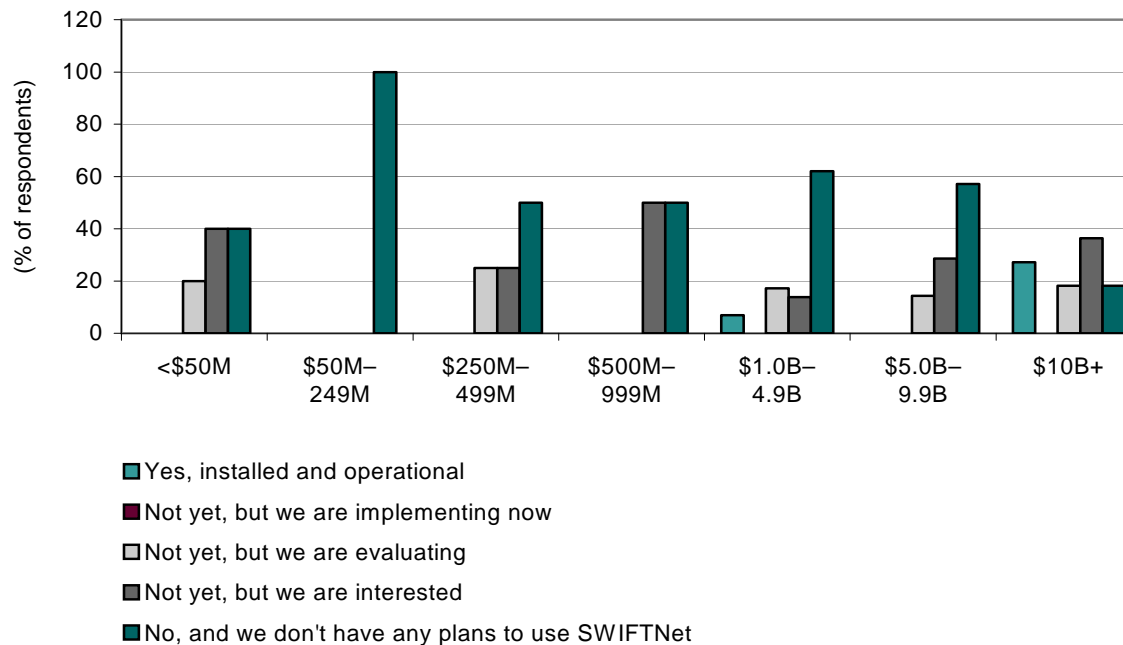
Source: SWIFT

# Who's using it?

FIGURE 2

Current Use of SWIFT by Corporate Size, 2009

Q. Are you using SWIFTNet now?



n = 64

Note: Corporate size is based on revenue.

Source: Financial Insights and Treasury Strategies' Key Trends Survey, 2009

***A big surprise is the surge in interest in SWIFT, with more than ½ of respondents interested, evaluating, or with SWIFT installed. Those not interested report most often that they don't view it as necessary for their firm.***

**Why should you be  
interested?**

# Financial crisis has focused minds

Funds  
Visibility

*(Where is  
my cash?)*

Security/  
Availability

*(Can I move  
my cash?)*

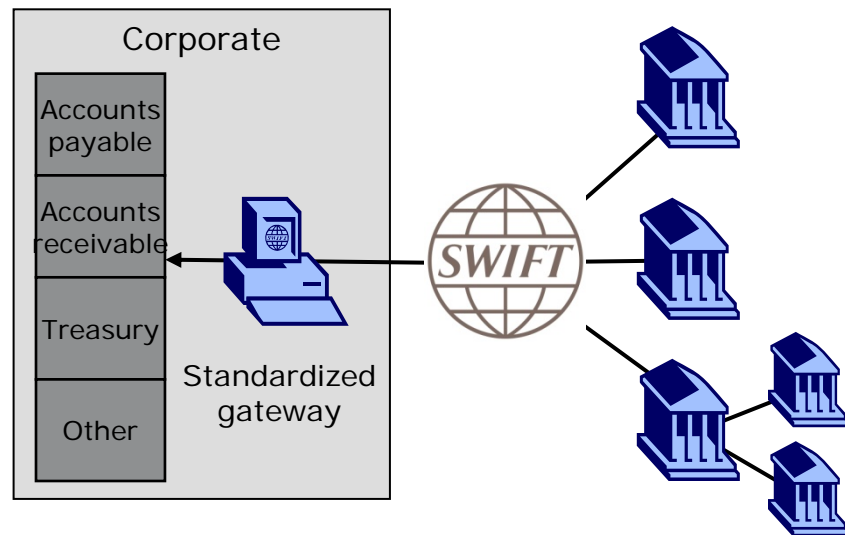
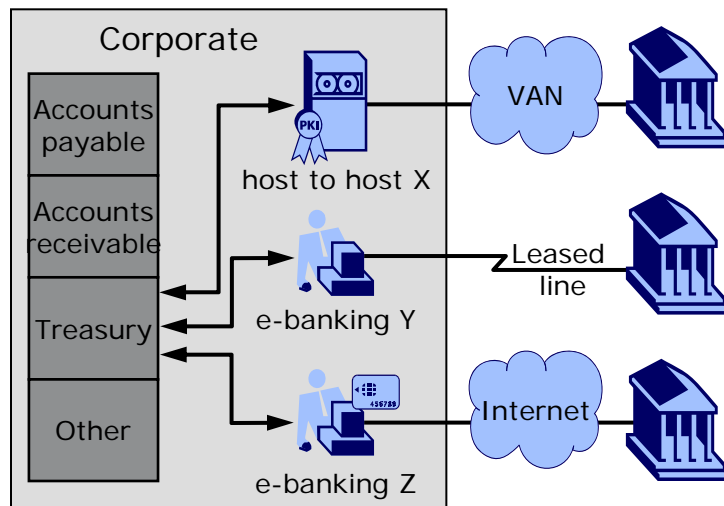
Multi-  
Bank

*(How to  
diversify risk and  
sustain credit?)*

# A single standardized gateway

*Multiple bank channels*

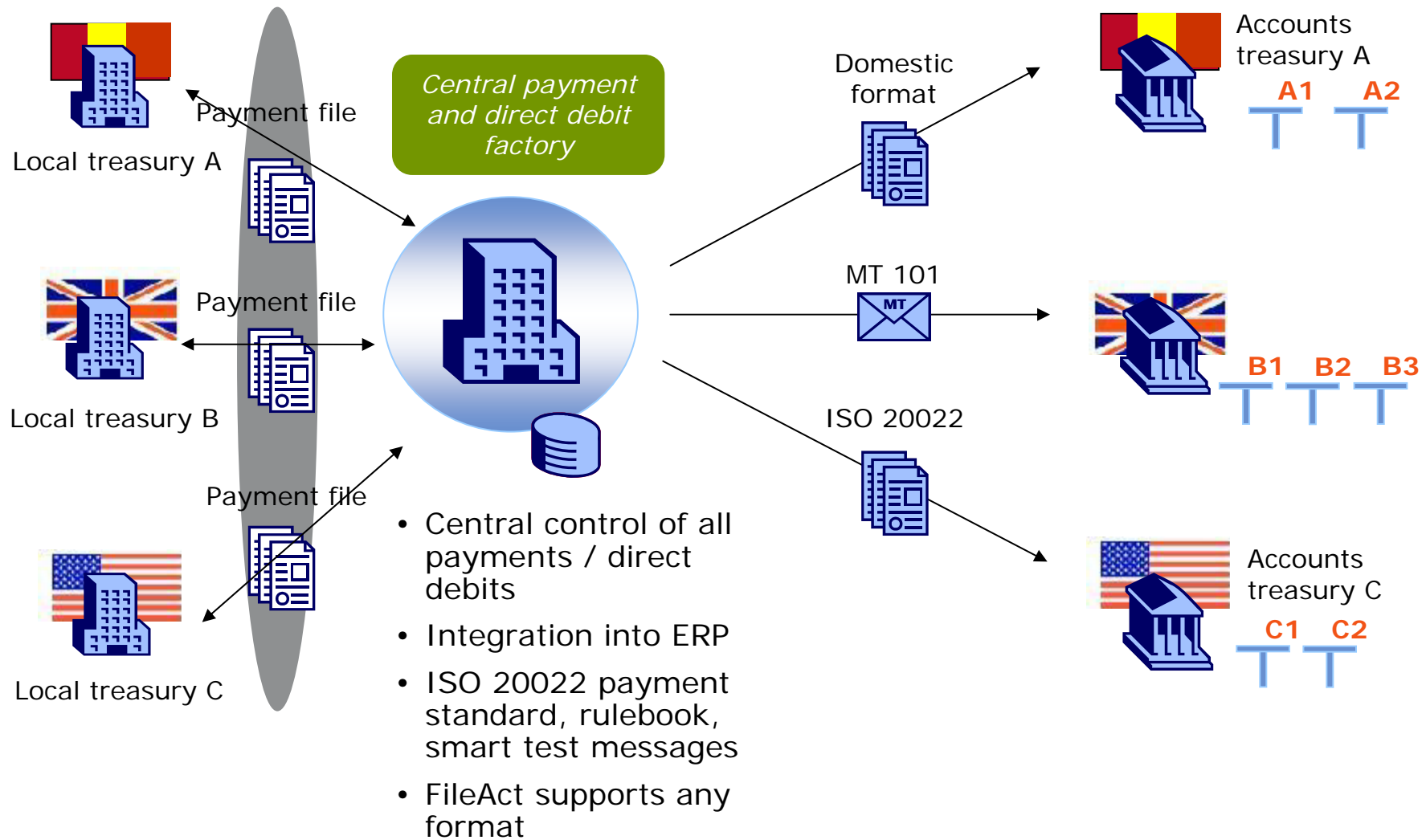
*Single, standardized gateway*



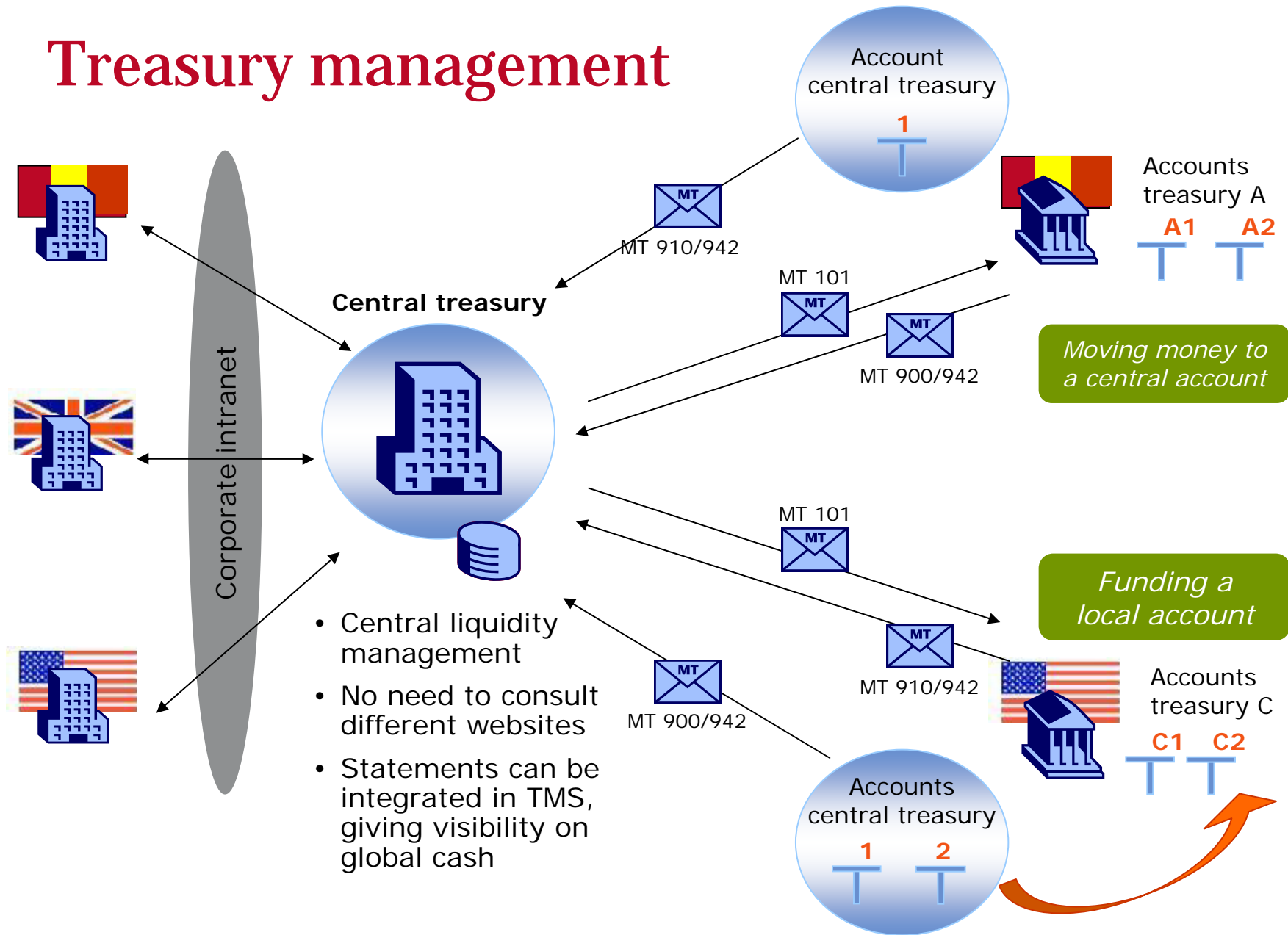
- High cost
- No global visibility on cash
- Impossible to centralize

- Global visibility on cash
- Lower cost
- Increased control and security
- Reduced risk

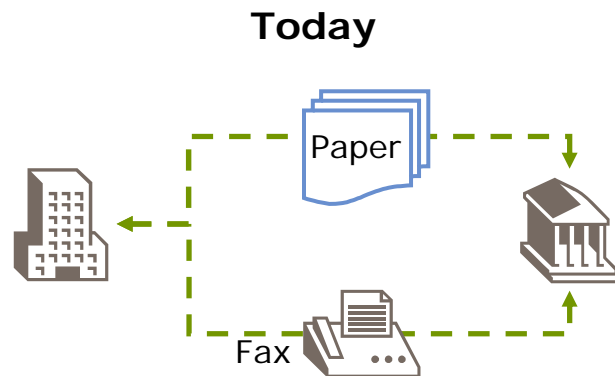
# Cash management



# Treasury management



# Electronic bank account management



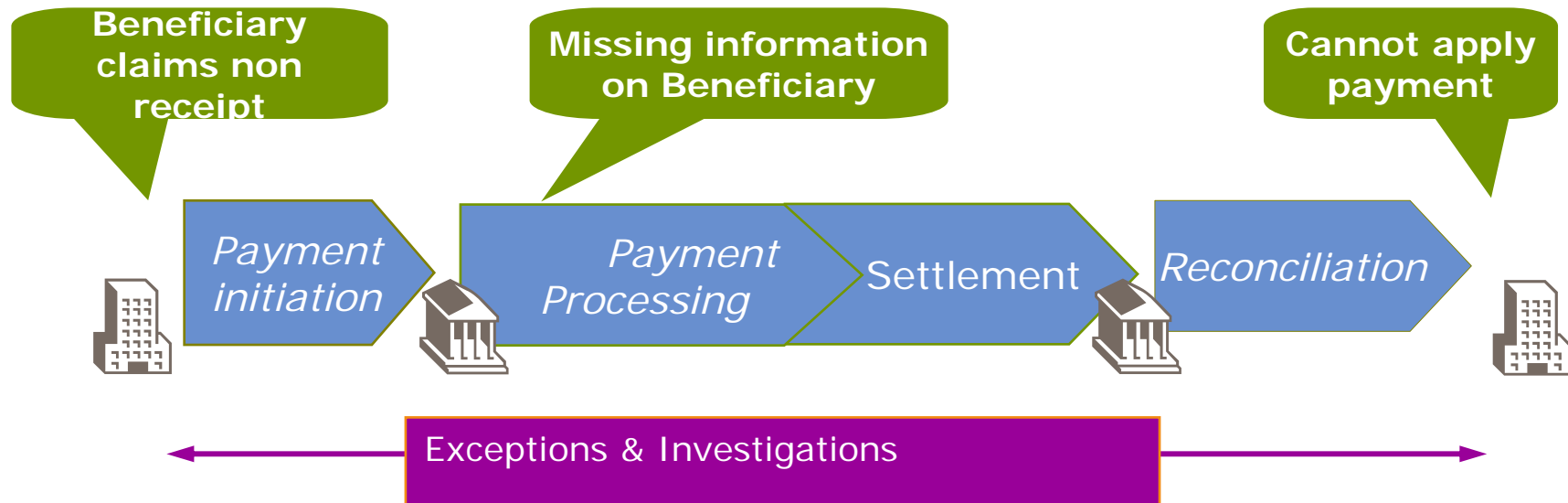
- Slow
- Expensive
- Low integration
- Low satisfaction



- Automated
- Standardised
- Dematerialised
- Faster/cheaper

- Scope: account opening, maintenance, closing + reporting on account features (e.g. auditor requests).
- Key benefits: time and cost savings from improved control, reduced errors and increased STP; improved customer satisfaction (for banks)
- ISO 20022 standard available Q1 2009; pilot in late 2009; launch in Q2 2010

# Exceptions and investigations



- Scope: modification/cancellation, claim non receipt, unable to apply
- Key components: ISO 20022 standards on InterAct
- Key benefits: reduced enquiry cost, improved STP, faster reconciliation, improved treasury management

**What do you need to think  
about?**

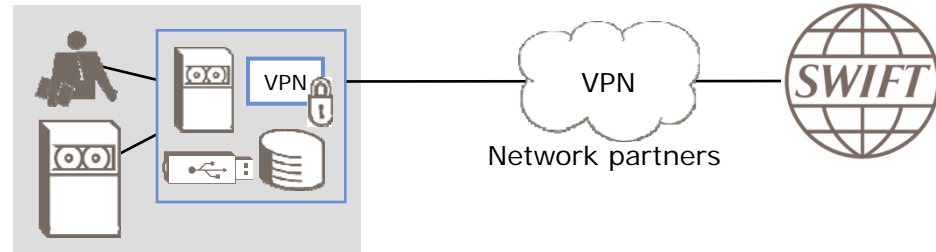
# What we'll cover

- Timing
  - Bank consistency and readiness
    - Differing agreements
    - Differing implementation processes
    - Leader or follower?
- Planning
  - The position SWIFT will play within your overall treasury operation
  - Set out well defined steps towards ultimate goal
  - Don't rush!

# How to connect to SWIFT?

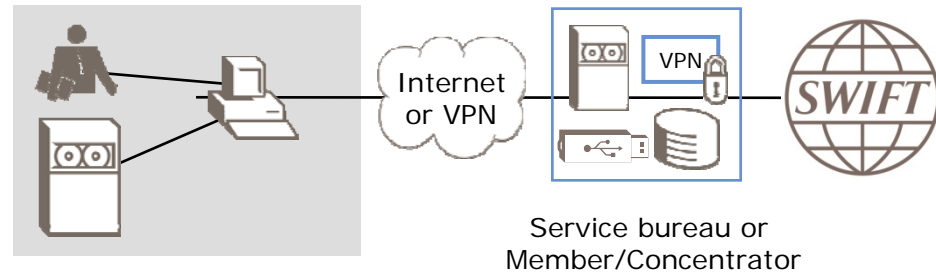
## Direct connection

Global corporate (25+bn turnover)  
 Millions payments/year  
 Manage your own SWIFT connection



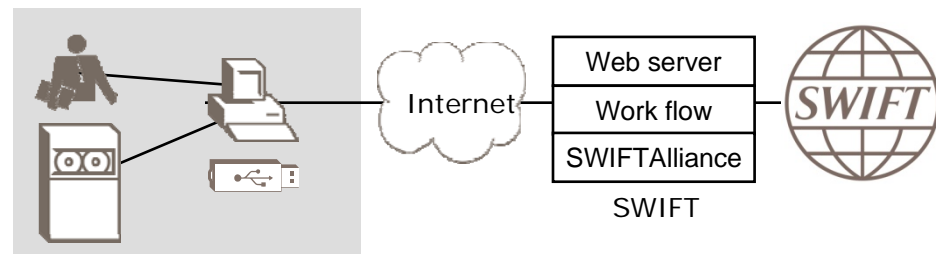
## Indirect connection

Very large corporate (1–25 bn turnover)  
 Hundred thousands payments/year  
 Outsource SWIFT connection



## Alliance Lite

Large corporate (500 million–1 bn turnover)  
 +/- 200 transactions/day  
 Simple solution



**Where to go for help?**

# Sources of advice and support

- Banks
  - Details of banks offering SCORE services available on SWIFT website
- Service Bureaux
  - Details of approved service bureaux and the services they offer available on SWIFT website
- SWIFT
  - SWIFT themselves have resources who work with corporates looking to use SWIFT as a channel

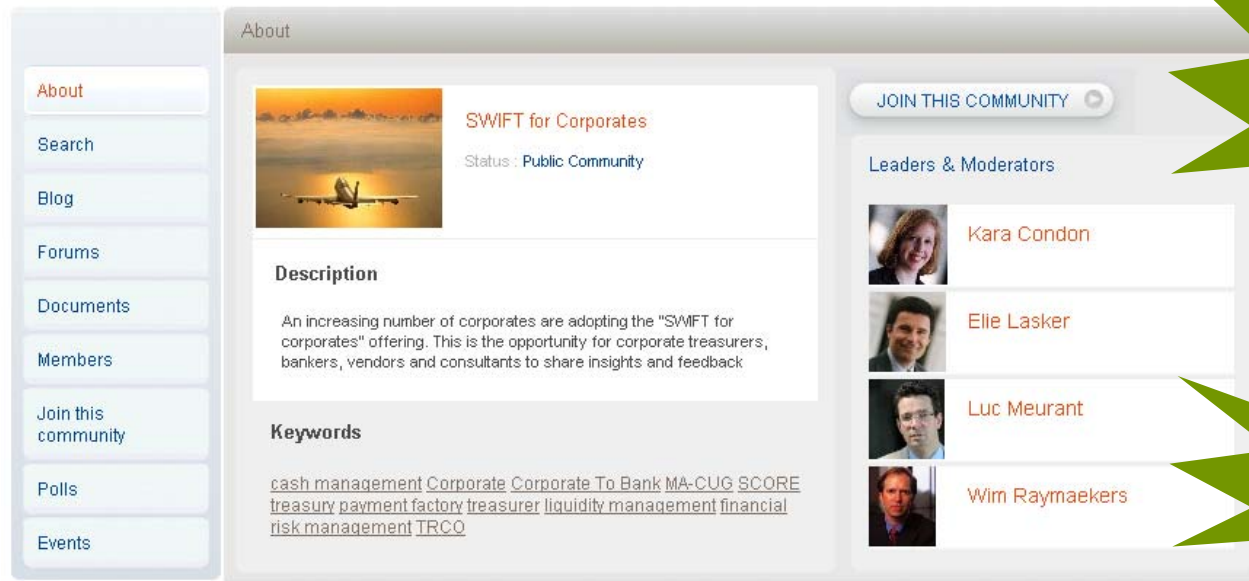
# SWIFT for corporates community

<http://www.swiftcommunity.net/corporates>



900+ members

## SWIFT for Corporates



Case Studies

External bloggers

Questions?