

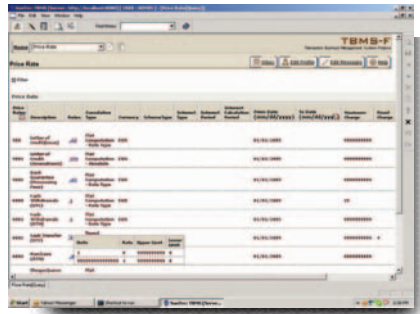
SUNTEC'S TRANSACTION BUSINESS MANAGEMENT SYSTEM

Having conquered the telecoms billing space, Suntec has turned its attention to consolidating billing for banks.

Suntec Business Solutions has grown by over 200% in three years by providing package software that enables banks to do relationship based pricing, billing and settlements. After making it to 262nd place in the Deloitte Fast 500 in 2005, Suntec continues to modify its Transaction Business Management System and pursue more market share.

The Indian-based company was providing billing solutions to telecoms carriers for 10 years before it realised the technology could be applied elsewhere. The penny dropped in 2001 in the days of the 'bubble' when businesses were inventing dynamic new business models. Amazon's customer-centric model, where multiple transactions were built around one account, impressed, as did the online 'Walmart' experience created by Yahoo.

"We realised we could do the same and sell to banks too. We wanted to create a similar ecosystem of end-to-end management of customer transactions, the



main difference is that we would take part in the billing too," says Suntec CEO Nanda Kumar. Suntec positions its cash management and billing transaction engines as a business capability purchase rather than straight technology solutions. "It's not about outsourcing and driving down costs – we are enabling banks to get more out of the value chain," says Kumar.

Making all this happen in the technology engine room is a suite of five software products adapted for the banking environment. Bill, Price, Mediate, Settle and Workflow functions were originally sold as the TBMS-F integrated suite, but have recently been decomposed into modules.

Many banks already have a bespoke version of 'Mediate', for example, the data

SHELF LIFE

Product description: Suntec's core product, Transaction Business Management System (TBMS) was developed to facilitate end-to-end management of the transactional relationships in telecoms billing. Its financial variant, TBMS-F, derives from its sister product and consists of five components: Price, Bill, Settle, Mediate and Workflow.

Core processing engines perform functions including incoming feed collection, consolidated transaction pricing, fee billing, accounting clearing and settlements and are configured in real time and batch. The straight-through processing environment enables customers, traders and brokers to interact with the same data consolidated across the cycle.

Company: Suntec Business Solutions
Release date: 2002
Price: Not disclosed
Users: HSBC Group, ING Bank, Lloyds TSB
 ICICI Bank, SEI Investments

translation component that links legacy product silos to billing and pricing servers. Adding tags to data files offering multiple options like discounts or offsets for certain trades- and as a billable event - is where the real value of Mediate resides, says Suntec.

Bill, Price and Settle software each centralise these functions enabling better drill-down and reporting and bringing a fresh focus on the bank-customer relationship. Extra functions can be utilised like rebate and credit control: Bill enables banks to set up customer hierarchies and different billing schedules for global trade, billing in one currency but reporting in another, for example. The main advantage is identifying easily what is and isn't profitable and preventing revenue leakage.

At present modifying the parameters for the software components remains an IT task and so the IT department cannot be dispensed with yet. Suntec doesn't give list prices. But Kumar maintains cost is rarely an objection as preventing revenue leakage mops up capital outlay within three months. //

ANALYSTS' FEEDBACK: Susan Landry, managing vice president, Gartner Banking Industry Advisory Service.

In Europe, banks have traditionally processed pricing and statements by individual product, whereas in the US, billing has been aggregated in a consolidated customer statement for decades. Growing demand to 'look in one place and see it all' creates an opportunity for companies like Suntec to solve the consolidated billing problem and to do better pricing too.

There are a number of technology companies offering products in this space coming from a variety of disciplines. These include niche banking software vendors, business intelligence and enterprise resource planning suppliers and billing specialists to the telcos.

Traditional account analysis solutions like CheckFree, for example, are being leapfrogged by a new generation of rules-based products. Products like Suntec's centralise pricing and cash management and enable transactions to be processed according to many different parameters in real time. Crucially they enable banks to drill down to look at the profitability of customer accounts and product lines.

However there is more to it than the purely pricing and billing component. Banks also need to include activity based costing too, in order to achieve a more sophisticated way of allocating cost to the customer relationship.