

Bank Fee Analysis, Ripe With Opportunity

Flash Survey Executive Summary

The results are in and reveal an important area of opportunity neglected by corporations. On average, the 135 respondents to our Bank Fee Analysis (BFA) Flash Survey spend in excess of \$250,000 per year on bank services and maintain millions of dollars of deposits. Yet only 25% use automated tools to manage their bank fees and only 21% use external benchmarks. Although these figures are much higher than in prior years, most companies still have a long way to go.

72% of corporate respondents analyze their bank account statements monthly, a best practice. However, three quarters of respondents say the review is simply a cursory eyeball or internal spreadsheet review. Since these statements generally are a dozen pages or more per bank, that doesn't seem adequate.

A few firms ignore these valuable monthly account analyses. 12% of companies say they review their statements infrequently or not at all.

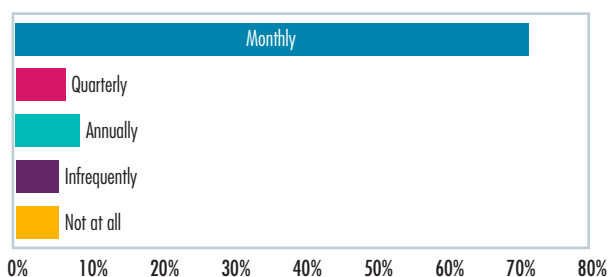
51% receive the majority of their statements in PDF format, which most banks make available without charge. On the other hand, only 17% of respondents receive "half" or "most" of their U.S. monthly statements in EDI form and 7% receive TWIST files for their international accounts.

Only 25% use third-party tools for their BFA review. Historically, these tools had limited appeal because they required companies to receive EDI or TWIST files — which, as noted above, rules out the vast majority of firms. This added complexity and cost made solutions infeasible for many firms. However, new technology based on PDF files makes account analysis review much more accessible. It greatly simplifies the process and enables more companies to formally review their BFAs.

Respondents using third party BFA tools cited ten different providers, but two seem to dominate. 65% use either BRM from Fiserv/Weiland or NDepth from Treasury Strategies.

Benchmarking services are not widely used; just 21% of companies have access to benchmarks. But providers appear to be highly concentrated. 79% of those using benchmarking services use either Phoenix Hecht or NDepth.

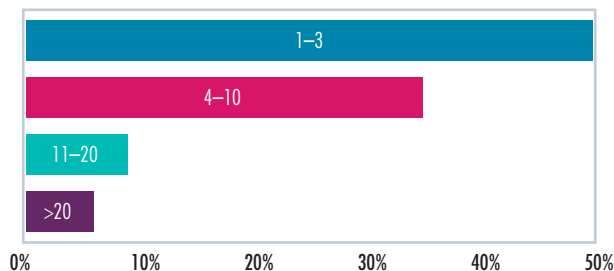
HOW FREQUENTLY DO YOU REVIEW BANK FEES?



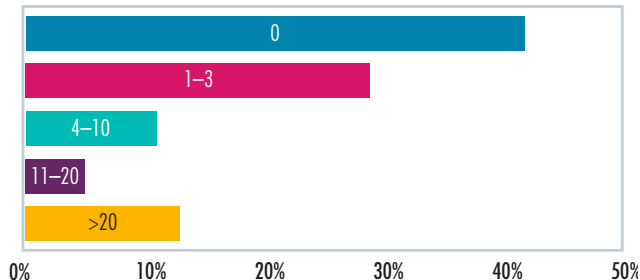
Bank usage, service spend and balances vary widely among survey respondents. The following charts illustrate our sample characteristics.

Number of Banks Used

HOW MANY BANKS DO YOU USE FOR TREASURY MANAGEMENT IN NORTH AMERICA?

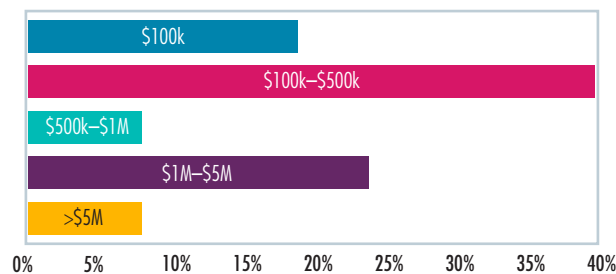


HOW MANY BANKS DO YOU USE FOR TREASURY MANAGEMENT OUTSIDE OF NORTH AMERICA?

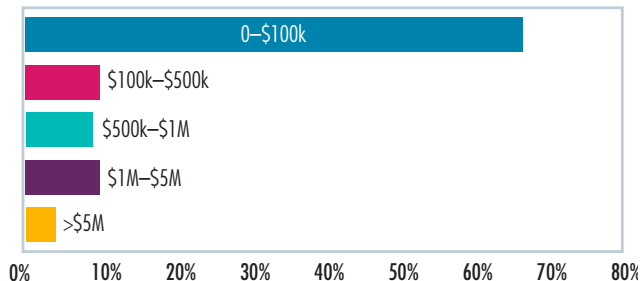


Cost of Bank Services Used

HOW MUCH DO YOU SPEND FOR TREASURY MANAGEMENT IN NORTH AMERICA?



HOW MUCH DO YOU SPEND FOR TREASURY MANAGEMENT OUTSIDE OF NORTH AMERICA?



CONCLUSION

Our survey clearly highlights substantial opportunity for corporates to benefit from better managing service fees and balances. Most of our respondents are stuck in manual and error prone processes like eyeballing and rekeying into spreadsheets. However, with the advent of technology enabled machine learning, translation and mapping of PDF files, we'd expect to see significant improvement in these processes (e.g., benchmarking fees and balances) over the next year.

For further information, please contact jill_selgrad@treasurystrategies.com

NDepth is the next generation bank fee analysis solution. Leading corporations, non-profits and governments use **NDepth's** leading technology each month to manage their transaction banking fees and deposit balances. NDepth clients can upload and translate their voluminous account analysis statements, organize the information, reconcile variances, audit contract prices and compare against balance and service price benchmarks. **It's as easy as dragging and dropping your monthly account analysis PDF files using our portal.**

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