

Treasury & Risk Cash Management Survey 2007

1. Which, in your opinion, is the BEST bank in DOMESTIC cash management services (whether or not you use them)?"

ABN Amro/LaSalle	12	4%
AmSouth	1	0%
Bank of America	89	28%
Bank of New York Mellon	17	5%
Barclays	1	0%
BB&T	2	1%
Citibank	22	7%
Comerica	1	0%
Deutsche Bank	1	0%
Fifth Third	5	2%
Harris/Bank of Montreal	0	0%
HSBC	2	1%
Huntington	2	1%
JPMorgan Chase	50	16%
KeyBank	5	2%
M&T Bank	0	0%
National City	3	1%
Northern Trust	2	1%
PNC	5	2%
Regions	1	0%
Royal Bank of Scotland	2	1%
Scotia	0	0%
Sovereign	0	0%
SunTrust	6	2%
Union Bank of California	2	1%
U.S. Bank	6	2%
Wachovia	38	12%
Wells Fargo	35	11%
Zions	1	0%
Other	11	3%
Total	322	100%

2. Which, in your opinion, is the BEST bank in INTERNATIONAL cash management services (whether or not you use them)?"

ABN Amro	19	6%
Bank of America	34	11%
Bank of New York Mellon	12	4%
Barclays	12	4%
Citibank	84	27%
Deutsche	19	6%
HSBC	28	9%
JPMorgan Chase	31	10%
Royal Bank of Scotland	7	2%
Scotia	2	1%
SG (Societe Generale)	0	0%
Standard	1	0%
Standard Chartered	2	1%
UBS	8	3%
Other	13	4%
None	43	14%
Total	315	100%

3. Name your principal cash management bank for U.S. operations:

ABN Amro/LaSalle	15	5%
AmSouth	2	1%
Bank of America	70	21%
Bank of New York Mellon	11	3%
Barclays	0	0%
BB&T	1	0%
Citibank	14	4%
Comerica	3	1%
Deutsche Bank	0	0%
Fifth Third	8	2%
Harris/Bank of Montreal	3	1%
HSBC	6	2%
Huntington	1	0%
JPMorgan Chase	50	15%
KeyBank	6	2%
M&T Bank	1	0%
National City	9	3%
Northern Trust	4	1%
PNC	6	2%
Regions	3	1%

Royal Bank of Scotland	1	0%
Scotia	0	0%
Sovereign	1	0%
SunTrust	9	3%
Union Bank of California	2	1%
U.S. Bank	10	3%
Wachovia	31	9%
Wells Fargo	24	7%
Zions	1	0%
Other	37	11%
Total	329	100%

4. Which bank is No. 2?

ABN Amro/LaSalle	10	3%
AmSouth	1	0%
Bank of America	56	18%
Bank of New York Mellon	10	3%
Barclays	0	0%
BB&T	1	0%
Citibank	26	8%
Comerica	2	1%
Deutsche Bank	5	2%
Fifth Third	5	2%
Harris/Bank of Montreal	0	0%
HSBC	4	1%
Huntington	1	0%
JPMorgan Chase	46	15%
KeyBank	4	1%
M&T Bank	1	0%
National City	2	1%
Northern Trust	5	2%
PNC	10	3%
Regions	1	0%
Royal Bank of Scotland	3	1%
Scotia	0	0%
Sovereign	1	0%
SunTrust	8	3%
Union Bank of California	4	1%
U.S. Bank	14	5%
Wachovia	29	9%
Wells Fargo	24	8%

Zions	1	0%
Other	37	12%
Total	311	100%

5. Name your principal cash management bank for INTERNATIONAL operations, if you have one:"

ABN Amro	18	6%
Bank of America	31	11%
Bank of New York Mellon	3	1%
Barclays	17	6%
Citibank	41	14%
Deutsche	4	1%
HSBC	16	6%
JPMorgan Chase	14	5%
Royal Bank of Scotland	3	1%
Scotia	1	0%
SG (Societe Generale)	0	0%
Standard	0	0%
Standard Chartered	2	1%
UBS	2	1%
Other	27	9%
None	110	38%
Total	289	100%

6. Which bank is No. 2?

ABN Amro	10	4%
Bank of America	15	6%
Bank of New York Mellon	2	1%
Barclays	6	2%
Citibank	16	6%
Deutsche	8	3%
HSBC	19	7%
JPMorgan Chase	13	5%
Royal Bank of Scotland	3	1%
Scotia	2	1%
SG (Societe Generale)	1	0%
Standard	0	0%
Standard Chartered	3	1%
UBS	3	1%

Other	25	10%
None	137	52%
Total	263	100%

7. Do you expect to consolidate your DOMESTIC and/or INTERNATIONAL cash management needs among fewer banks in the next 12 months?

Domestic Only	111	52%
International Only	34	16%
Both International and Domestic	68	32%
Total	213	100%

8. What percentage of your total cash management services (in terms of fees paid) do you expect to re-bid this year?

100%	18	6%
80% to 99%	12	4%
50% to 79%	28	9%
25% to 49%	40	12%
Less than 24%	92	28%
Zero	136	42%
Total	326	100%

9. How important are each of the following items in choosing a primary cash management bank? (Rank the items from 1 (most important) to 9 (least important), using each number only once.)"

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.

	1	2	3	4	5	6	7	8	9
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Accuracy	93	27	24	12	10	13	15	11	18
	42%	12%	11%	5%	4%	6%	7%	5%	8%

Advice/	7	15	25	26	42	21	38	36	29
Analytics	3%	6%	10%	11%	18%	9%	16%	15%	12%
Commitment	21	29	31	29	26	18	23	27	11
To Business	10%	13%	14%	13%	12%	8%	11%	13%	5%
Credit	36	30	23	24	24	22	22	22	40
Commitment	15%	12%	9%	10%	10%	9%	9%	9%	16%
Customer	38	40	30	25	23	28	15	13	12
Service	17%	18%	13%	11%	10%	12%	7%	6%	5%
Customized	16	17	24	24	28	26	26	35	50
Services	7%	7%	10%	10%	11%	11%	11%	14%	20%
Personnel	10	20	29	36	27	46	32	23	21
	4%	8%	12%	15%	11%	19%	13%	9%	9%
Pricing	31	36	59	33	29	23	30	25	7
	11%	13%	22%	12%	11%	8%	11%	9%	3%
Technology	48	80	34	45	34	20	14	23	19
	15%	25%	11%	14%	11%	6%	4%	7%	6%

10. How well does your primary domestic cash management bank perform the following services? (Rate performance of each on a scale of 1 to 9, with 1 being “Outstanding” and 9 being “Very Poor.” If your bank

does not provide the service or you choose not to use it, mark it as NA.)"

Top number is the count of respondents selecting the option. Bottom % is percent of the total respondents selecting the option.

Outstanding	2	3	4	5	6	7	8	Very Poor	N/A	
Account reconciliation	57	97	63	26	20	9	6	8	1	37
	18%	30%	19%	8%	6%	3%	2%	2%	0%	11%
Balance reporting	95	112	61	15	12	7	9	7	2	5
	29%	34%	19%	5%	4%	2%	3%	2%	1%	2%
Remote deposit	57	52	52	25	18	5	5	4	2	101
	18%	16%	16%	8%	6%	2%	2%	1%	1%	31%
ACH payments	77	120	48	23	15	5	9	9	1	18
	24%	37%	15%	7%	5%	2%	3%	3%	0%	6%
Controlled disbursement										
	77	102	49	12	12	4	8	7	1	51
	24%	32%	15%	4%	4%	1%	2%	2%	0%	16%
Electronic bill presentment										
	32	45	39	15	21	5	7	3	1	153
	10%	14%	12%	5%	7%	2%	2%	1%	0%	48%
Investments	41	54	50	37	31	10	14	7	4	76
	13%	17%	15%	11%	10%	3%	4%	2%	1%	23%
Multicurrency accounts										
	22	30	27	23	21	11	12	5	1	169
	7%	9%	8%	7%	7%	3%	4%	2%	0%	53%
Positive pay	87	84	50	22	13	4	8	8	4	43
	27%	26%	15%	7%	4%	1%	2%	2%	1%	13%
Lockbox	52	70	46	18	20	3	9	5	5	96

	16%	22%	14%	6%	6%	1%	3%	2%	2%	30%
Online access	111	97	49	21	19	2	10	9	4	1
	34%	30%	15%	7%	6%	1%	3%	3%	1%	0%
Domestic wires	95	117	43	21	16	4	10	7	4	4
	30%	36%	13%	7%	5%	1%	3%	2%	1%	1%
International wires	58	75	45	21	24	9	8	6	3	71
	18%	23%	14%	7%	8%	3%	2%	2%	1%	22%
Communication between bank Web site and treasury workstation										
	42	56	43	17	20	5	8	8	3	119
	13%	17%	13%	5%	6%	2%	2%	2%	1%	37%

11. How many staff members at your company handle cash management today?

1 to 2	178	55%
3 to 4	103	32%
5 to 6	23	7%
More than 7	21	6%
Total	325	100%

12. Would you allocate more business to a bank that linked cash management reporting to your company's ERP system or other business software applications?

Yes	169	52%
No	62	19%
No Opinion	95	29%
Total	326	100%

13. How satisfied are you with the Web/online cash management services offered by your primary domestic operating bank?

Very satisfied	149	46%
Somewhat satisfied	154	48%
Dissatisfied	20	6%
Very dissatisfied	1	0%
Total	324	100%

14. What percentage of your cash management operations is handled online?

100%	49	15%
80% to 99%	177	55%
50% to 79%	60	19%
25% to 49%	19	6%
Less than 24%	16	5%
Zero	3	1%
Total	324	100%

15. What is the biggest issue you face with your cash management bank/banks?

Decline in service due to increased automation and cost cutting

57 18%

Increased pressure to award cash management business to credit providers

43 14%

Shifting appetites for various lines of business as banks refine their business plans

38 12%

Getting new technology to work

54 17%

Outsourcing financial activities to bank and non-bank providers

15 5%

"Linking treasury to broader financial initiatives (A/P, A/R, EIPP, e-business) where banks offer solutions"

94 30%

"Other, please specify"

14 4%

Total **315** **100%**

16. Do you use a treasury workstation?

Yes	106	33%
No	218	67%
Total	324	100%

17. Have you noticed any change in the price you pay for cash management services?

"Yes, increase less than 10% "	105	32%
"Yes, increase greater than 10% "	19	6%
No significant change	185	57%
"Yes, decrease less than 10% "	10	3%
"Yes, decrease greater than 10% "	5	2%
Total	324	100%

18. If you're paying more, do you feel you are getting more or better service for the money?"

Yes	39	20%
No	159	80%
Total	198	100%

19. Do you have a p-card program?

Yes	165	51%
No	157	49%
Total	322	100%

20. What is the maximum transaction size you permit on p-cards?

149 Responses

21. What is the biggest benefit of p-cards? (Pick one)

Empower end-users to buy what they need quicker

40 16%

Reduce administrative costs and time

145 59%

Document spending in order to negotiate volume discounts

15 6%

Reduce cost of items purchased by steering buyers to preferred suppliers

6 2%

Document spending in order to negotiate volume discounts

5 2%

Reduce cost of items purchased by steering buyers to preferred suppliers

5 2%

Prevent rogue buying

10 4%

Collect rebates

21 9%

Total 247 100%

22. With the potential of a rate increase, how are you trying to maximize net investment return? (Check all that apply)

Greater use of outside managers	55	21%
Greater use of inside managers	38	14%
Greater use of money funds	95	35%
Greater use of CDs	18	7%
Greater use of BAs	7	3%
Greater use of offshore deposits	19	7%
Greater use of Treasury paper	19	7%
Greater use of repos	26	10%
Greater use of commercial paper	63	24%
Greater use of other investments (please specify)	28	10%

23. Do you currently use a bank's remote deposit service?

Yes	107	33%
No	217	67%
Total	324	100%

24. If yes, how many depository accounts have you been able to close?

104 Responses

25. How much have you saved in banking fees?

91 Responses

26. As a result of Check 21 and advances in bank check imaging services, what changes in collection float have you found?

Gained more than two days on digitized checks	19	7%
Gained 1-2 days on digitized checks	101	39%
Gained less than one day on digitized checks	142	54%
Total	262	100%

27. As a result of Check 21 and advances in bank check imaging, what changes in disbursement float have you found?

Lost less than one day on digitized checks	212	82%
Lost more than two days on digitized checks	46	18%
Total	258	100%

28. In the past three years, have you moved certain treasury activities to a shared service center?

Yes	46	14%
No	272	86%
Total	318	100%

29. If yes, who owns and operates the center?

My company	43	78%
A bank	6	11%
A non-bank third party	6	11%
Total	55	100%

30. Where is that center located?

North America	43	73%
Latin America	0	0%
Europe	9	15%
Asia	2	3%
"Other, please specify"	5	8%
Total	59	100%

31. By how much has your company improved the efficiency of its order-to-cash cycle in the past three years?

No Gain	104	37%
Gain of less than 5%	67	24%
Gain of 5% to 10%	80	28%
Gain of 10% to 20%	17	6%
Gain of more than 20%	13	5%
Total	281	100%

32. What factors have been primary reasons for that gain? (Check all that apply)

Better internal software	54	28%
Better internal organization	122	64%
Outsourcing to cash management bank	8	4%
Outsourcing to nonbank third-party	5	3%
"Better use of telecommunications, including mail"	58	31%
"Other, please specify"	11	6%

33. By how much has your company improved the efficiency of its procure-to-pay cycle in the past three years?

No gain	102	36%
Gain of less than 5%	88	31%
Gain of 5% to 10%	70	25%
Gain of 10% to 20%	16	6%
Gain of more than 20%	4	1%
Total	280	100%

34. What factors have been primary reasons for that gain? (Check all that apply)

Better internal software	54	29%
Better internal organization	122	65%
Outsourcing to cash management bank	7	4%
Outsourcing to nonbank third-party	8	4%
Greater use of p-cards	48	25%
"Better use of telecommunications, including e-mail"	39	21%
"Other, please specify"	7	4%

35. If you use a wholesale lockbox service with data capture and transmission, what has happened to your hit-rate (percentage of payments that post automatically to A/R) in the past three years?"

No change	94	51%
Improvement of less than 5%	33	18%
Improvement of 5% to 10%	19	10%
Improvement of 10% to 20%	21	11%
Improvement of more than 20%	16	9%
Total	183	100%

36. What factors have been the primary reasons for that gain? (Check all that apply)

Better data capture in the lockbox operation	62	61%
More cooperation from customers in returning machine-readable remittance documents	29	29%
Greater use of EIPP solutions	13	13%
Greater use of EDI	28	28%
Greater use of supply-chain	6	6%

37. What is your company's annual revenue?

Under \$100 million	59	19%
\$100 million to \$500 million	95	30%
\$500 million to \$1 billion	38	12%
\$1 billion to \$5 billion	84	26%
Over \$5 billion	42	13%
Total	318	100%

38. What is your title?

Treasurer	86	27%
Assistant Treasurer	70	22%
Vice president of Finance	27	8%
CFO	65	20%
"Other, please specify"	73	23%
Total	321	100%

39. Please provide us your e-mail so that we may enter you in a raffle for a \$100 gift certificate:

264 Responses