



OLYMPIC[®]

BANKING SYSTEM

**FOCUS, SERVICE AND FLEXIBILITY
PRODUCE FINTECH SUCCESS FOR ERI**



Focus, service and flexibility produce Fintech success for ERI

Across the banking sector, the potential 'disruption' by new Fintech providers is the topic of the moment. But in this interview, Nicholas Hacking, Sales Director – ERI, outlines how innovation has to be combined with risk and cost awareness to be able to deliver a consistent product that meets ever-expanding client expectations.



Nicholas Hacking, Sales Director – ERI

In the Fintech sector, products and firms come and go, but ERI has been steadily expanding for over 25 years. What are the factors behind that track record?

ERI puts strong emphasis on steady development and careful risk management, rather than flashy launches that under-perform. We have a strong commitment to a single-product strategy, and to ensuring that all elements of that product work together in a seamless, integrated way. That is underpinned by our ability to plough a very high level of investment back into the product. And we are not just talking about the last year or so, but a consistent history of investment that stretches

back many years. That reinforced foundation is reflected in everything that can be done in the product now. It continues today and we will undoubtedly continue to do that in the future.

“...on-going investment into the product that stretches back many years...”

How does ERI ensure its offering stays up-to-date and relevant?

It is of course true that technology is constantly changing in all sorts of ways -- some more visible to the average user than others. We do need to know what is in the pipeline. But just as important is an awareness, when taking our own decisions, that financial organisations are highly conscious of risk, especially anything that could impact on either the viability of their organisation, or their ability to service their customers. We continuously monitor technology advances and aim to incorporate those that we feel will provide an added functionality for our customers -- without jumping on the latest bandwagon just for the sake of it. This strategy results in a continuous evolution of our product – The OLYMPIC Banking System – and the technologies on which, and with which, it runs. An example: we have recently expanded the number of operating systems and databases on which we can run, but we have retained a single source code, so ensuring that the same functionality is available across all platforms.

The screenshot displays the OLYMPIC Banking System dashboard. At the top, there is a navigation menu with options: SEARCH, PORTFOLIO MANAGEMENT, ORDERS, TRANSACTIONS, FUNDS, SECURITIES, BANKING SERVICES, MANAGEMENT, REPORTS, and ADMINISTRATION. Below the menu, the dashboard is divided into several sections:

- To do list:** A table with columns for Priority, Subject, User, Description, Contact, Ended on, and Type. It lists various tasks such as 'Card PIN review', 'CARD CANCELLATION', and 'CHECK DEPOSIT'.
- Latest news:** A table with columns for Type of information, Title, and Opened on. It lists news items like 'VP Bank Lu...', 'GOLD PRICE...', and 'EURO ZONE...'.
- Portfolio List:** A table with columns for Root, Short name, Valuation currency, and Management profile. It lists portfolios for OLYMPIC BANK, OLYMPIC BANK GENEVA, and OLYMPIC BANK NEW YORK.
- Top Cash:** A table with columns for Rank, Client, Cash accounts, Cash, Asset, and %. It lists clients like 'ALPHACORP.', 'IKA', and 'LISA'.
- Top Client Assets Graphic:** A bar chart showing the assets for the top clients, with a Y-axis labeled 'Asset' ranging from 100,000,000 to 180,000,000.

OLYMPIC Banking System's dashboard

How is ERI impacted by all the recent developments in the Fintech space?

We cooperate with a number of partners, and are always open to add to that list of partnerships where it makes sense for our customers. But equally we believe that when it comes to processing and customer service, which is at the very core of any financial organisation, you have to be able to demonstrate a record of continuity and resilience over a number of years. Some things are just too critical to be risked to chance.

We do work with partners on implementation projects, and we value the expertise and vision they bring to teams, but we have consistently been able to manage our implementation projects in-house. We all know that IT projects can have their ups and downs, and it is not always easy to foresee all the challenges at the start of a project. But by using very experienced in-house resources I believe we have been better at managing projects than most. Certainly when I read some trade press accounts of projects that have fallen far short of expectations, I am thankful and proud that our experience has been very positive.

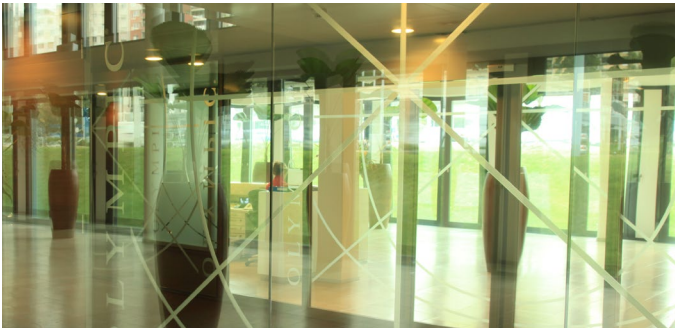
"...senior management is very close to our client base..."

Fintech is a fast-moving sector with a complex skillset required. Do you hire expertise from outside, or prefer to grow your own?

It is true we have a very experienced workforce. Whether in management or in other areas of the company we have brought together a mix of fresh hires and people who have been with us a number of years. New staff come from a variety of backgrounds – not just the banks themselves, and that ensures we maintain our dynamism and incorporate new ideas. What is also very pleasing is that we have re-hired people who were with us, who went to work elsewhere and acquired very relevant experience, and then chose to return to the ERI family fold.

You refer to the 'family fold'. Is that a reflection of ERI's corporate culture?

ERI is quite a close-knit organisation, but also a fairly lean, flat one. We think this has the advantage of ensuring that decisions can get taken very rapidly when absolutely necessary, and the senior management is very close to our client base. This also means that decisions, whether in relation to the product, or how we manage the company, are based directly on the experience of, and feedback from, the clients.



Your product set has developed over many years. Are you happy with the shape and reach at the moment?

What we have evolved is a very functionally-rich product set. We all know amongst our major competitors we can all do the same things in slightly different ways – that is, conduct a variety of transactions, record most of the data, and produce most of the information that banks and their regulators need. But the difference with us is that our product set works seamlessly across all functions. We have always developed the product consistently. That means we are looking ahead at extra value and functionality, at the same time as meeting the current and changing needs of our clients, the products they want to trade and process, and services they want to offer.

ERI has a very international client base. Is that important to you? Are you still adding to the number of countries you serve?

We are very proud in having clients in over 50 countries. This has come about in two ways – both by following some of our key customers into new countries, and as a result of our own deliberate marketing efforts. It is satisfying that we continue to see both existing client banks reaffirm their commitment to the product, which

obviously shows they appreciate the application and our services, and new names choose us for the first time. Two recent examples of this twin approach has seen ERI serving a customer based in Taiwan, with Mandarin screens, as a result of a decision by an existing customer to use the OLYMPIC Banking System in that country, and the signature of our first contract in Canada, which resulted from a deliberate policy within ERI to address that geographical market.

“...It is satisfying to see existing client banks reaffirm their commitment to the product... and new names choose us for the first time...”

How do you see the future for ERI? Some vendors have pulled out of certain sectors or geographies, and there is consolidation between vendors as well as in many areas of banking.

We are very confident ERI will be around for a long time to come. We continue to gain new clients, despite the consolidation in the financial sector, and we continue to extend our geographical reach. We expect to maintain our investment in the product and thereby grow the business. There has indeed been some consolidation amongst vendors, but we see ERI continuing to do what it does well. Mergers or other corporate reorganisations may suit some, but from the point of view of stability and consistency of the product – which feeds through to our clients and then to their clients -- controlled organic growth is preferable.

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