

TREASURY & RISK

THE FUTURE OF FINANCE TODAY

2008 Cash Management Survey

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

ABN Amro	0%
Bank of America	27%
Bank of New York Mellon	3%
Barclays	0%
BB&T	0%
Citi	2%
Comerica	1%
Deutsche Bank	1%
Fifth Third	1%
HSBC	0%
JPMorgan	26%
KeyBank	0%
National City	1%
Northern Trust	1%
PNC	4%
Regions	0%
Royal Bank of Scotland	2%
SunTrust	2%
Union Bank of California	0%
U.S. Bank	4%
Wachovia	8%
Washington Mutual	0%
Wells Fargo	17%
Zions Bank	1%
Total	100%

2. If your choice does not appear on the drop-down menu in Question 1 above, what other bank would you name?

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

ABN Amro	4%
Bank of America	15%
Bank of New York Mellon	4%
Barclays	2%
Citi	27%
Deutsche	7%
HSBC	13%
JPMorgan	7%
Royal Bank of Scotland	4%
Scotia	2%
Societe Generale	0%
Standard	0%
Standard Chartered	0%
UBS	2%
None	12%
Total	100%

4. If your choice does not appear on the drop-down menu in Question 3 above, what other bank would you name?

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

ABN Amro	0%
Bank of America	26%
Bank of New York Mellon	7%
Barclays	0%
BB&T	0%
Citi	1%
Comerica	2%
Deutsche Bank	2%
Fifth Third	4%
HSBC	2%
JPMorgan	20%
KeyBank	2%
National City	3%
Northern Trust	0%
PNC	5%
Regions	0%
Royal Bank of Scotland	2%
SunTrust	2%
Union Bank of California	1%
U.S. Bank	4%
Wachovia	8%
Wells Fargo	11%
Zions Bank	0%
Total	100%

6. If your choice does not appear on the drop-down menu in Question 5 above, what other bank would you name?

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

ABN Amro	6%
Bank of America	9%
Bank of New York Mellon	4%
Barclays	3%
Citi	13%
Deutsche	6%
HSBC	9%
JPMorgan	9%
Royal Bank of Scotland	3%
Scotia	2%
Societe Generale	0%
Standard	0%
Standard Chartered	2%
UBS	1%
None	32%
Total	100%

8. If your choice does not appear on the drop-down menu in Question 7 above, what other bank would you name?

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

Domestic Only	49%
International Only	22%
Both International and Domestic	29%
Total	100%

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

100%	6%
80% to 99%	5%
50% to 79%	10%
25% to 49%	12%
Less than 24%	33%
Zero	34%
Total	100%

11. How important are each of the following items in choosing a primary cash management bank? (Rank the items from 1 for most important to 9 for 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	10
Accuracy	38%	14%	7%	7%	5%	7%	2%	5%	2%	11%
Advice	6%	5%	10%	5%	12%	6%	20%	12%	15%	9%
Analytics	1%	5%	8%	12%	6%	8%	9%	17%	11%	21%
Commitment to Business	5%	15%	13%	12%	10%	12%	18%	9%	5%	1%
Credit Commitment	17%	8%	16%	11%	8%	9%	8%	6%	2%	14%
Customer Service	19%	19%	12%	12%	9%	9%	3%	4%	4%	7%
Customized Services	8%	2%	15%	6%	10%	5%	14%	15%	14%	11%
Personnel	3%	9%	10%	12%	12%	14%	16%	11%	10%	5%
Pricing	5%	21%	15%	11%	10%	8%	5%	8%	12%	5%
Technology	19%	17%	8%	10%	12%	7%	2%	8%	11%	7%

12. 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	15%	33%	17%	3%	8%	4%	4%	2%	0%	15%
Balance reporting	27%	37%	16%	2%	6%	5%	2%	2%	0%	2%
Remote deposit	14%	14%	12%	6%	7%	1%	2%	2%	4%	39%
ACH payments	30%	28%	20%	2%	8%	1%	0%	5%	1%	6%
Controlled disbursement	25%	34%	10%	2%	6%	2%	2%	2%	1%	16%
Electronic bill presentment	8%	11%	8%	5%	5%	2%	1%	2%	2%	57%
Investments	12%	18%	13%	9%	12%	4%	5%	2%	0%	24%
Multicurrency accounts	7%	6%	7%	6%	9%	2%	2%	2%	1%	57%
Positive pay	28%	34%	10%	4%	7%	1%	3%	2%	1%	11%
Lockbox	19%	20%	13%	6%	8%	0%	2%	3%	2%	28%
Online access	37%	27%	17%	2%	6%	0%	6%	2%	2%	0%
Domestic wires	30%	35%	15%	7%	6%	2%	1%	2%	2%	0%
International wires	20%	23%	13%	12%	7%	4%	2%	2%	2%	15%
Communication between bank’s web site and treasury workstation	10%	14%	13%	4%	5%	3%	2%	2%	2%	46%

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

1 to 2	54%
3 to 4	34%
5 to 6	6%
More than 7	5%
Total	100%

14. 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	43%
No	13%
No Opinion	44%
Total	100%

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

Very satisfied	43%
Somewhat satisfied	56%
Dissatisfied	2%
Very dissatisfied	0%
Total	100%

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

100%	12%
80% to 99%	57%
50% to 79%	17%
25% to 49%	9%
Less than 24%	4%
Zero	0%
Total	100%

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

Decline in service due to increased automation and cost cutting	22%
Increased pressure to award cash management business to credit providers	21%
Shifting appetites for various lines of business as banks refine their business plans	10%
Getting new technology to work	12%
Outsourcing financial activities to bank and non-bank providers	2%
Linking treasury to broader financial initiatives (A/P, A/R, EIPP, e-business) where banks offer solutions	29%
Other, please specify	6%
Total	100%

18. Do you use a treasury workstation?

Yes	32%
No	68%
Total	100%

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

Yes, increase less than 10%	36%
Yes, increase greater than 10%	3%
No significant change	55%
Yes, decrease less than 10%	5%
Yes, decrease greater than 10%	1%
Total	100%

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

Yes	18%
No	82%
Total	100%

21. Do you have a p-card program?

Yes	53%
No	47%
Total	100%

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

23. What is the biggest benefit of p-cards?

Empower end-users to buy what they need quicker 11%

Reduce administrative costs and time 65%

Reduce cost of items purchased by steering buyers to preferred suppliers 9%

Document spending in order to negotiate volume discounts 7%

Prevent rogue buying 5%

Collect rebates 4%

Total 100%

24. 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	18%
Greater use of inside managers	7%
Greater use of money funds	48%
Greater use of CDs	5%
Greater use of BAs	1%
Greater use of offshore deposits	9%
Greater use of Treasury paper	15%
Greater use of repos	7%
Greater use of commercial paper	19%
Greater use of other investments (please specify)	5%

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

Yes	40%
No	60%
Total	100%

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

27. 27. How much have you saved in banking fees?

28. 28. 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	6%
Gained 1-2 days on digitized checks	46%
Gained less than one day on digitized checks	47%
Total	100%

29. 29. 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	82%
Lost more than two days on digitized checks	18%
Total	100%

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

Yes	22%
No	78%
Total	100%

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

My company	90%
A bank	3%
A non-bank third party	7%
Total	100%

32. Where is that center located?

North America	74%
Latin America	6%
Europe	14%
Asia	3%
Other, please specify	3%
Total	100%

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

No Gain	36%
Gain of less than 5%	25%
Gain of 5% to 10%	29%
Gain of 10% to 20%	8%
Gain of more than 20%	1%
Total	100%

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

Better internal software	34%
Better internal organization	63%
Outsourcing to cash management bank	4%
Outsourcing to non-bank, third-party	3%
Greater use of p-cards	22%
Better use of telecommunications, including e-mail	34%
Other, please specify	1%

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

No Gain	37%
Gain of less than 5%	31%
Gain of 5% to 10%	26%
Gain of 10% to 20%	5%
Gain of more than 20%	2%
Total	100%

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

Better internal software	39%
Better internal organization	65%
Outsourcing to cash management bank	3%
Outsourcing to non-bank third-party	4%
Better use of telecommunications, including mail	32%
Other, please specify	1%

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37. 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	43%
Improvement of less than 5%	28%
Improvement of 5% to 10%	15%
Improvement of 10% to 20%	9%
Improvement of more than 20%	6%
Total	100%

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

Better data capture in the lockbox operation	67%
More cooperation from customers in returning machine-readable remittance documents	31%
Greater use of EIPP solutions	10%
Greater use of EDI	26%
Greater use of supply-chain	0%

39. What is your company's annual revenue?

Under \$100 million	13%
\$100 million to \$500 million	21%
\$500 million to \$1 billion	18%
\$1 billion to \$5 billion	32%
Over \$5 billion	16%
Total	100%

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40. What is your title?

Treasurer	29%
Assistant Treasurer	23%
Vice president of Finance	3%
CFO	13%
Other, please specify	31%
Total	100%