

STERLING COMMERCE SET TO KICKSTART DIGITAL BANKING BOOM

Submitted by: Nelson Bostock Unlimited

Monday, 22 October 2001

eBusiness integration creates "win-win" business model for banks, say analysts

London, 22 October 2001 Corporate banks urgently need to expand their Internet capabilities and adopt integrated enterprise solutions if they hope to retain a competitive edge in the digital economy, according to a major new report from Datamonitor.

The study "Financial Services in a Connected World" expects the finance sector to make considerable investments in setting up and integrating digital sales channels for corporate banking.

It found that legacy technologies are effectively holding back the integration of heterogeneous systems in the financial institutions. Datamonitor's analysts concluded that solutions like Sterling Commerce's CONNECT:Direct™ and CONNECT:Enterprise™ are ideal for the distribution and management of data between business partners beyond system limits.

"Banks with enterprise solutions will be able to serve their customers better and cover increasing e-business needs with an automated, secure, and economic data transfer solution," said Dr. Tony Hart, Managing Analyst, Business e-Infrastructure, of Datamonitor. "Finance institutes that take up CONNECT:Enterprise in their e-business strategies will have a win-win business model."

Datamonitor forecast that banks will increase expenditures for enterprise integration from 785 million US dollars this year to 1.2 billion US dollars in 2004 in the economic region EMEA (Europe, Middle East, Africa).

Sterling Commerce, one of the world's leading providers of e-business integration solutions for global companies and their business communities, has more than 20 years of experience in data integration and has already provided solutions for 80 per cent of the largest international banks in the EMEA region.

CONNECT:Direct is a peer-to-peer solution for secure and automatic data transmission between various applications. Its session management and mature recovery functions allow for a constant flow of data to support 24x7 business flows. It is also ideal for moving large amounts of data or connecting new Web-based applications to existing editing systems.

CONNECT:Enterprise is a one-to-many enterprise software solution ensuring the secure, reliable flow of corporate information within and between business communities. It integrates management and communications services to simplify administration and allows for checks on the movement of data in far-reaching business processes.

Banks that have successfully implemented Sterling Commerce's CONNECT:Direct and CONNECT:Enterprise solutions include BNP Paribas (Ireland), Credit Agricole Indosuez (Luxembourg), and Bankenes Betalings Sentral as (Norway).

Datamonitor points out in the report that many business processes that require application integration are horizontal. The spread of the Internet has also put most companies in a situation of vertical business processes. Efficient communication with internal departments as well as external partners, customers and component suppliers is vital. This requires a robust, integrated e-business strategy based on a powerful, scalable, and flexible communications infrastructure.

The study also states that finance companies rely more on existing technologies on the market than any other industry. As many parties in corporate banking take part in the transactions, the data flow through many kinds of systems and protocols. This very complex situation could slow down the business processes drastically. "The banks that are able to overcome these difficulties with special solutions will have clear competitive advantages," the analysts added.

The report concludes that Sterling Commerce has developed a needs-based approach with several integration middleware solutions to tackle the problem of the distributed use of data from central business applications.

"The CONNECT product family is able to integrate both horizontally and vertically. The market analysts highlight the following examples of horizontal business activities integrated and supported by Sterling Commerce:

- Financial transactions between banks and other finance institutions

- Mirroring of mission-critical data on disaster recovery servers to minimize the loss of information

- Transfer any sort of corporate data from distributed sites of the enterprise for central

- Customer service in which private data can be exchanged with every single customer using Sterling Commerce solutions

- Data synchronizing between data storage for legacy applications and ERP or CRM systems."

To download the Datamonitor white paper go to: <http://www.stercomm.com/finance/>

- ends -

About Sterling Commerce

Sterling Commerce, a wholly owned subsidiary of SBC Communications, Inc. (NYSE: SBC), is a worldwide leader in business-to-business integration -- providing a wide range of integration software, business enabling and online services for Global 5000 companies and their customers, suppliers and partners. With more than 25 years of experience in a vast range of industries, Sterling Commerce offers the expertise, as well as the breadth of integration software and services required to facilitate, manage and support the electronic exchange of information within a business, as well as with its diverse community. More than 50,000 companies throughout the world rely upon Sterling Commerce to overcome the business and technological complexities associated with integration to decrease costs, increase profit margins, achieve faster production cycles and improve customer satisfaction.

<http://www.sterlingcommerce.com>

About Datamonitor

Since its formation in 1989, Datamonitor has grown to become one of the largest suppliers of published market analysis and consulting services. It provides two main services: strategic planning programmes and tailored research and consulting.

The company employs more than 600 staff in London and New York, with regional offices in Manchester, Frankfurt and Hong Kong. Its principal practice areas include technology, financial services, consumer goods, healthcare and medical components, energy, industrial and automotive.

Datamonitor was listed on the London Stock Exchange in November 2000. The company is owned jointly by Reuters, institutional investors and by the directors and employees of the business.

<http://www.datamonitor.com>

For media enquiries please contact:

Claire Smither
Nelson Bostock Communications
Tel: 0207 229 4400
claire.smither@nelsonbostock.com