



# Banks – what's the score?



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# First Class Relationship Management

Bank Relationships



# Agenda:

- Company Profile
- Scorecard Review
- Wallet Distribution Model Review
- Banking Relationship Process
- Q&A

# Company Profile

## Brocade Communications Systems, Inc.

- Founded in 1995, Brocade is an industry leader in providing reliable, high-performance network solutions that help the world's leading organizations transition smoothly to a virtualized world where applications and information reside anywhere.
- Headquartered in San Jose, California, the company has approximately 4500 employees worldwide and serves a wide range of industries and customers in more than 160 countries.

# Scorecard Review

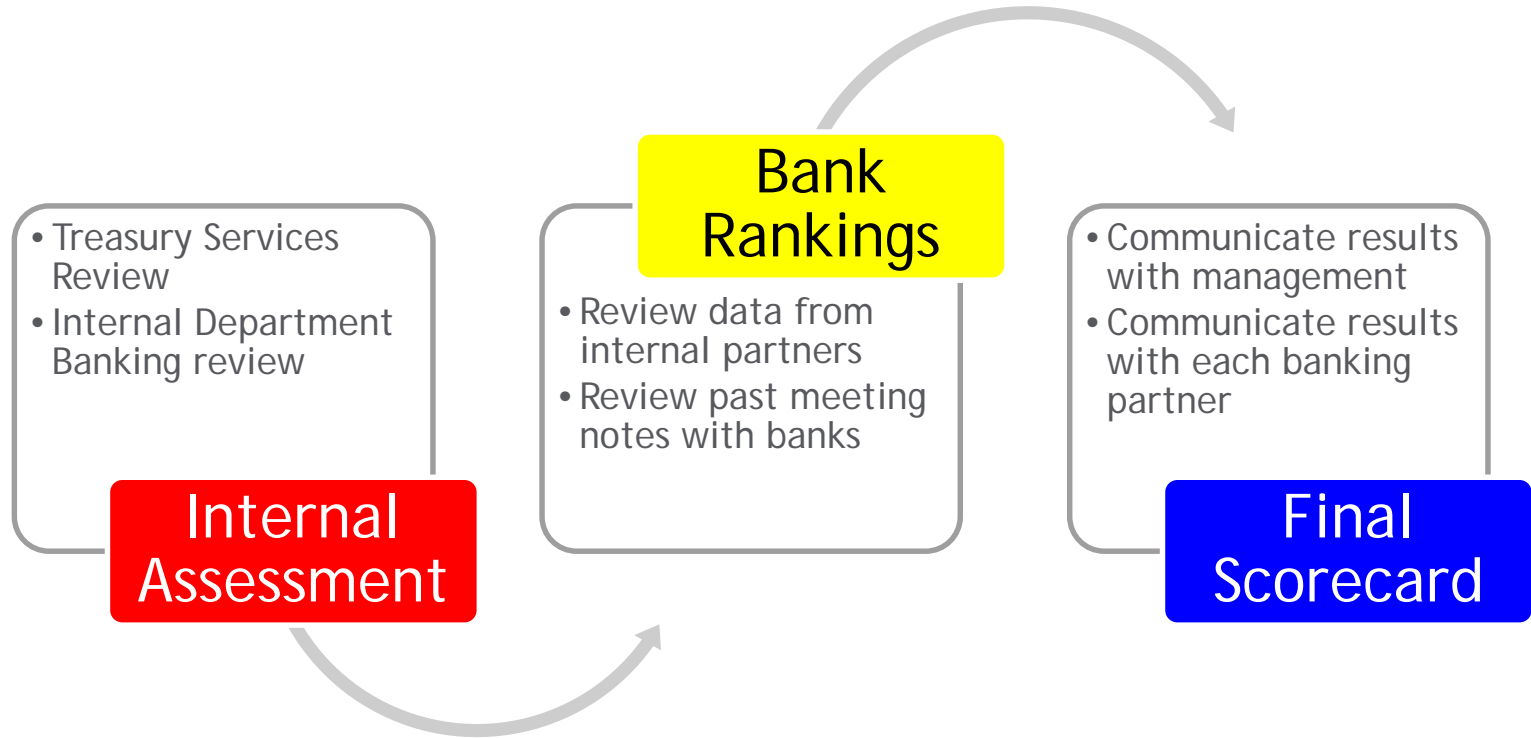
- A comprehensive review of bank services and products
- Determine strengths and weakness of our banks
- Objectively communicate and provide feedback to banks
- Enhance business relationships

# Scorecard Review - What is on the Scorecard?

Each banking function was categorized into groups:

- Bank products and customer services
- Capital management
- Administration
- Pricing
- Geographical footprint
- Banking technology

# Scorecard Review - Process



# Score Card Review - Example

## Liquidity Management

- Collections & Receipts
- Payments
- Reporting
- Card Services

## Capital Markets/Risk

- Debt
- Investments
- Share repurchase
- FX Management

## Administration

## Pricing

Current Bank Services	Bank 1	Rank	Bank 2	Rank	Bank 3	Rank
<b>Liquidity Management</b>						
<b><u>Collections and Receipts</u></b>						
Lockbox	Data Files	4			Closed	
Credit Card Transaction Processing					Customer Payment; expensive	3
Factoring						
Remote Deposit Capture	electronic deposits of US\$ items drawn on US banks	4			electronic deposits of US\$ items drawn on US banks	3
Wires and ACH Receipts	ACH & wires	4			credit card deposit	3
<b><u>Payments</u></b>						
ACH Block	block unauthorized transactions	3			block unauthorized transactions	3
Account Reconciliation and Image Archive Solutions						
Account Transfers	Standard	3	Standard	3	Standard	3
Asia Tax Payments	tax payment settlement for Thailand, Indonesia, & India	4				
Cash Pooling	slow in representing proposal; poor pricing with little benefits	2				
Check Services	Canada OPEX only				Standard	3
EFD	International Payroll; centralize payment activity	4				
EFT	Automated	4				
Global Payments (Domestic & International wires)	Domestic & International	4	Domestic & International	3	Domestic only	3
International Payments Services - Latin America	centralize the process of initiating & managing payments in the region	3	initiating & managing payments in Chile	4		



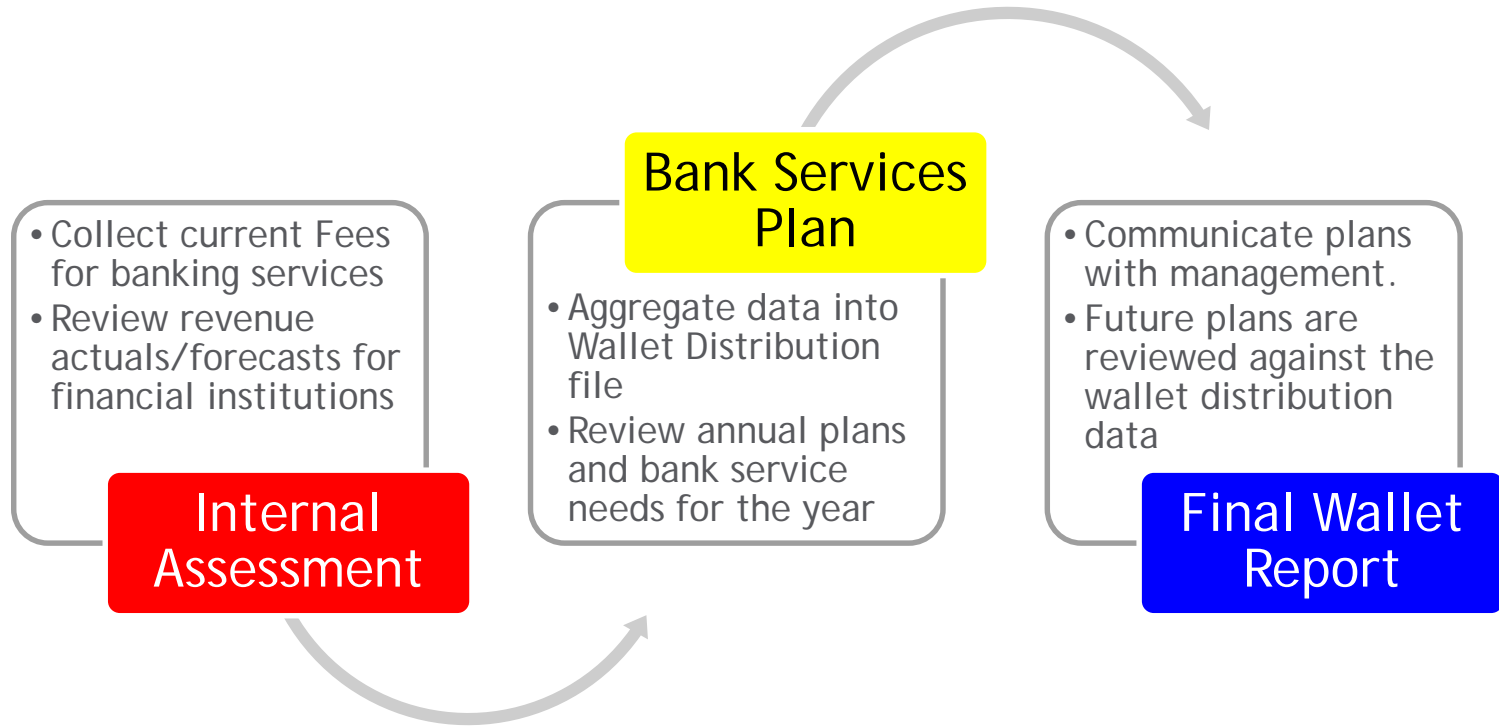
# Score Card Review - Example

Bank	Account Name	Country	Category	Documents	Confirmation Date	Submission Date	Comments	# of Days to Complete
Bank 2	Brocade Middle East FZ - LLC	Dubai	New Account	New Account Docs	9/1/2013	1/1/2013	The account opening process was started in January 2013 and wasn't established till 9/23. The documents required by Bank 2 Dubai branch were cumbersome. The required docs were not being well informed and slow in responses.	243
Bank 2	Brocade Communication Switzerland SARL	Poland	Account Signer Update	Addition/Deletion of Authorised Signatories on company	3/20/2014	1/27/2014	The original letter request submitted on Jan. 27th to the US team. On March. 20th., the local team requested for a 2nd signature on the original letter request	52
Bank 1	Brocade Communications	US	Lockbox	Lockbox file missing	3/3/2015	2/27/2015	2/27/15, The lockbox file was missing. AR reported it on 3/2 and a file got processed on 3/3	4
Bank 1	Brocade Communications Systems, Inc	US	Lockbox	Lockbox Keying Error	2015/4	4/20/2015	lockbox error reported by our AR group. The invoice number was incorrectly keyed into the system which resulted in an unmatched receipt. This is a second time in a month an error on dollar amount is occurred.	0

# Wallet Distribution Model Review

- Systematic tracking of corporate banking expenditures
- Analyze revenues received from each banking partner
- Facilitate quicker decision making for senior management
- Build win-win relationships with key banking partners

# Wallet Distribution Model Review



# Sample Wallet Distribution

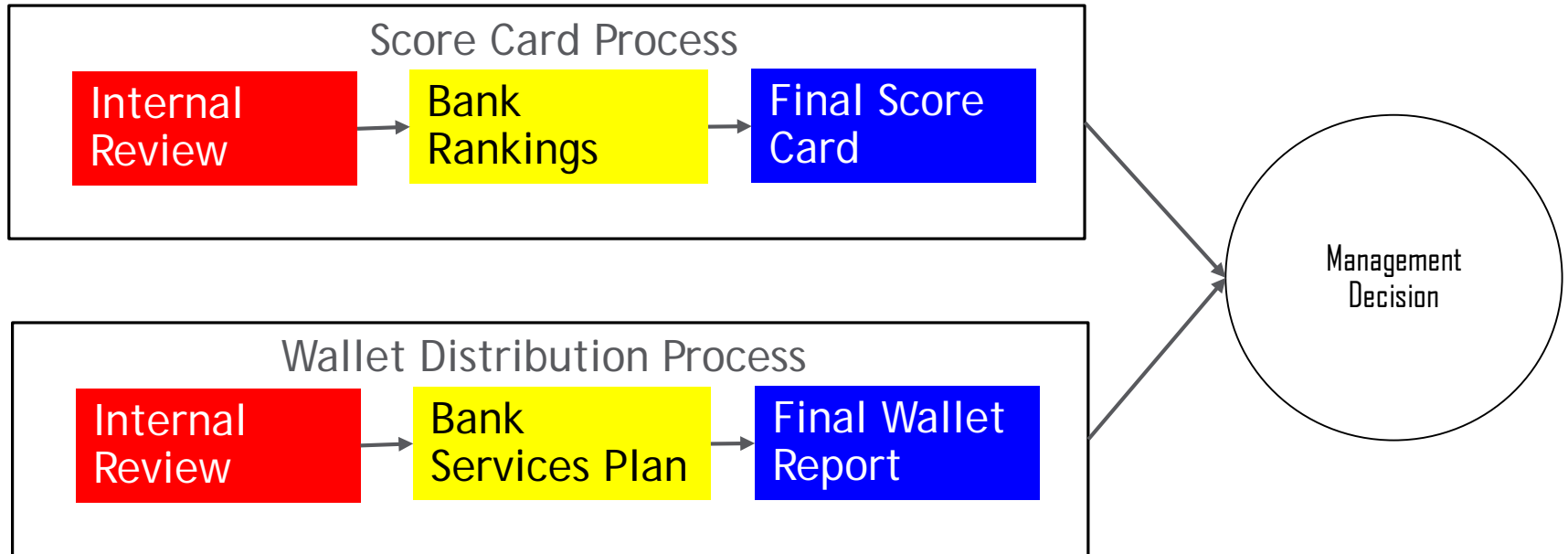
		Investment Banking	Bank Account - Dom	Bank Account - Int'l	Corporate Credit Card	CC Trans Processing	401K Administration	401K Fund Investments	FX Trading Partner	Investments	Leasing (Equipment)	Stock Repurchase	Total	Rank	Total Sales Activity thur FY15TD	FY 15 Sales Activity Committed	FY 15 Sales Activity Unr
<b>Tier I Banking Partners</b>																	
A	Bank 1	\$XX	\$XX	\$XX				\$XX				\$0	1	\$XX	\$XX	\$XX	
A	Bank 2				\$XX				\$XX			\$0	1	\$XX	\$XX	\$XX	
A	Bank 3									\$XX		\$0	1	\$XX	\$XX	\$XX	
B2	Bank 6			\$XX					\$XX			\$0	1	\$XX	\$XX	\$XX	
<b>Tier II Banking Partners</b>																	
B2	Bank 7					\$XX						\$0	1	\$XX	\$XX	\$XX	
B2	Bank 11					\$XX	\$XX		\$XX			\$0	1	\$XX	\$XX	\$XX	
C	Bank 12		\$XX									\$0	1	\$XX	\$XX	\$XX	
<b>Tier III Banking Partners</b>																	
C	Bank 13		\$XX									\$0	1	\$XX	\$XX	\$XX	
B2	Bank 25								\$XX			\$0	1	\$XX	\$XX	\$XX	
<b>Potential Banking Partners</b>																	
	Bank 31														\$XX	\$XX	\$XX
	Bank 32														\$XX	\$XX	\$XX
	Bank 33														\$XX	\$XX	\$XX



# Wallet Distribution Model Review - Services discussed with each bank

Tier	Bank Participants	Recent Business Discussed	Bank Services
A	Bank 1	<ol style="list-style-type: none"> <li>1. Convertible Debt / Call Spread</li> <li>2. Revolver</li> <li>3. Domestic (RFP) &amp; International Bank Accounts</li> </ol>	Investment Banking (Term, Bond1, Bond2, Revolver), Treasury Operations (Domestic/International), FX Trading, Leasing, LOC, Stock Repurchases
A	Bank 2	<ol style="list-style-type: none"> <li>1. Investment - Short Term</li> <li>2. T&amp;E Card</li> <li>3. Call Spread</li> </ol>	Investment Banking (Bond1), Corporate Credit Card, FX Trading, Investments
A	Bank 3	<ol style="list-style-type: none"> <li>1. Share Repurchase</li> <li>2. Convertible Debt</li> </ol>	Investment Banking (Revolver, Bond2), Investments, Share Repurchase
B1	Bank 4	<ol style="list-style-type: none"> <li>1. Convertible Debt / Call Spread</li> <li>2. Transfer Agent</li> <li>3. Domestic Bank Accounts (RFP)</li> </ol>	Investment Banking (Term, Bond1, Revolver), Treasury Operations (Domestic), Factoring, Transfer Agent
B2	Bank 5	<ol style="list-style-type: none"> <li>1. Investment - Short Term</li> </ol>	Investment - Short Term
B2	Bank 6	<ol style="list-style-type: none"> <li>1. Investment - Short Term</li> </ol>	Investment - Short Term

# Banking Relationship Process



Thank you

treasurytoday  
**Question time**



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