

# Corporate Financial Systems

Date: April 2008  
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## Fundtech lines up Accountis e-billing plans

'E2E squared' is the formula that US-based payments vendor, Fundtech, hopes will deliver success following its February 2008 acquisition of electronic invoice presentation and payment (EIPP) firm, Accountis.

Plans are in the pipeline to offer a straight through e-billing solution within and between banks and corporates. This is described as 'end-to-end-to-end' or 'E2E squared' by Fundtech EVP and chief marketing officer, George Ravich.

The two firms are currently drawing up the battle plans and have an as-yet unnamed 'premier' European banking customer part-way through the first joint implementation. The contract, Ravich confirms, 'is a done deal'.

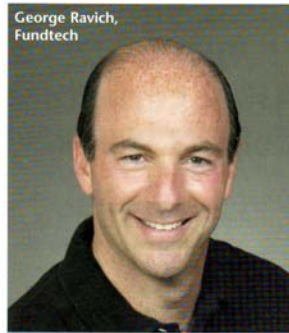
The £3.8 million deal to acquire Accountis followed a 'quite swift' courtship, according to Accountis sales director, Ifor Williams, who confirms that there were no formal ties between the two firms prior to the acquisition.

Although Williams would not be drawn on whether other suitors were in the frame, he makes Accountis' reasons for putting itself up for sale quite clear. 'From our perspective, we have identified the banking sector as a key sector for us in the long term. It's the way forward to provide an EIPP infrastructure globally,' he says. Fundtech's client list and 'huge global reach' was the best way to achieve this expansion.

From Fundtech's point of view, Ravich says that the acquisition was about 'product extension in an area that we have already committed to'. Fundtech already has an EIPP product which it inherited when it

acquired Indian vendor, Casstech Solutions, in 2005. This solution however is modelled 'more from the banks' point of view rather than the corporates', and in any case did not facilitate 'the level of scale and maturity that Accountis offers us'.

Fundtech's primarily bank-focused existing product set of payments, cash manage-



ment and settlements systems is undergoing a product rationalisation right now, says Ravich. The eventual integration of the Accountis solution will expand its reach deeper into the financial supply chain and corporate treasury, from the banking arena. Ultimately, Ravich says, 'what we are looking for is to have this end-to-end, interoperable product line'. 'We're not there yet,' he admits, but a roadmap is being laid out, following on from a two-day intensive meeting of key developers and executives which took place in Israel in early March.

These plans will see Accountis continue to be marketed under the Accountis brand

name in the UK and the rest of Europe, simply because it is 'a recognised name'. Beyond this region Accountis technology will go under the Fundtech moniker. Eventually though, says Ravich, 'our vision is to have a Fundtech product line all under the brand name of Fundtech'.

Accountis is currently operating as an independent subsidiary. Williams says that given his firm's expertise in the field of EIPP, 'it is important that we retain the same management structure'. Although Ravich adds that the decision has not yet been made as to how Accountis will ultimately be managed, he confirms that 'at the right time and with the right motivation' it will be integrated. However, he comments that Fundtech typically likes to leave the management structure of its acquired firms alone. Accountis will be no different. 'They've got a great business – that's why we acquired them – let them run it.'

Despite this initial autonomy, the sales front will 'importantly be presented as a single, consolidated, integrated view of what we're doing,' Ravich states.

In terms of further sales, he believes that the onset of SEPA is creating a rich hunting ground in Europe for e-billing solutions vendors, with many a bank feeling 'rather nervous' about their prospects. With a mandate that demands acceptance of e-invoices, he notes that many of these institutions are 'really open' to EIPP systems right now.

Back in its traditional stomping ground, Accountis has an established customer base of well-known institutions such as DHL, Virgin Retail, Goodyear Dunlop, Marconi, T-Mobile, Warner Bros. and ICICI Bank.