

Vallstein

– Could you please introduce yourself and the company you're working for?

My name is Huub Wevers and I have had a long banking career in the area of Corporate Banking and in particular Transaction Banking. I have always been working on the combination of banking and technology. I currently work for a small Financial Technology firm called Vallstein which specialises since its creation in 2000 in Bank Relationship Management software and services. We have a system called WalletSizing®. I have recently been involved in developing a module for Bank Fee Analysis to allow Corporates to reconcile the original contractual bank agreements with the invoices they receive from their banks.

– So I understand you are a specialist in Bank Fee Analysis.

Can you explain what your solution is aiming at?

It allows corporates to understand the complete wallet they spend on all their banking products and the return the banks are making on them as a corporate client. In order to understand if the banks are making a fair return and the banking business is spread across the banks as planned. Our new module Bank Fee Analysis allows corporates to reconcile the invoices they get from the banks with their original contractual agreements. Bank Fee Analysis is all about Cash Management.

– What are the most common objectives you normally deliver in Bank Fee Analysis projects?

The most common reasons we do a project is because a corporate wishes to get a better understanding on their direct banks costs because they feel that banks have not implemented the agreements correctly or either way the invoicing is not correct. Instead of doing an excel exercise which is typically one-off, difficult to execute in case of multiple bank accounts across different entities and geographies, and let alone complex to maintain, they wish to automate it.

– When do you think there will be one standard invoice format supported by all banks?

The format is there, being the TWIST/CAMT.086 format, very much being adopted as the standard for bank invoicing for Cash Management. The question right now is the speed of adaptation and the usual details that have a great impact on the practicality of the standard, like standard transaction codes. Currently we are typically using all sorts of (bank generated) excel spreadsheets or other structured files to upload and map into our system. This works, but having one format would make things considerably easier.



Vallstein
Huub Wevers
Consultant

– What is TWIST/CAMT.086 exactly?

The ISO 20022 camt.086 BSB message version of the TWIST BSB (Bank Services Billing) is three years old and at this moment there are 15+ banks supporting it. It is an XML format that delivers the invoice in a structured way, allowing corporates and vendors to read the invoice and analyse it. The CAMT.086 format is the ISO standard of the TWIST BSB initiative and emerging as the main standard.

– Is Bank Fee Analysis only about Cash Management? What about all other Bank products?

Yes, Bank Fee Analysis is only about Cash Management. Bear in mind though that this represents +/- 75% of the debit entries that corporates see from their banks. This is in volume off course because when reviewing the total cost it typically represents anywhere between 5-20% of the total banking costs in the case of a full wallet including debt and hidden costs like margins on credit and FX. For this reason we very often do a full review for all banking products once bank fee analysis has been tackled.

– How do you measure success in your field and potential savings for your customers?

We consider a project a success when corporates get full transparency on their bank costs, both in correcting errors as in ensuring banks get a fair return. This obviously leads to substantial cost savings on the side of the corporate client. Equally important, a successful project leads to a much better and professional relationship with your bank. Because the numbers are clear, the reviews can focus on improving both these numbers and the qualitative aspects of the relationship.