

The wonderful world of Fi-Wi

OSMO solves the problems associated with automating business processes

We have come a long way from Thomas Watson Senior's declaration in 1943 that: "I think there is a world market for maybe five computers." Now, we live in a Web 2.0 world, but what does that mean specifically for lenders today?

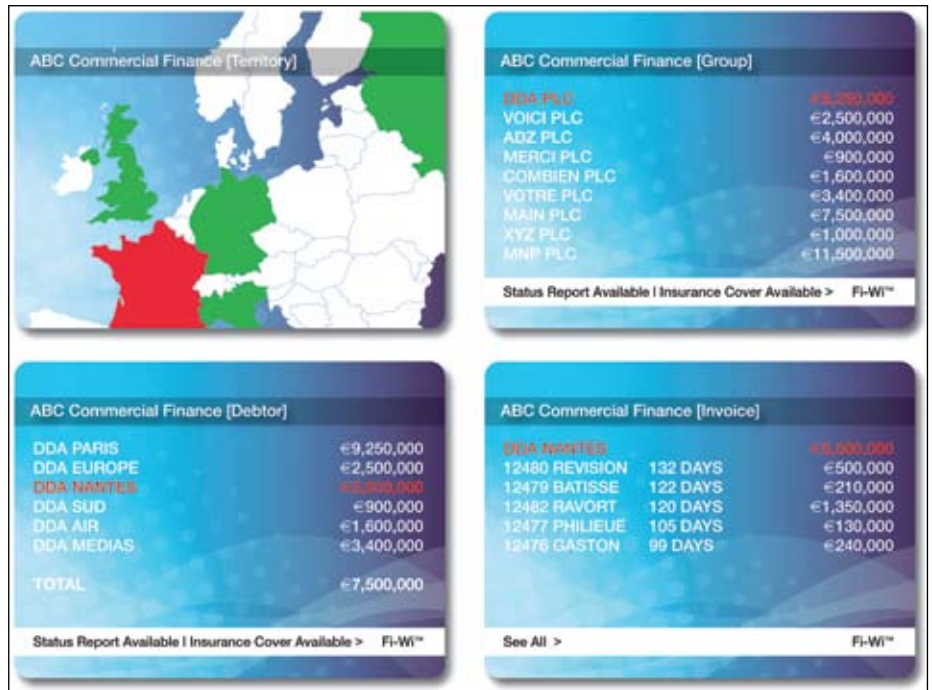
You've probably heard the phrase Web 2.0. You may even have a good understanding at what it means but definitions are constantly changing to reflect and anticipate our needs. It would be fair to say that definitions abound, from: "the web as platform", "giving people the flexibility to find, organise, share and create information in a locally meaningful fashion that is globally accessible", "action-at-a-distance interactions and ad hoc integration". These are all true as far as they go, however, the real meaning of Web 2.0 to the commercial finance community runs far deeper than the user-created blogs, wikis and podcasts we have seen to date.

Fi-Wi is the next generation of Web 2.0 – a financial widget powered by information sourced and extracted automatically from the users' accounting packages. At Fi-Wi's core is Vision Critical's widely distributed OSMO technology. Developed to satisfy the demands of the £173bn UK asset-based lending industry, OSMO solves the problems associated with automating business processes, previously one step removed from financial information stored in accounting packages. These include the management of asset-based lending transactions, credit checking buyers, foreign exchange movements, VAT management, monitoring trade insurance covenants and much more.

The diagram below illustrates how Fi-Wi can give financial institutions a real-time view of all of the information they need automatically, drilling down from territory to group of companies, debtor and invoice levels. This allows financial institutions to monitor exposure levels, view exposure risk by status agency banding and automatically cross-check the correct legal entity and credit limits to ensure that the correct insurance cover is in place.

Fi-Wi as a find engine

Today, to find b2b suppliers, most companies use a search engine and react to natural or paid-for served responses that catch their attention, with little certainty that the supplier can serve their need or



at what cost. This has limited the scope for lenders, as companies are less likely to make time to search for suppliers for repeated or apparently complex financial services. Better to buy again from a supplier that has helped you in the past than go to the trouble of searching and hoping to get lucky.

Fi-Wi solves this problem by indexing all changes made to the general ledgers of a company as they happen, account payable and account receivables, triggering a requirement for the supply of services such as insurance or a higher availability of finance. This is brought about by matching the business activity harvested by Fi-Wi with a matching application waiting on the company's desktop or intranet, which triggers the quotation and business process.

Other examples of services for which specialist Fi-Wi applications could be created include:

- procurement;
- supply chain finance;
- Basel II compliance;
- status agency reports;
- outsourced receivables management;
- foreign exchange contracts spot and forward;
- HP and leasing;
- sales process improvement;
- license revenue management;

- electronic invoicing;
- VAT management;
- Sarbanes Oxley compliance;
- know your customer management;
- accounting error and pre-audit tools; and
- duplicate invoice recovery.

The step of automating daily collection of account receivable data directly from the borrower's accounting package has allowed the automation of manual reconciliation, risk management business processes, improved asset visibility and increased funds out to borrowers. Costs are down 30% and lending up 20% to borrowers. It is no hyperbole that OSMO has transformed the industry.

However, this latest generation of Fi-Wi combines desktop visibility with effortless transparency to deliver true Web 2.0 functionality for lenders. The "what if?" possibilities are endless and the benefits in terms of customer satisfaction, loyalty, up-sell, cross-sell and product development are far-reaching for the entire commercial finance community. Remember, you heard it in Business Money first!

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Tim Lodge, sales and marketing director,
Vision Critical, tel: +44 (0) 1252 728184