

# Dentsu Aegis Network

## - Global Payment Standards with BELLIN and SWIFT

**H**eadquartered in London, Dentsu Aegis Network is a combination of Aegis Media and Dentsu Inc.'s non-Japanese media businesses which was formed following the c. £3.2 bn acquisition of Aegis Group plc by Dentsu Inc. in March 2013. Dentsu Aegis Network is one of the world's leading media and digital agencies, generating annual turnover in excess of £16 bn across a worldwide network covering over 80 countries and employing over 20,000 employees.

### The challenge for Dentsu Aegis Network: Obtain a group-wide overview

The treasury team at Dentsu Aegis Network is centrally organised, managing cash, funding and foreign exchange on a group-wide basis. Having visibility over cash and debt balances across the group is critical to manage liquidity effectively. The challenge was to do this in a time and cost-efficient way – bearing in mind that the group operates 1000+ accounts with 100+ banks across 80+ countries. In addition, the group was seeking to streamline its payment activities across these accounts and thus generate cost savings.

Dentsu Aegis Network set out to find a solution capable of combining full treasury management functionality with an automated global all-in-one payment solution – as well as automated reporting – across its core banking group. They wished to integrate their payment processing in one system and connect it to all banks. Dentsu Aegis Network decided to implement BELLIN's treasury management system which has an integrated multi-bank cloud connectivity, based on Alliance Lite2.

Peter Pontidas, Corporate Treasurer at Dentsu Aegis Network, says: "At the moment, we manage our finances on multiple platforms for different subsidiaries. The treasury department collects and integrates information manually, resulting in time-consuming processes. One of our goals is to simplify existing treasury processes and to enhance benefits by enabling payments to be automated across the group in a bank-agnostic way. A single treasury management system that enables an easy connection to all selected banks via SWIFT seems to be the ideal solution for us."

For Dentsu Aegis Network, this is a high-priority project. To enable the project to be implemented in a time-efficient manner

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and to manage the interface with various systems, the treasury team has employed consultants to assist with static data input, project rollout and technical interfaces.

### One System: An all-in-one TMS solution

Integration is a key priority of the project. Co-ordinating and harmonising the tools used in the group's treasury is the basis for increased cash visibility and more efficiency.

"A key priority has been to find a suitable solution which allows us to manage all global payment processes on one platform. Hence, our initial vendor investigation focused on treasury systems that could meet the highest standards in treasury management and bank connectivity. With tm5 by BELLIN, we found a fully integrated treasury management system that fulfils all our needs," explains Pontidas.

The new Dentsu Aegis Network treasury solution is entirely hosted 'in the cloud', which enabled a quick and easy setup. No investments in hardware were necessary – the group simply lets BELLIN host their application. The treasury team can use the application just as well as the group's subsidiaries and shared service centres – the system's web-based technology enables

group-wide use. All this speeds up the roll-out and implementation process, which currently is still a work in progress.

### One Channel: Finding the right bank connectivity model

Dentsu Aegis Network means to leverage efficiencies by reducing the number of individual banking solutions and by keeping bank connections as independent as possible at the same time.

SWIFT's Alliance Lite2 offers the ideal solution for the group: the SWIFT network stands for far-reaching opportunities and a global technology. It enables Dentsu Aegis Network to use one unified banking connection to connect with all their relevant banks. In addition, Dentsu Aegis Network profits from SWIFT's very high technical security standards.

Peter Pontidas states: "From the very beginning, using SWIFT's Alliance Lite2 was one of our main goals. With access to the SCORE network, we can reach all our core relationship banks in a convenient way. We were looking for an integrated solution."

A year ago, SWIFT and the treasury solution provider BELLIN began to fully integrate SWIFT connectivity in the BELLIN system. The resulting combined BELLIN SWIFT Cloud Service offers companies seamless connectivity to all banks from one web-based treasury system via SWIFT. Dentsu Aegis Network has received their own bank identifier code (BIC), which is a prerequisite for using all aspects of the global SWIFT network.

"We benefit from the advantages of SWIFT's network access and, in addition, the initial connection to SWIFT's Alliance Lite2 has been easy to set up. For us, the close partnership of BELLIN and SWIFT means that we can connect to SCORE directly from the treasury application, without having to implement a separate infrastructure. This saves us a lot of time."

The onboarding process was smooth and convenient as well – Dentsu Aegis Network merely needed to fill in one sheet and send it to BELLIN. Then, the treasury solution vendor and SWIFT took care of the whole connection process. After only a few days, Dentsu Aegis Network received their SWIFT code and attended a short remote training session to learn how to use it.

### One Format: Using a global standard

When contacting and setting up contracts with banks, companies need to determine which message formats they will exchange with the respective financial institution. Dentsu Aegis Network considers it very important to use one global standard for payments – an ambitious goal. "Of course, we are aware that defining just one format for all payment files is ambitious," Peter Pontidas admits. "Still, this is our vision – having as much standardisation as ultimately possible. One channel, one solution, one format. This will simplify processes."

The group has chosen the CGI format, and the implementation process is moving forward quickly. Sometimes, it is difficult to convince banks to communicate via this standard, especially as the Dentsu Aegis Network group have such a large number of different banking connections and some banks have not yet moved to the global formats.

"We do intend to use this project as a further catalyst to reduce the number of accounts we have and to continue to consolidate activity to our core relationship banks. If one of our banks is not able to support global standards, we will weigh our options. Having a different format for every single bank would be complicated and expensive," the treasurer explains.

One big issue the project needs to deal with is the connection and transfer of data from the ERP system Dentsu Aegis Network works with. It is not able to generate

information in the XML format, so Dentsu Aegis Network and BELLIN are currently testing methods for exporting CSV files from the ERP system and converting them into XML.

### Straight-through processing and process automation

Dentsu Aegis is rolling out the MS Dynamics AX ERP system and wishes to make sure that the integrated treasury management solution communicates with this system to allow straight-through processing of invoices, payments and reports.

"We do not want to enter existing data twice – we strive for as much automation as possible," says Peter Pontidas.

The company considers highly robust, secure straight-through processing of financial transactions – from cash flow data to payment files and electronic account statements – a priority.

### Outlook

Currently Dentsu Aegis Network is testing payment transmission via SWIFT with three piloting banks in the UK, Europe and Asia on a testing platform – everything is working smoothly. Over the next few months, Dentsu Aegis Network is looking forward to finalising the SWIFT connectivity implementation and making sure that all payments and account statements can be processed quickly and reliably. Afterwards, they will continue to search for and leverage further potential for optimising their payment processes. ■

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