



SWIFT SERVICE BUREAU & MEMBER CONCENTRATOR

Experience

SWIFT offers corporations a reliable, secure network to communicate with their trading parties. To compete, they need to leverage the services and reliability offered over SWIFTNet, but the resources and costs required to implement a SWIFTNet infrastructure are significant.

As corporations evaluate the costs and operational requirements for SWIFT connectivity, they often realize that they do not want to bear the upfront investment and ongoing management overhead of connecting to SWIFT directly, using their own in-house infrastructure. For many organizations, managing a SWIFTNet connection is not a core competency. For this reason, corporations are turning toward a Service Bureau to provide the infrastructure, connectivity and to manage the day-to-day operation of their SWIFT connection.

The STN for SWIFT Service Bureau allows corporations to outsource the management of their SWIFT network and connectivity while still containing the same benefits and level of access afforded through a direct connection. The added benefit is a lower total cost of ownership as well as lower operational costs compared with the support and administration costs required for an in-house solution. The STN for SWIFT Service Bureau is a less expensive, faster and easier alternative to direct connectivity, allowing for a full range of SWIFT messages including securities, treasury, derivatives, payments and corporate actions in a fully serviced and secure environment.

Benefits of a Service Bureau

Domain expertise is perhaps one of the most compelling reasons to contemplate the STN for SWIFT Service Bureau over direct connectivity.

Corporate treasury and finance departments continue to be under siege due to an outpouring of new regulatory requirements and standards that they must follow. This often puts the company in a situation where they are always chasing change and rarely ready when it happens.

Connectivity via a Member Concentrator

Many corporations opt to use a Member Concentrator model which is a Service Bureau offered by a SWIFT member with an added layer of service to assist in administration and membership.

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The STN for SWIFT Member Concentrator offers the same benefits as a Service Bureau but it assumes the additional burden for the corporation that includes:

- Assistance in the application process
- Ordering of SWIFT products and services on behalf of the corporate
- Receiving SWIFT invoices and administering the account
- Helping with basic service requests
- Use of an existing communication channel link

Hence the customer does not need to maintain extensive contracts in addition to those of the Service Bureau. The STN for SWIFT Member Concentrator has the capability to provide the full range of SWIFT services. It establishes and monitors the interfaces and physical connections to SWIFTNet; maintains the SWIFT hardware and software, as well as workstation licensing fees.

This model in no way diminishes the ability of the participant to retain its own market presence and identity (by using its eight character bank identifier code). This connectivity method provides cost-efficient connectivity and eliminates process replication, message duplication and resulting costly errors. The use of the STN for SWIFT Member Concentrator is especially enticing for corporations as it allows them to focus on their core business instead of building costly connectivity and reliance on a dedicated technical and domain expert resource in one small area of its operations.

Choosing a Service Bureau or Member Concentrator

When selecting a Service Bureau, interoperability, accuracy, flexibility and increased performance are high on the list of evaluation criteria. With respect to interoperability, many organizations look for solutions that offer interfaces to existing ERP and treasury workstations. This and the ability to scale not only in terms of volume but also in terms of scope with the capability to easily interface with new systems - either brought into the fold via internal technology changes or acquisition activity.

Whether the choice is to use a Service Bureau or to opt for the added value of a Member Concentrator, the end result is that corporations now have more choice allowing them to find the most suitable connectivity model. Service Bureau or Member Concentrator models give corporations a reliable, quick and easy connectivity option.

Features & Benefits

- **Lower Total Cost of Ownership**
Eliminates any requirements to purchase and maintain in-house hardware or the need to deploy and support SWIFT software. Avoid training of IT staff in a highly specific SWIFT domain.
- **Full Support of the SWIFT Infrastructure**
STN for SWIFT manages daily operations and systems monitoring, handling all activities required for successful SWIFT operations: all SWIFT formats, Relationship Management, Secure Login/Select, and Pre Agreements across SWIFTNet FIN, FileAct and InterAct.
- **Domain Expertise**
Rather than rely on in-house administration, the Service Bureau offers domain expertise with a core competency focused on providing connectivity.
- **Global Connectivity**
Reach SWIFT's world-wide community of members through a single, fully-managed trading connection. Corporations keep their own BEI code and can participate through MACUG, SCORE or TRCO.
- **Workflow Integration**
End-to-end automation, system integration, and workflow mapping help streamline process and increase operational efficiencies.

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