

### BIIA NEWSLETTER

ISSUE 07-02<sup>©</sup>

#### IN THIS 07-02 ISSUE YOU WILL FIND SEVERAL LEAD STORIES:

- Infocredit D&B and IFC Introduce SME Toolkit at Singapore SME Seminar
- Organizations Missing Out on Billions of Dollars of Savings Annually through Inefficient Risk Management Practices
- B-B Websites are Important Information Sources for Executives
- Credit Bureaus are Looking Abroad for Growth

### FROM THE USER CORNER

#### IT AND BANKING: POOR IT INFRASTRUCTURE IS BLAMED FOR NOT BEING ABLE TO SHARE CUSTOMER DATA ACROSS PRODUCTS, BUSINESS UNITS AND CHANNELS

Almost half of respondents to a PricewaterhouseCoopers (PwC) survey of 252 financial executives globally blame poor IT infrastructure for not being able to share customer data across products, business units or customer channels. In Asia, only 37.65 percent, a significantly smaller percentage of respondents, found IT to be a barrier to customer-centricity. Also, a lower percentage of respondents in Asia versus the global percentage said that their organizations were structured around products rather than customers, or that they lacked good information on customer satisfaction and expectations. **Source: The Asian Banker July 10<sup>th</sup> 2006**

#### FAIR ISAAC IN INDIA

India's ICICI Bank is implementing *Fair Isaac's* Strategy Science in a move to enhance business performance in its retail credit portfolio. With the new system in place, ICICI can keep losses under control at target levels while it expands its retail credit portfolio. Fair Isaac said ICICI is the first financial institution in Asia to implement Strategy Science. **Source: The Asian Banker June 30, 2006**

### MEMBER NEWS

#### INFOCREDIT D&B AND IFC INTRODUCE SME TOOLKIT

Infocredit D&B Singapore launched one of the first SME credit bureaus in Asia. The new SME credit bureau is expected to ease the biggest obstacle faced by SME entrepreneurs today: The lack of access to credit!

At the second SME seminar held in May of 2006 **Infocredit D&B** introduced the '*Singapore Business Toolkit*', which was developed by the International Finance Corporation (IFC), a subsidiary of the World Bank. The toolkit was presented as an easy to use Web interface that offers a large and varied set of information to SMEs, including articles, online training resources, and business forms. The toolkit has been launched in over 20 countries since 2002, in 12 languages.

The '*Singapore Business Toolkit*' leverages the latest information and communications technologies to help SMEs to learn and implement sustainable business management practices. Increase their productivity, efficiency and capacity, manage credit risk and to improve their access to credit. To read the full story, please access [www.biiia.com](http://www.biiia.com) – Press Section –

### INDUSTRY NEWS

#### SHANGHAI GOVERNMENT WILL PUSH CREDIT SERVICE FOR SMEs

National Business Daily reported on May 12<sup>th</sup>, that Shanghai Government was driving credit system construction for small-and-medium size enterprises (SMEs). Currently, "Government Purchase Service" working on the idea and the credit service for SMEs will be put forward by the end of 2006 through the cooperation with local Administration for Industrial and Commerce, Revenue and Financial Department. Source: Huaxia International Credit Consulting Co. Ltd.

**BIIA question:** Has anybody thought about bringing in private sector information expertise?

### **ENTERPRISES ARE MISSING OUT ON BILLIONS OF DOLLARS IN POTENTIAL SAVINGS ANNUALLY THROUGH INEFFICIENT RISK MANAGEMENT PRACTICES**

*Aberdeen Report Yields Valuable Lessons to Improve Business Operations and Competitive Advantage* Source: Aberdeen Group [www.memberservices@aberdeen.com](http://www.memberservices@aberdeen.com)

The research, presented in Compliance Gap Benchmark Report: Aligning the Risk Management Priorities of IT and Business Executives, demonstrates that most enterprises are not gaining financial benefits from their risk management programs because they fail to focus on merging compliance with risk management. Best in Class companies:

- Believe the top risk management challenge is aligning and standardizing procedures and systems company-wide.
- Place the responsibility for risk management with the CFO.
- Use frameworks and other tools to emphasize risk in operations and tend to stress center-led organizations and centralized risk management with decentralized execution.
- Utilize these key performance indicators to measure risk management performance: risk management spend as a percentage of revenue, cost of achieving compliance, and risk management spend per employee.

### **B2B WEBSITES ARE INCREASINGLY IMPORTANT INFORMATION SOURCES FOR EXECUTIVES SAYS AMERICAN BUSINESS MEDIA**

As adoption of digital platforms continues to grow, b-to-b Web sites are garnering increased traffic from executive decision makers seeking reliable online information. In fact, results of ABM's recently commissioned Harris Study on end-user behavior reveals that b-to-b Web sites are considered more informative and reliable than general media sources.

B-to-b media have remained an important resource for executives who, on average, report visiting 7.4 b-to-b Web sites in the past month. Different b-to-b media have different strengths, each vital at getting information that decision-makers view as crucial to running their businesses and Web sites are sources of information turned to first. They are important sources for up-to-date information – three in four say they provide access to the latest information, while two-thirds say b-to-b Web sites help them become aware of new products. And more than half named b-to-b Web sites as their primary source for information.

To read the full story please access [www.biia.com](http://www.biia.com) menu section 'Member Services' – 'Member News'

### LEXISNEXIS GETS VERTICAL

LexisNexis has recently launched several services which demonstrate its desire to offer customers tailored solutions rather than individual pieces of published content. Are we seeing a blurring of the lines between traditional publishing and online search? LexisNexis is no longer a publisher - at least, not in the old-fashioned sense of the word. Instead, it is a solutions provider, and this difference in emphasis is clear from the way in which its home page, instead of offering a LexisNexis content search, encourages its users to select their *Occupation* or *Task* of interest.

Source: EPS Insights

### CREDIT BUREAUS ARE LOOKING ABROAD FOR GROWTH!

Saturated domestic markets such as the USA and the UK are driving credit bureaus abroad in search for greener pastures. However legal restrictions and outdated bank secrecy laws in emerging markets used to prohibit the sharing of financial performance data. These restrictions however are being replaced by more liberal regimes, largely thanks to the relentless effort by the World Bank and the IMF. The World Bank and the IMF have become the champions of credit bureaus. According to their theory, the ability to grant credit is linked to the availability of accurate, reliable and timely information. The absence of information leads to a lack of access to credit, which impairs economic growth.

Michael Shannon, a group executive at **Equifax** calls credit bureaus abroad a 'nascent' business. For instance Experian had to operate in one market for 13 years before it developed consumer credit reports. John Saunders of **Experian** points out that Experian first starts in a new market by introducing decisioning products, before being able to start up credit bureau operations. Sticking to such strategy is a long term proposition. Starting 20 years ago with a global ambition, Experian's revenue outside the USA has in the meantime grown to 46% of the total. Harry Gambill, CEO of **TransUnion** points out that its international business is growing more rapidly, than the enterprise itself. Source: **American Banker**

### QUOTE OF THE WEEK!

**"Bank Indonesia recently launched the country's first credit bureau. We (The Asian Banker) are, however, concerned about the integrity and usability of the data collection mechanism."** Source: **The Asian Banker** July 10<sup>th</sup> 2006

**BIIA Question:** Where does private sector information fit in?

### INDUSTRY EVENTS:

**SIIA GLOBAL INFORMATION INDUSTRY SUMMIT:** Sept. 14/15, 2006 Hilton Hotel Amsterdam, NL  
Join senior information and publishing executives from around the world to gain insight on the global strategies of market leaders, identify new markets well-suited for your company, and meet the partners positioned to help you succeed. Joachim C. Bartels, Managing Director of BIIA will be moderating a discussion on Asian opportunities (<http://www.siia.net>)

**5TH WORLD CONSUMER CREDIT REPORTING CONFERENCE:** October 8–10, 2006; Table Bay Hotel, V & A Waterfront Cape Town, South Africa. For any general queries, please email Stephanie Brown: [admin@wccc2006.co.za](mailto:admin@wccc2006.co.za) or call +27 11 799 3435; or email Adrianna Coyte-King: [admin@wccc2006.co.za](mailto:admin@wccc2006.co.za); or call + 27 82 886 5714

### BIIA FIRST ANNUAL MEMBERSHIP AND BOARD MEETINGS:

**Date:** October 11, 2006  
**Venue:** Arabella-Sheraton Hotel, Cape Town.

This is BIIA's first Annual Meeting. Why is it held in Cape Town, South Africa? Many of our Members are planning to attend the **5th Consumer Credit Reporting World Conference**. Having the Annual Meeting in the same country, it will save most of the members an extra trip.

Join BIIA members and directors to participate in a discussion on shaping the future of our industry. Discuss with Margaret Miller, Senior Economist of the World Bank the link between economic development and financial services and the linkage between optimal and objective lending and credit information. Margaret Miller will also present the results of the recent World Bank survey on commercial credit information and public sector information. Hear from our Board Member David Worlock of EPS Ltd. about the latest trends in b2b information content.

Note: It is recommended that members attending the **5th Consumer Credit Reporting World Conference** book their hotel accommodation through their website <http://www.wccc2006.co.za/> and extend reservations to be able to attend the BIIA Annual Membership meeting. This will avoid booking into two hotels since the BIIA Annual Membership meeting is taking place at the Arabella Sheraton Hotel, Cape Town.

**A formal invitation will be mailed by the end of July!**

*BIIA invites comments and contributions from its member constituency and information experts. The content of this newsletter does not necessarily reflect the opinion of BIIA!*

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