



LBCS Business Park



**Lloyds Bank
Commercial Service**

Strictly Confidential

Presentation on

**Lloyds Bank Commercial
Service**

Proposed Business Park

by

GE Information Services

30 April 1998



Introductions



- **George Kalorkoti**
Director, Financial Services

- **John Samuel**
Director, Professional Services



Agenda



- GE and GE Information Services
- Objectives (LBCS, GE)
- Service Basis
- Commercial Proposition
- Why GE?



GE



- **A Diverse, Integrated \$91 Billion Global Company**
- **The Largest Company in the World, Market Capitalisation \$285 Billion**

Services

- GE Information Services
- NBC
- GE Capital

Core Products

- Appliances
- Lighting
- Motors
- Industrial and Power Systems
- Electrical Distribution
- Transportation Systems

Technology

- Aircraft Engines
- Plastics
- Medical Systems

GE Information Services is a \$700 million business unit

GE's strategic imperative: To be Number 1 in the World in our chosen business areas



Mission Statement

GE Information Services, the experts in Electronic Commerce, deliver solutions that create a competitive advantage for our clients by combining computer and telecommunications technologies to link, integrate and support the business processes of multiple enterprises.



GE Information Services



- Global leader in the provision of Electronic Commerce Services
- Extensive Electronic Messaging and EDI Trading Communities
- 82% of UK market, 8,000 corporates in the UK, 90,000 businesses worldwide
- Service Provider to Service Providers - Your Brand
- Secure Transactions, of all Types
- Personalised Service - to the Organisation and to the Individual



LBCS Objectives



LBCS objectives are to protect and grow its business from its commercial customer base by providing electronic business services:

- Branding, Loyalty and Revenue
- Enhance and facilitate relationship manager's role
- Group offerings first
- Facilitate customers' "downstream" trading



GE Objectives



To increase business from electronic commerce services by working with a strong national partner:

- Optimise Electronic Commerce Take-up
- Close the Loop in Electronic Commerce
- Reinforce our customers' brand, e.g. Tesco TIE project



Why GE?



Innovators in Inter-business Internet Electronic Commerce:

- Tesco Trading Information Exchange - TIE
 - Building closer links with major suppliers
 - Implementing Efficient Consumer Response
 - Faster product introduction; earlier warning of promotion success/failure

- STAR
 - 1,000 member banks
 - ATM/POS transactions



Why GE?



Innovators in Interbusiness Electronic Commerce:

- TradeCard - World Trade Centres Association
 - Automation of Trade Process for Importers, Exporters, Freight Forwarders and Banks
 - 300 members worldwide, representing 500,000 companies
 - Reliable, more cost effective trade finance

- Origo
 - 20 Life and Pensions Companies in the UK
 - Electronic commerce standards



Business Park Service Proposition



DRAFT STARTING POINT

GE

EDI, e-mail & fax
 Bidding & Buying
 Community specific info/forums
 Trading Services
 Secure Services
 TradeWeb
 TradeCard
 Information Feeds
 Business Document Management



LBCS
Business
Park



LBCS

Traditional Banking Services

LloydsLink, including:

Cash Management	Payment Services
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Financial Services

Factoring	Pensions
Business Planning	Tax advice
Insurance	Leasing/Finance

Value Added Services

Research reports	Purchasing Services
Sector analysis	Credit Information
Relationship Management	

Third Party Services

Information Feeds	Business Travel
Business Discounts	Weather



Retain & Grow
LBCS
Market



Bookmarks Location: http://www.tesco.co.uk/information/

Internet Lookup New&Cool Netcaster



Information

- Internet Superstore
- Gift Delivery Service
- Drinks Collection
- Recipe Collection
- Baby & Toddler
- Financial Services
- Home Shopper CD
- Information
- Home

Help & FAQ	Customer Service	Investor Information	TIE	Computers for Schools
Clubcard	Job Opportunities	Graduate Opportunities	Tesco Extra	24 Hour Opening

General Information	Commercial Excellence	Supply Chain
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Store Directory	Service Levels	EPOS Data
Manuals	Promotions Management	EDI
People	Annual Planning	
News	New Product Introduction	
Feedback	Supplier Scorecard	

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Secure Services



- Define Requirements and Agree Technology Approach - PKI, SSL and SET
- Start with Basics - Enhance as Services are Developed
- Community Development, Administration and Management
- Certificate Management and Distribution
- Strategic Partnerships and Relationships

Set Realistic Goals



Relationship Rationale



LBCS

- Retain Loyalty of Client Base through Broader Valued Services
- Create and win a new Customer Base for Banking Services
- Gain strong PR position in market
- Reduce Cost of Corporate Banking
- Mitigate Against Competitive Threat

GE

- Exploit the Exploding Opportunity
- Leverage Strong Brand
- Lower Distribution Costs
- Return on Technology Developments
- Development of market-wide community



Relationship Elements



LBCS

- Brand Strength - Bancassurance
- Banking Market Strength -
Customer knowledge
- Financial EC Services
- Access to Customer Base

GE

- Technology Infrastructure & Expertise
- Commercial EC Services & Position
- Access to Market - Communities
- Technology & Business Process
Integration



Relationship Approach to the Service



From: GE Builds LBCS In-house
Business Park Service

To: GE Provides Total Outsourced
Business Park Services for
LBCS

Branded as LBCS



Starting the Project



□ Draft outline Project Investment and Plan

	Cost	Duration
– Business Concept Design Define Business Requirements Define Pilot Service	£ 50-150K	1-2 Months
– Technical Service Design/Build	£150-300K	3-6 Months
– Implementation and Roll Out Run Pilot Service and Review Add Additional Services and Roll Out	£ 50-100K	1-2 Months
– Run pilot for 3 months	£ 20- 90K	3 Months
Total	£270-640K	8-13 Months

Incremental Development and Implementation



Risk Containment



- Business, Not Technology Focus
- Dedicated Teams, LBCS and GE - One Team
- Prioritised Needs, Agreed and Committed
- Planned Roll out, Sell First to Existing Customers - in a controlled pilot
- Initial Pilot of 10-30 Customers, “Traditional Services” (LBCS, GE) content



Ramping the Business Park



- Leverage GE's Senior Supply Chain relationships
 - Closing the commercial ECS loop with payment services
 - Extending the reach of ECS
 - Creating large focused "communities of interest"
- Exploit GE's distribution channels in UK
 - Tradanet community
 - ECS software alliance partners
 - Corporate customers
 - Community development experience

LBCS Banking Expertise, GE Trading Community Experience



Why Buy From “OUR” Brand



- LBCS Brand
 - Secure, Well Known and Trusted
 - Power to Procure - LBCS Purchase Clubs, On-Line Discounts
- GE Supporting
 - Number 1 in ECS (82%)
 - Respected Technology - GE Credit Cards
 - Business Innovation
- Together the goal of the Business Park is:
 - Support Lower cost “Trading”
 - Targeted Services
 - Focused Industry Specific Information



Why GE?



- Current Partnership
 - 10 years quality service
 - 100% quality rating - Third Party review
 - Mature relationship with GE Capital
 - Lloyds Bank is a GE main UK Bank
- GE is THE Service Provider to Service Providers
 - It's our Business
- Strategic Commitment to stay #1 in ECS
- Ability to Kick-Start LBCS Service - Through Tradanet

Build on Strong Existing Corporate Relationship