

# Building momentum



**It might be time to look into the benefits of Proponix, the global trade finance technology platform, writes Nadeem Ali. Its owner, CGI, is in bullish mood, having recently signed agreements with UBOC and Citibank.**

Born as a business processing outsourcing (BPO) joint venture with ANZ, BMO, Barclays and AMS (now part of CGI), Proponix, a comprehensive trade finance software platform, shed the BPO model in 2003 and has evolved under the now-sole ownership of CGI.

A leading IT and business process services provider, CGI provides and hosts Proponix, a multi-tenant technology platform, to allow banks to retain their trade services processing while accessing full support of that processing through the robust platform.

Why would banks enter into this type of agreement? CGI's Proponix allows banks to have a comprehensive, secure technology

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platform without the costs and hassles associated with investing in and maintaining the technology infrastructure needed

to remain competitive. No need to worry about expensive upgrade projects, a technology refresh or disaster recovery strategies, the company argues. With Proponix, banks can focus their full attention on what's important – the business itself.

## Beyond tradition

Proponix isn't just another trade finance system, the company claims. It is a transformational tool for banks that view international trade as a core business. Proponix provides access to a complete web-based technology platform to process international trade. That includes a corporate trade portal, a back-office transaction processing system

with built-in workflow and imaging, an MIS reporting portal and a message-based middleware gateway for exchanging data via standardised XML to bank systems.

Proponix's architecture was specifically designed to support global processing and insourcing, including 24x7 processing, sophisticated workflow distribution rules, full imaging capability to efficiently move work from location to location, and support for multi-bank,

multi-currency, multi-lingual and multi-time zone processing. All of this is provided from CGI's data centres located in Canada. How does the Proponix platform enable banks to successfully meet their business objectives? The technology underlying the Proponix platform gives a bank the tools that lower costs and enhance customer service, states the firm. Both are vital to a bank's ability to compete at the most basic level. And the hosted/application service provider (ASP) model enables the bank to join a community of financial institutions that seek to drive the evolution of trade-related services, offering assurance that they will remain in the forefront of

business and technology innovation, it adds.

## Success stories

To demonstrate how Proponix benefits banks, **GTR** spoke with Sara Joyce, executive managing director and head of international

financial institutions and trade finance for the BMO Financial Group (Bank of Montreal).

"For the past three years, BMO Financial Group and Harris have processed all of our trade finance transactions over the



Joyce at BMO

## Improved efficiency

Proponix platform. The corporate portal (branded Tradevenue® Direct by BMO) proved to be an absolute winner with our corporate clients, and the richness of the back-office application has allowed us to optimise staffing levels through consolidation," says Joyce. "The flexibility inherent in the workflow management capability and image processing has allowed us to adjust readily to changes in processing volume or location. We achieved significant improvement in efficiency in the initial transition of our 'legacy' processing to Proponix, and have continued to consolidate and streamline processing down to our current operations centers in Canada and China." Joyce goes on to say that BMO's clients have fully supported this optimisation effort and have felt no adverse effects throughout the transition, which she says is testimony to the power and flexibility of the platform. "The architecture and design of the database and reporting tools have allowed our operations management staff to introduce processing standards and metrics to measure operator proficiency," she cites. "These are helpful in targeting training support effectively and identifying opportunities for process improvement." Investment in technology is another aspect that has plagued banks in the trade finance space. It isn't always easy for a bank to demonstrate significant return on investment (ROI) to justify upgrades, new components or new functionality. And it isn't uncommon to find a bank's trade finance system lagging

behind. But Proponix's multi-tenant ASP technology model addresses this.

"Another key advantage



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edge**

of Proponix is the shared development of new products and enhancements to meet future client demand," Joyce adds. "By working cooperatively with CGI and the Proponix client banks, we are able to leverage our combined knowledge and experience, share development costs and spread risks associated with technology investment."

### Helping achieve competitive advantage

A bank can use the Proponix platform to drive and support its business strategy. However, it is the customer service approach, product offerings, pricing, service level commitments, responsiveness and flexibility to meet customer needs, geographical presence and overall expertise that differentiates a bank in the marketplace.

In other words, having flexible and powerful tools as provided with CGI's Proponix offering is essential to realising a bank's unique competitive strategy, while

the intelligent use of those tools defines the bank's competitive edge, claims Proponix.

Australia New Zealand Banking Corporation (ANZ) has used Proponix as its technology platform since 2001.

Wayne Jobson, the bank's head of trade product management, has this to say: "At ANZ, the Proponix platform has been essential in helping us enhance our customer service and operational efficiency. In addition, the flexibility of Proponix to quickly and easily vary product features and reconfigure workflows has been invaluable for us." Although trade finance is a global business, local requirements and business complexities make it rare to find a single integrated platform capable of fully supporting a bank worldwide. Not so with Proponix at ANZ, argues Jobson.

"We have offices not only in Australia and New Zealand,

financial measures. This is an extremely powerful and critical tool for running a global trade business."

### Evolving and enhancing

Gaining operational efficiencies isn't all that CGI is focused on with the Proponix platform.

The company recently helped its newest client bank, Union Bank of California, go live with Proponix in January 2007, and signed a partnership with Citibank to jointly market insourcing services using the Proponix platform.

CGI also has major development efforts underway to enhance the Proponix platform, including supply chain finance capabilities, support for processing open account instruments, accounts receivable and accounts payable financing, and enhanced PO and invoice capabilities.

CGI's strategy is to provide the trade finance platform

“We think we have created a pretty unique solution”

but also in Europe, North America and 24 Asia Pacific countries, all running on a single global platform, Proponix, and each with its own special requirements," he says. "Using Proponix, we have been able to tailor our products and operations so that each market is able to retain their unique characteristics and still get the benefits of a common platform. We have also found that the platform's MIS capability enables us to monitor the performance of our business on a variety of financial and non-

that enables its client banks to compete across the board in the trade banking world of the future.

"We think we have created a pretty unique solution," says Jame Cofran, senior vice-president of CGI's banking and investment group. "CGI's Proponix capabilities truly enable a bank to make transformational changes in how they operate their business, and the delivery model, a technology hosted ASP, addresses the strategic evolution of the platform to ensure longer-term competitiveness."