



Payments Case Study  
**TRAX**

## Set In Stone: Carmeuse Tightens Controls & Improves Security Of Payment Flows

The payments project at Carmeuse was initiated to drive operational efficiency, improve security and reduce labour intensive tasks. The new system had to integrate with the SAP systems that Carmeuse had put in place as well as with the SWIFT network, without additional reliance on solution-specific IT resources.

Group treasurer Alain Vande Reyde, responsible for the treasury operations and strategy, is based at the Carmeuse Coordination Centre just outside Brussels in Belgium. He and his team have been using FIS' Treasury solution (Globe\$) since 2007 as the back-office system for cash management, cash forecasting, cash pooling, foreign exchange, debt, investment and risk management.

Carmeuse had centralised these activities which resulted in having a holistic view on the cash and risk positions. In order to further improve visibility and control over liquidity and risk, the standardisation and centralisation of payments processing was a logical next step in the evolution of the treasury department.

### Driven by a demand for a consolidated view of payment flows:

Administrators can efficiently address regional office and line-of-business specific requirements within the same solutions used to administer organization-wide requirements.

To help meet his objectives to centralise the entire liquidity management operation, and in response to the rapid expansion Carmeuse had experienced over recent years, Alain was prompted to consider a payment factory solution. The treasury management centralisation had provided an increased visibility on a weekly basis, but there remained a lack of visibility into daily cash flows. Since the company had

grown there was an increased need to consolidate all the payments going out daily, to gain greater visibility over the cash impact of the Accounts Payable and other operational payment flows. Centralising the payments into a group wide payment factory could achieve the required level of visibility.

Delivered on time and within budget, our centralised payments project has significantly improved efficiency.

**ALAIN VANDE REYDE**  
GROUP TREASURER, CARMEUSE

### CARMEUSE GROUP

A privately owned company headquartered in Luxembourg, Carmeuse Group is now a leading international producer of lime, high calcium limestone and dolomitic stone. Used in many everyday instances including steel, building materials, road construction, air and water treatment, glass production, paper, plastics and paints, Carmeuse serves customers across the globe.

Carmeuse is present in about 90 locations across Western Europe including Belgium, France, the Netherlands and Italy, as well as parts of Central and Eastern Europe, North America, Canada and Africa. The company has over 4,000 employees and a total consolidated group net turnover of 1.1 billion Euros reported for 2010.

## Streamlined bank connectivity as a key driver

With 38 bank relationships, 153 bank accounts across 39 subsidiaries and more than ten different e-banking systems, each with their own security, formats and time schedules, the large volume of disparate transactions had created not only a lack of visibility, but also a significant risk exposure from cash leaving the company unexpectedly and without cover. Additionally, operational risk could be reduced by defining common policies for approving and signing payments, and for releasing payments to the banks according to internally defined controls and audit procedures. This was a strong requirement defined by the internal audit department and impossible to implement without a central payment infrastructure

## Achieving the vision with FIS

Following careful consideration of several payment factory alternatives, Alain decided that FIS' Payments solution (TRAX) was the only solution offering a truly self-managed approach and the fast implementation required to meet their time constraints. One of the time constraints related to the obsolescence of the French Echange Télématique Entre BANques et Clients (ETEBAC) payment communication channel, in turn requiring the implementation of an alternative.

Carmeuse needed to see a significant improvement in operational efficiency, with the chosen solution enabling staff the flexibility to manage the system without the reliance on solution-specific IT resources. According to defined prerequisites, it was also crucial that the solution saved time, streamlined security, produced audit trails and was approved by senior management. The new system had to integrate with the SAP systems that Carmeuse had put in place, as well as with the SWIFT network, since proprietary bank channels were replaced and standard business workflows for payments and account statements were implemented across Carmeuse subsidiaries.

Carmeuse had already deployed Globe\$ to centralise its cash and treasury management operations. The payments process was next in the centralisation line to address increasing risk exposure and a lack of visibility.

**ALAIN VANDE REYDE**  
GROUP TREASURER, CARMEUSE



## Reduced costs with streamlined payments infrastructure and managed swift connectivity

Benelux and France were the first to implement on time and on budget, with Alain taking the opportunity to re-engineer and modernise the somewhat archaic processes that had become embedded through years of using proprietary e-banking payment channels.

For these entities, the solution has offered significant value for internal auditing, making it quicker and easier to authorise inter-company payments and simplifying reporting. While the SAP system formerly was required to maintain files in different formats to support the various banking systems, today TRAX captures files on a daily basis, sending daily account reports and providing a single interface to the SWIFT Service Bureau provided by BNP Paribas via their partnership with Syntesys. Time saving is also a key benefit that has been identified by some of Carmeuse's controllers.

## Tightened controls minimize debt exposure, reduce security risk and drive operational efficiencies

Since cash is used to reduce company debt, the automation of the payments process and increased visibility of daily cash flow has been instrumental in minimising the risk exposure to debt.

The number of master bank accounts has been reduced, connectivity is more uniform, security has been streamlined and intercompany processes standardised. Operational efficiency has dramatically improved and equally important is the automation of the daily account statements flowing directly into Globe\$ for trading and cash management.

## Keeping an eye on excellence in liquidity and risk management

With the rest of Europe to follow and then Canada and North America completing the global roll-out of TRAX, by 2013, Carmeuse will have seen a transformation in its liquidity, cash and risk management. But for now, Alain Vande Reyde is excited about outcome of his current project and advises any company who has experienced similar challenges to Carmeuse, to consider implementing a payment factory.

Every morning my team gets a report from TRAX of all account statements, offering a view on how much money can be paid out that day or not. On average each person is saving about 20 minutes on authorising company payments and processing bank account statements.

It was important during the selection process for both the IT and Finance departments to be convinced by the value of TRAX," says Alain. "Group Treasury has unprecedented visibility and control over company payments, and IT only has to worry about one single exit channel to the banks.

**ALAIN VANDE REYDE**  
GROUP TREASURER, CARMEUSE



### About FIS' Corporate Solutions

FIS offers a leading liquidity and risk management solution for corporations, insurance companies and the public sector. The solution suite includes credit risk modeling, collections management, treasury risk analysis, cash management, payments system integration, and payments execution delivered directly to corporations or via banking partners. The solutions help consolidate data from multiple in-house systems, drive workflow and provide connectivity to a broad range of trading partners including banks, SWIFT, credit data providers, FX platforms, money markets, and market data. The technology is supported by a full range of services delivered by domain experts, including managed cloud services, treasury operations management, SWIFT administration, managed bank connectivity, bank onboarding, and vendor enrollment. For more information, visit [www.fisglobal.com](http://www.fisglobal.com)

### About FIS

FIS is a global leader in financial services technology, with a focus on retail and institutional banking, payments, asset and wealth management, risk and compliance, consulting and outsourcing solutions. Through the depth and breadth of our solutions portfolio, global capabilities and domain expertise, FIS serves more than 20,000 clients in over 130 countries. Headquartered in Jacksonville, Florida, FIS employs more than 55,000 people worldwide and holds leadership positions in payment processing, financial software and banking solutions. Providing software, services and outsourcing of the technology that empowers the financial world, FIS is a Fortune 500 company and is a member of Standard & Poor's 500® Index. For more information about FIS, visit [www.fisglobal.com](http://www.fisglobal.com)



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