

# The Power of the Crowd

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# Agenda

Introduction

Proposition

Acting Together as a Crowd

Understanding the Costs

Collaborative Working

Next Steps



## Introduction to FTT Global

Foreign Exchange and international payments company

Founded in 2006 with a passion for Customer Service excellence

Strong foundations in operational efficiency and technology

Group turnover in excess of \$1 Billion USD in 2012

Expanding product offering to include:

- Online International Payments

- Batch Payment Services (MultiPay)

- Micro-Hedging Treasury Services

- Private Banking FX Platform

Proposition:

Within the translation industry today, there is a **minimum of £30 million of hidden costs** in FX and International Payments that should be released back to your companies in the form of profits..... if you are willing to:

- 1) Act together as a crowd
- 2) Understand the cause of the costs
- 3) Work collaboratively to minimize them

## Where is this £30 Million “hidden”

### FX Exchange Rates

Average over-charging	0.8%
Industry Currency Turnover	£2 Billion
<b>Gains</b>	<b>£16 million</b>

### International Payment Charges

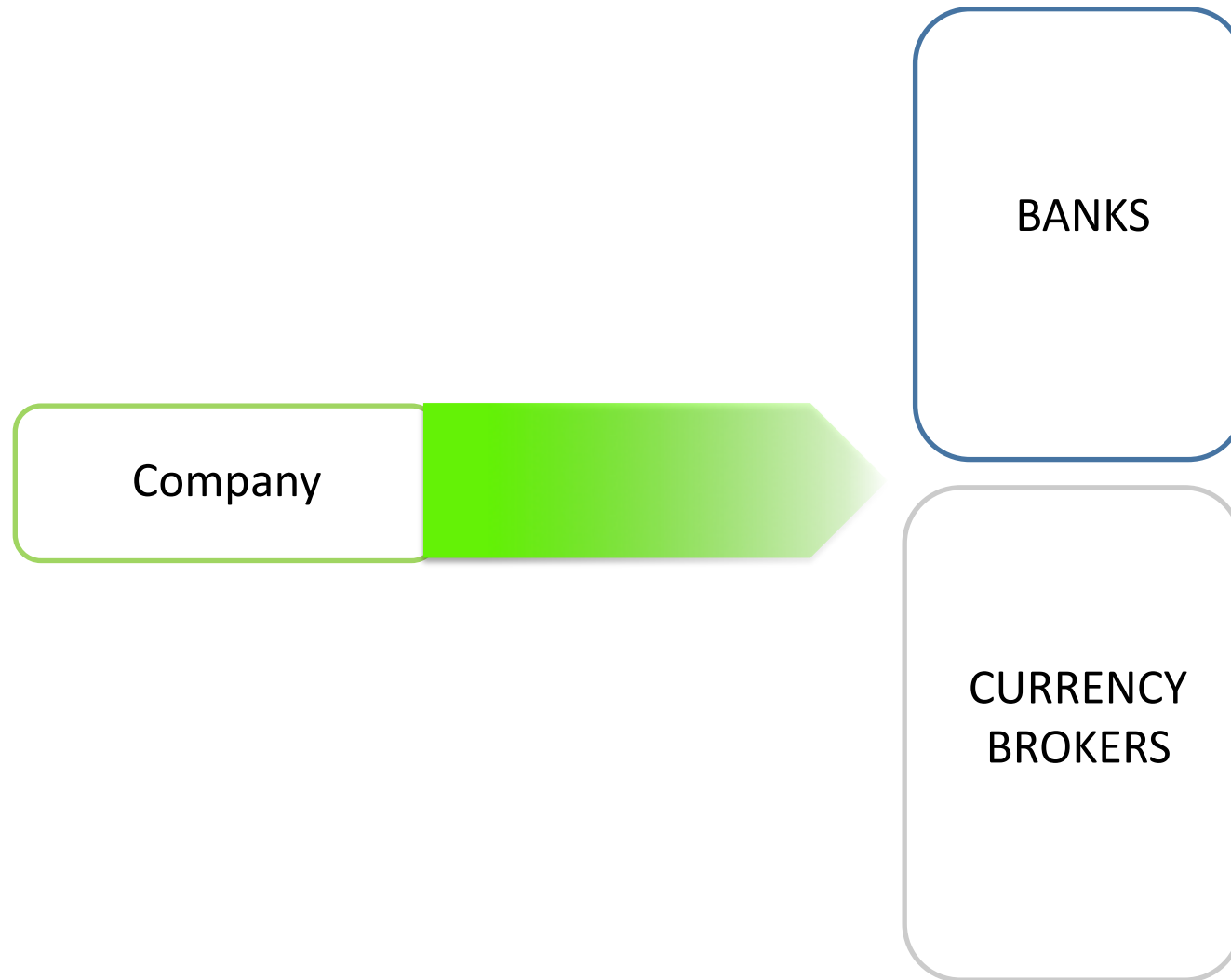
Average Payment Charge	£10
Number of Payments	1.3 Million per annum
<b>Cost Savings</b>	<b>£13 Million</b>

### Deductions

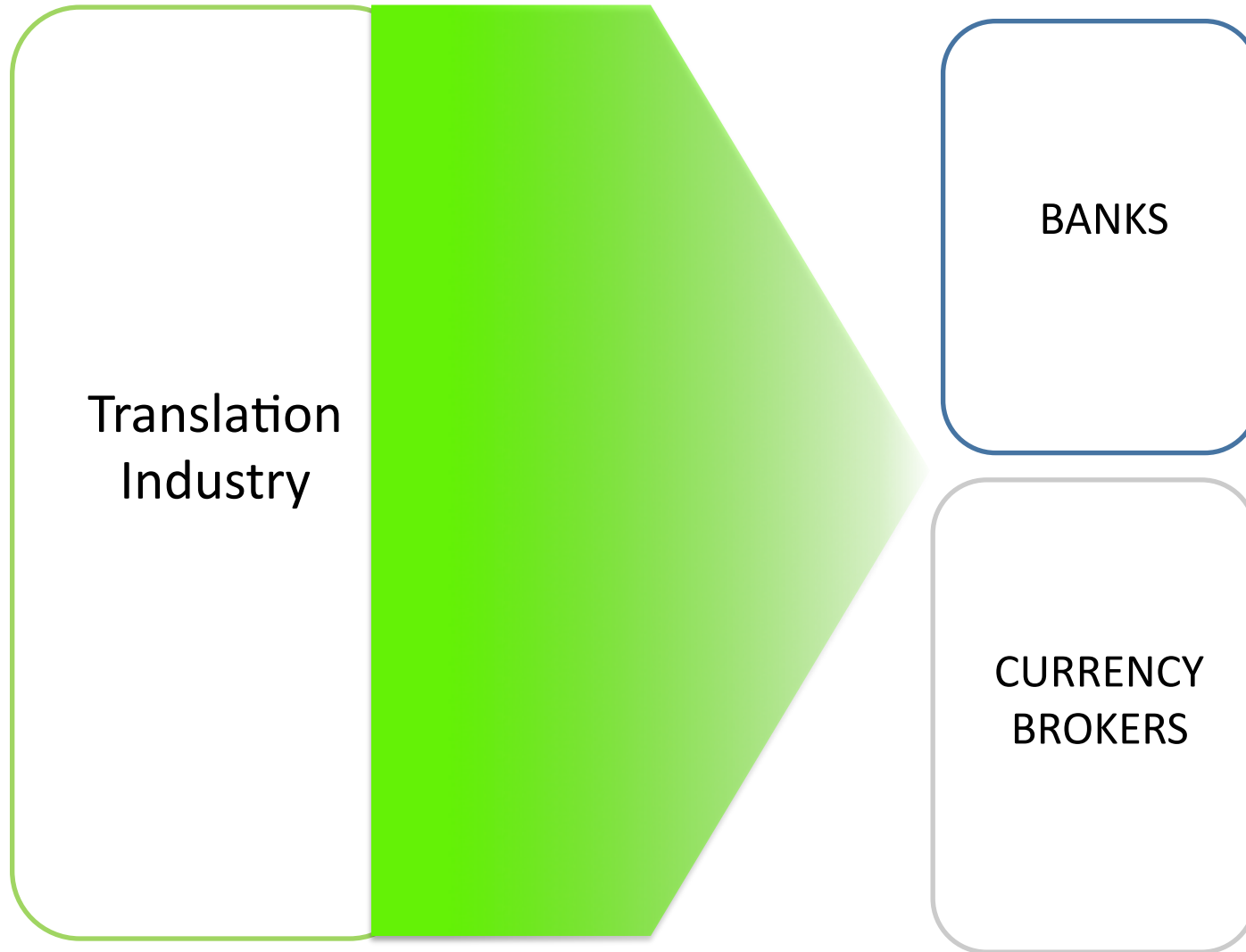
Percentage of deductions	21%
Number of Payments	273,000
Average deduction	£4.16
<b>Deductions Saved</b>	<b>c. £2 Million</b>

# Act Together as a Crowd

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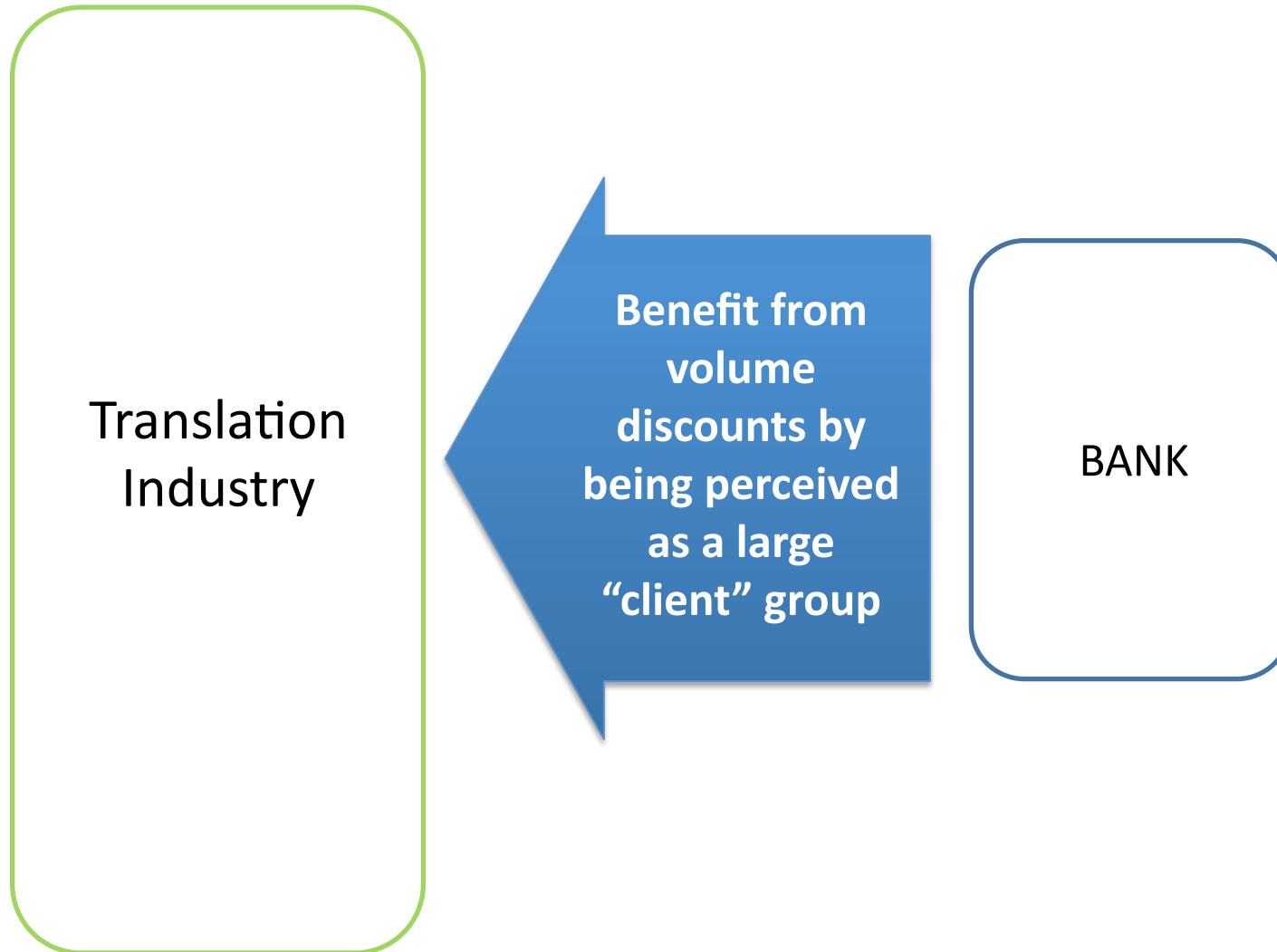


# Act Together as a Crowd

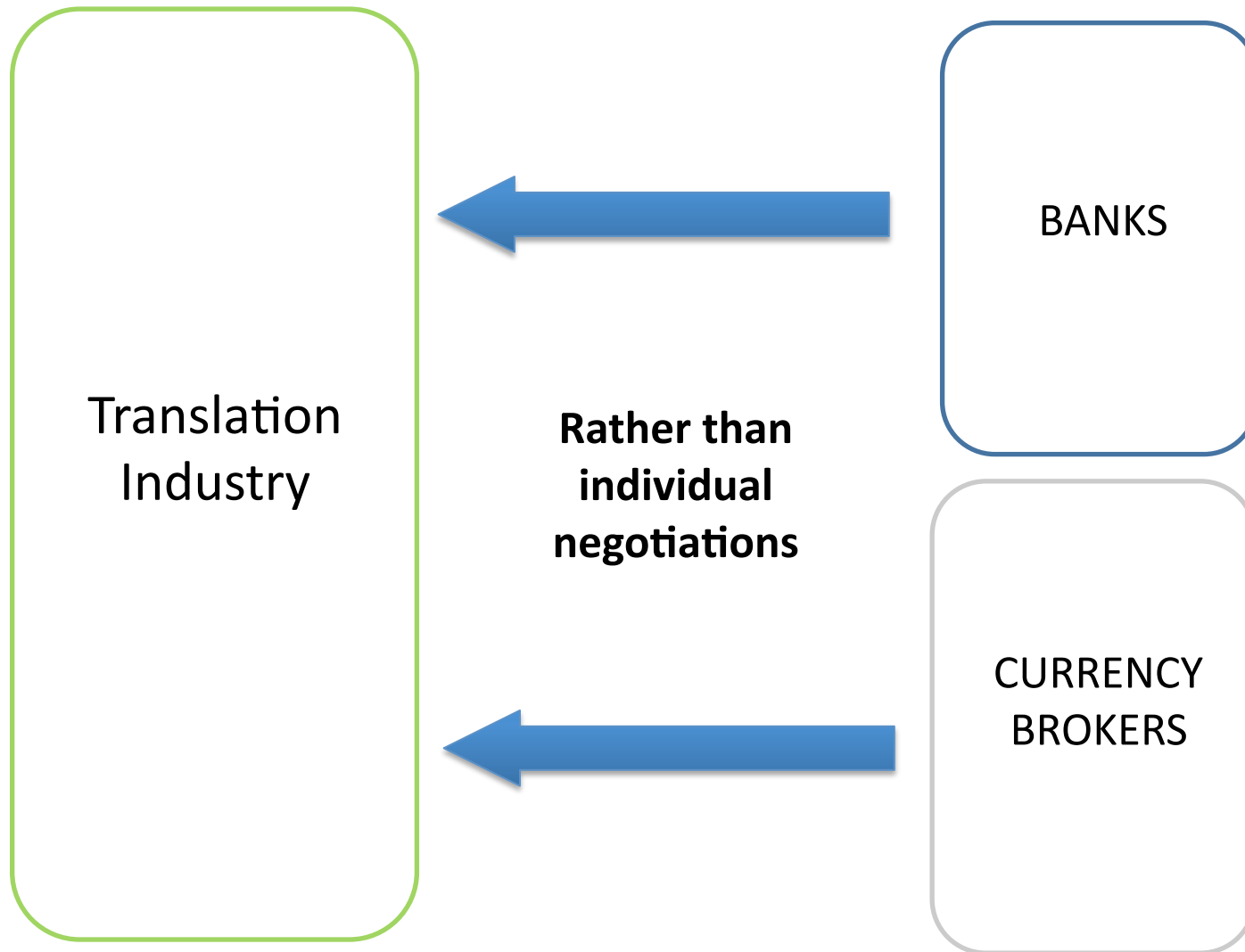




# Act Together as a Crowd



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# Understanding the Costs

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## FX Exchange Rates

Bank	2% - 4%
Currency Broker	1%
Online Provider	0.7% - 1%

## International Payment Charges

Bank	£10 - £25
Currency Broker	£5 - £10
Online Provider	£0

## Deductions

US Dollars	\$20
Danish Kroner	Dk 15

# Understanding the Costs

## FX Exchange Rates

Bank	2% - 4%	<b>0.01%</b>
Currency Broker	1%	<b>0.04%</b>
Online Provider	0.7% - 1%	<b>0.04%</b>

## International Payment Charges

Bank	£10 - £25	<b>£0.05 - £0.15</b>
Currency Broker	£5 - £10	<b>£3 - £10</b>
Online Provider	£0	<b>£3</b>

## Deductions (USD Example)

Bank	\$20	<b>\$0</b>
Currency Broker	\$20	<b>\$20</b>
Online Provider	\$0	<b>\$20</b>

# Understanding the Costs

Target FX of £20 Million per annum (20,000 Payments)

## FX Exchange Rates

Bank	2% - 4%
Currency Broker	1%
Online Provider	0.7% - 1%
<b>Target</b>	<b>0.4%</b>

## International Payment Charges

Bank	£10 - £25
Currency Broker	£5 - £10
Online Provider	£5
<b>Target</b>	<b>Free</b>

## Deductions

US Dollars	\$20
Danish Kroner	Dk 15
<b>Target</b>	<b>Zero</b>

## How does it apply to your business

If you are using your bank currently, for every £100,000 of funds paid:

FX Exchange Rates	<b>£1,600</b>	
International Payment Charges	<b>£1,000</b>	
Deductions	<b>£800</b>	
<b>Total</b>	<b>£3,400</b>	<b>(3.4% of t/o)</b>

# Collaborative Model



## Collaborative Model

Every industry is different but there are some key elements needed to deliver on this proposition.

The cost model needs to be well understood and reflect the industry needs

Sufficient evidence of the size of the market and support of the initiative within the industry

A well managed association or governing body to represent the needs of the industry

An delivery channel for managing the foreign exchange and international payments (preferably an industry-specific partnership)

# Next Steps

## Next Steps

Mini-audits by FTT Global

Create detailed proposition to take to Bank

Present back to industry participants

Launch the offering

Questions ?