

# Genpass Seeks Continuous Service Innovation for ATM Customers with Carreker Cash Solutions

*iCom is used by many large and mid-sized banks in North America, Europe, Australia, and Latin America. These banks typically reduce their cash handling costs by 20 to 40 percent by using iCom.*

"If I'm doing right by my customers, I'm always trying to stretch their software," says Patrick Law, Vice President of Client Operations for Genpass, the thriving ATM and POS service provider in Las Colinas, Texas. Law is a customer service zealot, bent on continuous improvement and better service through best-in-class technology.

For some software vendors, that attitude might make Genpass a tough customer. For Carreker Corporation, whose cutting edge ATM and cash management tools are part of Genpass' competitive advantage, Genpass is a welcome catalyst for software innovation.

Law explains, "My 1,000-plus customers could not have more varied needs. We do things their way – even if that means 1,000 ways. So I tell my software vendors they need to be ready to flex endlessly and swiftly. Ours is a turnkey offering, so they have to work together to bring us open architecture for easy integration. Our business model stretches everybody's software."

Says Brian Evetts, managing director of Carreker's Cash & Logistics business, "We knew going into our relationship with Genpass that it was not a matter of license-install-maintain. We expected to be challenged to stay ahead of the curve and support Genpass' customers in doing things their own way. That's exactly how it is working. Our solutions are better because of Genpass, and Genpass is better because of our solutions."

One of the reasons for Genpass' focus on continuous adaptation is the company's steady growth. Already one of the largest ATM and POS service providers in the U.S., Genpass is the second largest network terminal driver and the sixth largest transaction switch. The company drives more than 25,000 ATMs (up from just 17,000 three years ago) processes more than 300 million transactions annually, and manages more than 3.5 million cardholder accounts for its 1,000-plus customers.

Genpass first turned to Carreker in 2000 to support Genpass' growing ATM management business. Recalls Law, "We had just landed an important new customer who demanded their own interface to the ATM management software we were currently using. My vendor at the time couldn't do it. Carreker could."

## eiManager

Genpass installed Carreker's eiManager (a management tool for maximizing ATM availability and automating Help Desk procedures), including the custom interface for the new customer, and the relationship has flourished since.

While customer satisfaction is the ultimate test for Law, he is also intensely focused on running an efficient operation. When Carreker first installed eiManager, Genpass' ratio of ATM analysts per machine trailed the industry standard – 1 per 700 machines. Today, Genpass is on its way to resetting the industry standard, with 1 analyst per 1,200 machines managed.

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"We made other operational improvements besides eiManager to get to that remarkable ratio, and we're not through yet," says Law. "But there's no doubt eiManager made us better at serving our customers and made our analysts much more efficient. With real-time tracking, my people are right on top cash activity, operational faults, problem resolution status – all the things customers pay us to care about. And with eiManager's automated dispatching, tracking, escalation, and reporting capabilities, we can rapidly clear up issues that used to diminish availability and customer satisfaction."

In this line of business, "availability is the key metric." Thanks in part to eiManager, Genpass increased its already favorable performance on average ATM availability by 1.5%. Says Law, "This software isn't vanity ware for us – it's core to our being able to live up to our service level agreements with our customers."

The same is true of iCom, Carreker's Internet-enabled cash forecasting tool used by Genpass.

Says Evetts, "Genpass actually acquired our earlier version called Cash Forecaster, and then proceeded to leverage it to its fullest potential. It's not an exaggeration to say that Patrick's demands and energetic collaboration helped spur the transformations that eventually resulted in today's iCom – the industry's leading cash inventory management tool."

"Residual" is the holy grail in the cash forecasting business," says Law, referring to the amount of cash left in an ATM at its schedule replenishing time – the difference between cash ordered for the machine and cash actually dispensed. "It's a delicate balance – low, but not too low. Running out of cash is a killer: disappointed customers, costly emergency deliveries by armored carriers, diminished availability. But the 'safe' alternative – overstocking – is costly for my customers and a poor use of a valuable asset. We're graded on residual, and we manage it scrupulously."

## iCom

iCom (the name stands for "integrated cash operations modules") develops a daily cash activity profile for each ATM, using historical information about cash usage at each location, then employs advanced forecasting technology to predict how much cash will be used on a given day, identify the optimal currency order and delivery schedule, and recommend the shipment amounts and schedules for the armored carriers. Many banks use iCom for managing their cash levels in their branches and vaults as well as ATMs.

Because iCom is a Web-based system, its users can efficiently access the necessary information, including the pre-emptive "potential cash shortage alerts" the system issues when user-defined, predetermined minimum levels are reached. iCom users, which include many of the largest banks around the world, typically reduce their cash handling costs by 20 to 40 percent by deploying the system.

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Even better, Genpass' improvement in residual has not come at the expense of an increase in costly emergency shipments of cash, which remains below the industry standard of 1 percent.

"A 1 percent improvement in residual can free up thousands of dollars per ATM for my clients," points out Law. "So we are not letting up in managing that number down."

One way Law plans to continue improving residual is by focusing on some of the more "volatile" ATMs in his network, and here again he is stimulating Carreker's innovation.

Says Carreker's Evetts, "For the vast majority of machines, the forecasting is remarkably accurate. But how about the big spikes you might suddenly see at a few machines? Traditional forecasting technology employs what you might call "Olympic scoring" – extreme scores get discarded. But we realize that in the dynamic volatile world of ATM usage, those extreme results might be significant indicators of a "level shift" – a permanent change requiring a new profile. Maybe a Wal-mart opened next door, or a competing ATM across the street closed. Rather than discarding those level shifts as extreme, iCom can automatically identify the need for a change that will benefit the customer."

Genpass also demands considerable customization of reporting for its customers. Both eiManager and iCom provide highly flexible reporting packages, based on their open databases and dynamic reporting systems.

Additional innovation is in store at Genpass. Law is relentless in uniting his vendors on "the Genpass way of doing business." The plans include an EDI interface for eiManager that will give Genpass closer management of service calls, parts inventory management, and other aspects of their service business.

There is also a new reconciliation module in the works for Genpass, for reconciling their cash flow between ATMs and cash handlers from a variety of inputs. Says Law, "iCom's modular design lets me add modules when I need them. In our fast-growing business, that's a feature we particularly value."

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