

CASE STUDY

81-106 Continuous Disclosure Management program delivers 75% cost savings

The Client

Our Client is a global leader in Asset Management serving clients in over 150 countries. They manage over 80 funds in Canada with \$40B in assets under management.

The Challenges

Prior to partnering with InvestorCOM, our Client sent 400,000 annual instruction cards to their investors once per year that included a perf-off Business Reply Mail (BRM) card that investors complete and mail back if they wish to receive the documents. More than 50% of these clients also received an annual statement.

Our Client was printing and mailing 300-page static Financial Statements and fund-specific MRFPs to clients who opted in to receive these documents. Due to the excessive weight of the books, Financial Statements are mailed separately from the MRFP books, creating two mail packages for each client. If the two books were mailed together they would exceed Canada Post Addressed Admail maximum weight and would need to be mailed at much higher Catalogue rates. Their current vendor did not offer e-delivery of these documents.

As our Client continues its aggressive growth trajectory, they are looking to InvestorCOM to provide them with innovative strategies to manage their current National Instrument 81-106 Continuous Disclosure requirements, while also providing them with a flexible and scalable solution to seamlessly handle future growth.

“ The key to increasing e-conversion rates is leveraging our proprietary Continuous Disclosure Management (CDM) program to deliver a better product, streamline processes, and save money. ”

Anne Greenwood,
VP Business Development, InvestorCOM

EXECUTIVE SUMMARY

\$1 Million
cost savings

53%
e-conversion rate

100,000
fewer instruction cards mailed

Asset Management
Industry

APPLICATIONS USED

Continuous Disclosure Program Management

Challenges

- Annual postage costs in excess of \$400K
- Printing static Financial Statement books drives significant postage weight and cost
- 40% of opt-in package mailings are oversized weight, adding to cost

Solutions

- Consolidation to a single accountable vendor
- Standardized templates, stock, adherence to brand standards
- CRM2 compliance
- Transparent and consistent business rules

Results

- \$1M cost savings over 3 years
- 53% e-conversion in first year
- Efficient, streamlined processes
- Leverage e-consent for other regulatory communications
- Reduced opt-in rate from 2.5% to less than 1%

About InvestorCOM Inc.

InvestorCOM provides financial technology and outsourcing solutions to banks, asset managers and investment dealers in response to increasing regulation and the demand for more effective communication and disclosure from the financial services industry. We leverage digital technologies to deliver more cost-effective and timely communications.

Investor|COM

Your bridge to a digital tomorrow

The Solution

InvestorCOM presented our proprietary Continuous Disclosure Management (CDM) program solution. Not only does this innovative program reduce costs, it also supports our client's corporate and environmental goals and positions them for future e-migration opportunities.

Eliminate the BRM Portion of the Instruction Card

Our client saved the Business Reply Mail (BRM) postage costs by driving all responders to InvestorCOM's E-CDM instead of including a BRM on the interim and annual consent letters. The E-CDM will allow investors to register for print/mail or e-delivery of documents, however, this approach was a catalyst to drive e-adoption. Once the investor went online to register and saw how easy it was, they were much more motivated to register for e-delivery. Our Client achieved a 50% e-conversion rate in the first year of the program! Their opt-in rate also decreased from 2.5% to less than 1%.

Include the Annual Instruction Card with the Client Statements

50% of their investors receive an annual client statement by print/mail. InvestorCOM recommended including the annual instruction card in the statement mailing. We included a generic URL on the instruction card to access the E-CDM to opt in to receive the documents. Appropriate authentication was enabled to validate and register users on the E-CDM. This recommendation saved \$135,000 in postage costs alone!

Manage the E-acquisition Process

InvestorCOM created a white-labelled version of our E-CDM, branded for our Client. The E-CDM will initially accept e-registration for MRFPs and/or Financial Statements but is scalable and flexible, giving our Client the opportunity to add additional regulatory documents in the future, including statements, confirms and tax slips.

Create Dynamic MRFP/FS Books

InvestorCOM replaced the Client's static Financial Statement book with fully dynamic, personalized books that contain the fund holdings specific to each investor. This not only reduced the average page count by 60%, it also reduced postage cost by more than 50% and paved the way for digital delivery.

Offer Choice of Multi-Channel Delivery

InvestorCOM supports e-delivery as a cost-efficient and timely alternative to traditional print and mail. Never before has a business decision been so easy. Investors want the choice to receive these documents electronically. Our clients have seen a 50% conversion from print to e-delivery for MRFPs and Financial Statements, which is a clear indication of investor support for this option. The fund manager saves considerable print and mailing costs, especially considering that these document packages are oversized (9x12 envelopes) and weigh on average 200 grams.

The Results

InvestorCOM delivered on all project goals including reduced cost, better quality documents, faster time to market and reduced strain on internal resources. Our Client achieved a 53% e-conversion rate in the first year and realized 75% program cost reduction. Today more than ever, financial institutions are faced with margin compression. They need to leverage technology to gain efficiencies & save costs. By partnering with InvestorCOM, our clients have access to leading industry technology that results in faster time to market and reduced risk.

For information contact us www.investorcom.com