



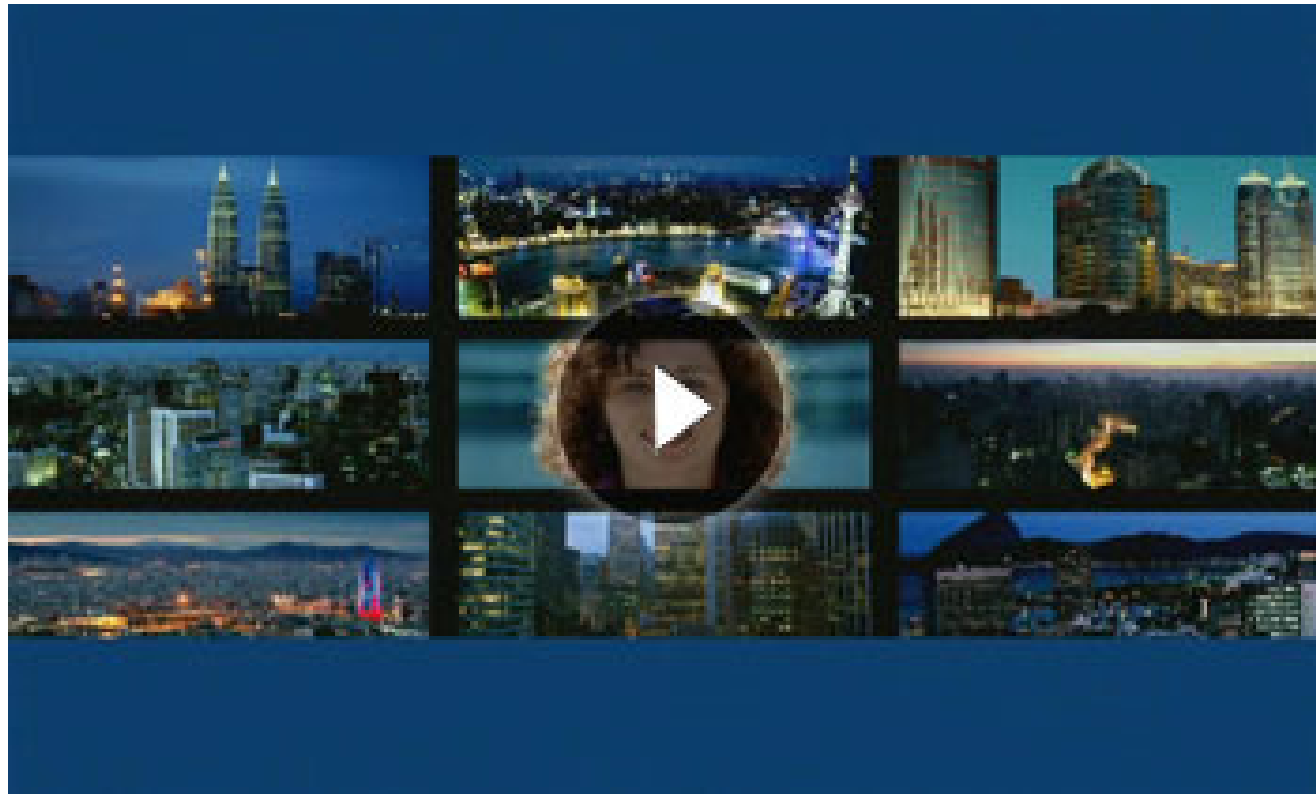
**IBM ASEAN
Leadership Exchange**



From Cities to Banks, the World is Getting Smarter

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Smarter Cities





The reality of living in a globally integrated world is upon us

- Economic downturn and future uncertainty.
- Energy shortfalls and erratic commodity prices.
- Information explosion and risk/opportunity growth.
- Slowing superpowers and emerging economies.
- Sophistication has outstripped our ability to handle it.
- Together government and industry must balance stability and innovation.

**The world is connected:
economically, socially and technically.**



The **need** for progress is clear

170 billion

Kilowatt-hours wasted each year by consumers due to insufficient power usage information.

100 million

People worldwide pushed below the poverty line by personal healthcare expenditures.

50%

Percentage of customers who would give their bank only two chances to fail before considering a change in banks.

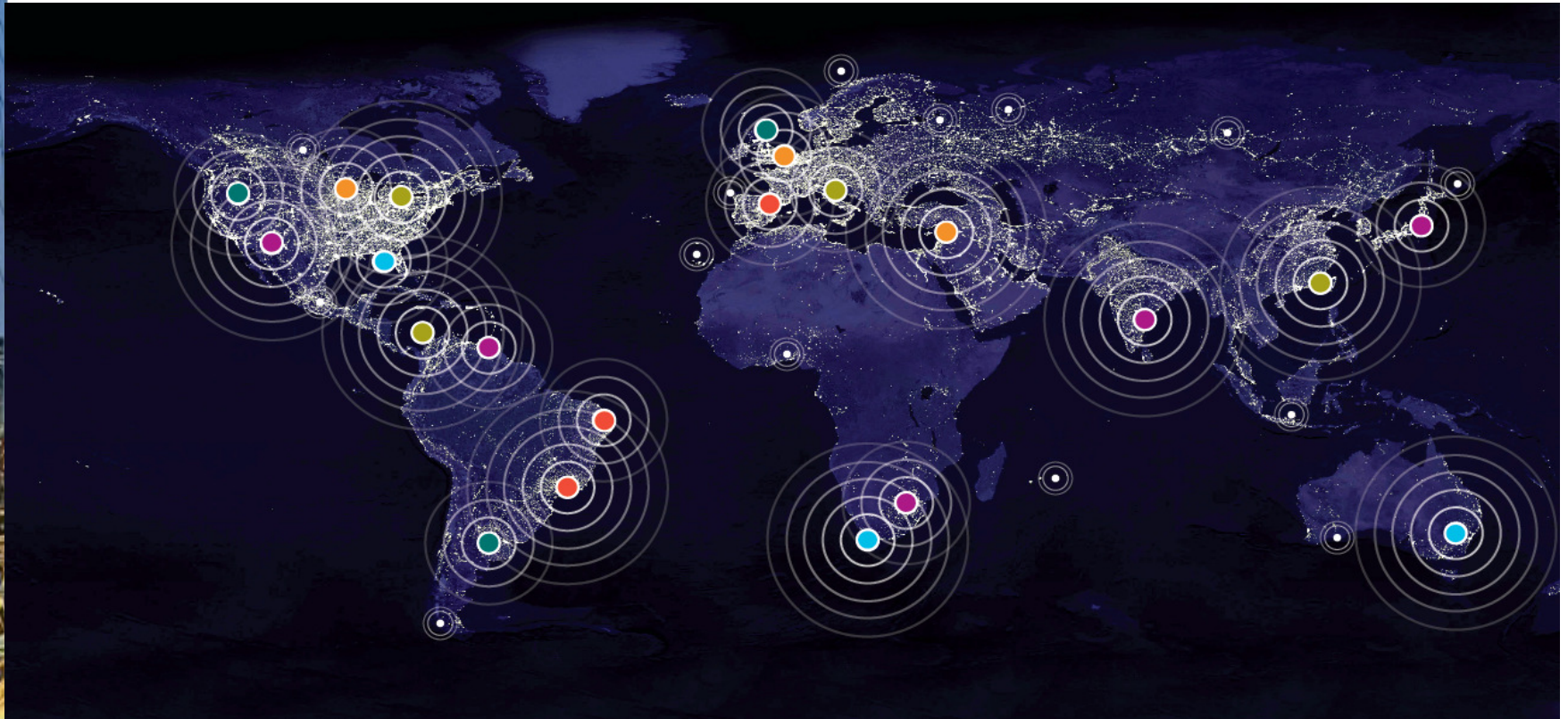
4.2 billion lost hours and 2.9 billion gallons of gas

Annual impact of congested roadways in the U.S. alone.

93%

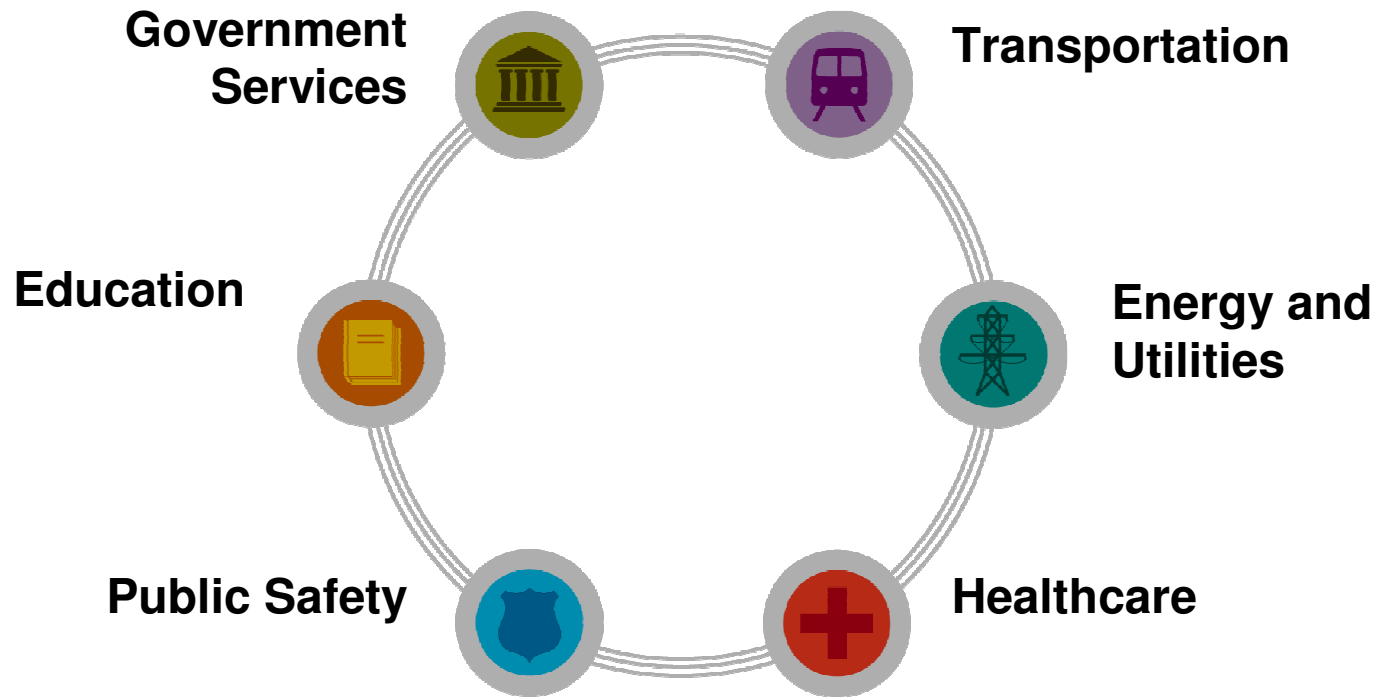
Percentage of the 285 million electronic attacks in 2008 were focused on the finance sector, well over half detected by third parties.

In 2007, for the first time in history, the majority of the world's population lived in cities – 3.3 billion.



By 2050, city dwellers are expected to make up **70 percent** of the Earth's total population – 6.4 billion.

The city is a microcosm of the major challenges and opportunities facing the planet today – intensified and accelerated.

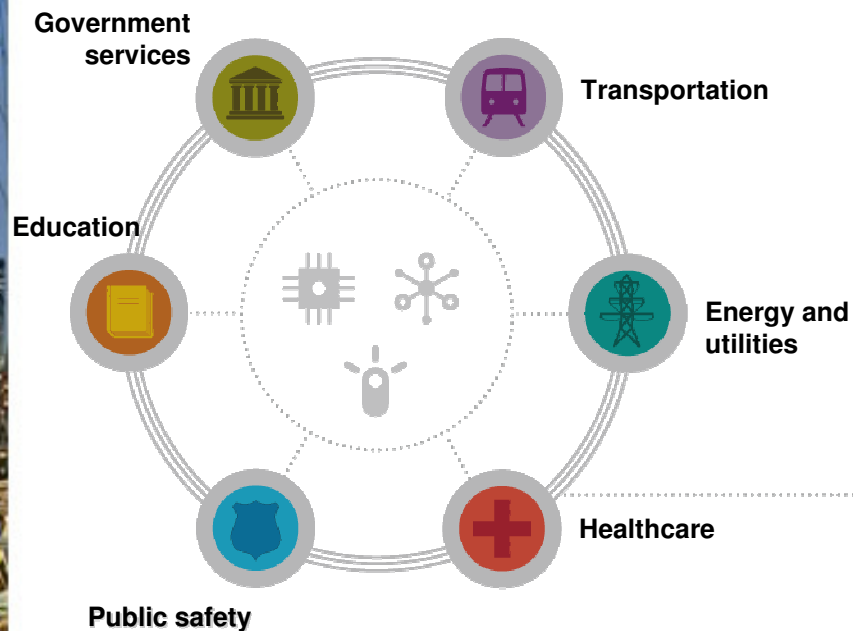


Here, all man-made systems come together and **interact** with one another.

We see cities as the brightest **opportunity** for our smarter planet – to create the most livable environment for the largest number of people.

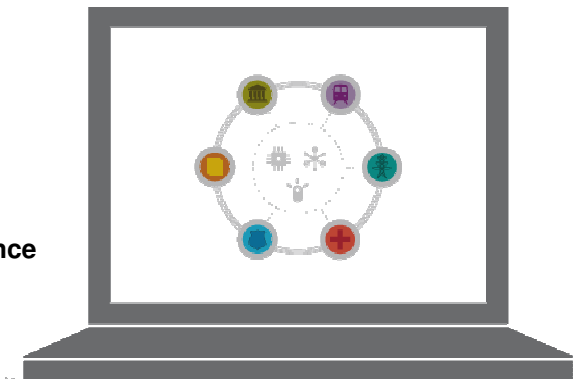


Cities are working to infuse **technology** to become smarter



Analytics

- Measure relationships
- Run simulations
- Assess performance
- Establish goals and priorities



Results: Dashboard

- Measure progress
- Share status internally and with the public

Working together to build Smarter Cities



Smarter Government Services

An opportunity to deliver needed services to all citizens: Increased information sharing and collaboration drives smarter decision-making across government agencies, service providers and other constituents.



Smarter Public Safety

Because up to 45% of a city's budget goes to public safety: A smarter city uses advanced technologies and community-based approaches to anticipate and prevent—not just respond to—crimes and emergencies.



Smarter Energy and Utilities

An opportunity to reduce energy use by up to 15%: By providing real-time information about the flow of energy, an intelligent utility system helps citizens and utilities make smarter, more responsible choices about the way they buy, sell and manage electricity.



Smarter Education

An opportunity to nurture our most valuable resource: Smarter cities take a systemic view of their education systems, evaluating students in multiple dimensions and equipping them to perform better both inside and outside traditional classroom environments.



Smarter Healthcare

An opportunity to lower the cost of therapy by as much as 90%: A smarter healthcare system forges partnerships and makes better use of data in order to deliver excellent care, predict and prevent disease and empower people to make smarter choices.



Smarter Transportation

An opportunity to cut traffic by as much as 20%: Cities can infuse intelligence into their entire transportation system, improving drivers' commutes, giving better information to city planners, increasing the productivity of businesses and raising citizens' quality of life.

IBM's industry frameworks **accelerate** your Smarter Cities transformation



- **Fast** – accelerate delivery and integration
- **Cost-effective** – protect investments and reuse assets
- **Flexible** – grow and add new capabilities incrementally

An IBM Industry Framework is a configurable software platform to deliver industry specific solutions.

IBM's solution and framework strategy is aligned with the needs of national, regional and local governments.



GOVERNMENTS ARE FOCUSED ON...



Smarter Cities



Intelligent transportation



Public safety and defense



Tax and revenue management



Social services and social security

IBM IS LEADING IN...

- Smart grid
- Smart water
- Smart building
- Smart crime fighting
- Fare management plans
- Fleet and asset management
- Road usage charging
- Transportation information management
- Emergency response
- Border
- Identity management
- Command and control
- Intelligence
- Logistics management
- E-tax filing
- Audit management
- Non-filer assessment
- Identity management
- Financial management
- Multi-channel delivery
- Automated data collection and analysis
- Infrastructure transformation

Working with IBM, cities are becoming smarter

safest large city

20%
less traffic

\$30 million in
cost savings



Public Safety:
New York City Police Dept

NYPD Crime Information Warehouse gives officers mobile access to more than 120 million criminal complaints, arrests and 911 records, as well as 5 million criminal records, parole files and photographs.



Traffic system:
Stockholm, Sweden

The city cut traffic by 20%, lowered emissions by 12% and reported 40,000 additional daily users of public transportation.



Smarter healthcare:
University of Pittsburgh Medical Center

This renowned academic medical center projects a \$30 million reduction in capital and operating cost reductions over eight years, enabling it to meet an ambitious clinical agenda

Malta implements Smart Grid with IBM's framework technology

Client Challenges

- Transforming utility processes
- Improving operational efficiency and customer service

Solutions

- End-to-end smart utility system
- Introduce Smart Meters
- Restructure billing process
- Introduce e-service
- Enable remote monitoring, management, and meter readings

Smarter Business Outcomes

- Enhance customer service
- Reduce commercial and technical losses
- Manage electricity supply remotely
- Consume energy and water efficiently



Major federal revenue agency minimizes tax evasion with IBM's Single View technology

Client Challenges

- Conduct more in-depth investigative analysis
- Ensure responsible enforcement of legislation

Solutions

- Single view of citizen
- Thoroughly understand the identity of taxpayer, tax preparer, employer, and financial institution
- Discover non-obvious relationships
- Identify high-risk taxpayer profiles
- Provide real-time view



Smarter Business Outcomes

- Improve vigilance against tax evasion and fraud
- Maximize tax collection through more effective enforcement
- Dramatically reduce time spent on investigative analysis

Financial institutions must restore trust and confidence in our global financial systems



Agility and customer focus are more important than ever for banks



90%

of executives interviewed believe the returns of the past are over.

85%

believe profit pools will shift significantly.



21%

of providers understand what clients value.

67%

of organizations rank themselves as 'moderate' to 'poor' in business and technology agility.

Source: IBM / CFA Institute Survey 2009; IBM Institute for Business Value analysis

To ensure *survival*

Smart Banks are working to...



IBM's solutions and framework strategy is aligned with the needs of the banking industry

FOR A FOCUS ON...



Develop new intelligence



Integrate risk management



Simplify and streamline



Adopt a dynamic infrastructure

IBM IS INVESTING IN...

Front office

- Customer insight and analytics
- Sales and service process optimization
- Marketing and compliance process optimization
- Multi-channel transformation

Integrated risk management

- Financial risk
- Financial crimes
- Operational and IT risk
- Governance and compliance

Back office

- Data and process models
- Master data management
- Payments and securities processing
- Core systems renovation
- Sourcing

Dynamic infrastructure

- Energy efficient hardware, management and monitoring
- Enterprise service and asset management
- High performance computing
- Cloud computing

Working with IBM, banks are becoming smarter

**90% reduction
in manual
process**



Streamlined payments:



The bank streamlined operations to achieve a 90% reduction in manual touch points in the check-clearing process—cutting processing errors and required remediation.

**75% reduction
in false results**



Risk management:



The bank expanded the names checked on its anti-money laundering watch lists from 2,500 to more than 40,000 and reduced the number of false negatives and positives by 75 percent.

**200+million
customer
records
consolidated**



Customer data integration: Major Global Bank

The bank unified 200+ million customer records across all consumer lines including retail banking, cards and insurance, and increased its ability to up-sell products to existing customers.

Rabobank provides real-time insights for improved customer and staff satisfaction

Client Challenges

- This bank was using separate applications to tap into the various financial data sources, making it hard to offer fast, quality advice efficiently

Solutions

- Integrated data sources into a centralized customizable portal to provide staff and customers with real-time access to relevant data

Smarter Business Outcomes

- Staff and customers can access the data they need 35% more quickly
- Lower application costs cut TCO by 15%, enabling an 18-month ROI
- First-to-market functionality increases customer satisfaction



Operational Riskdata eXchange Association accurately quantifies risk exposure for banks

Client Challenges

- To help its member financial institutions better assess risk, the association needed to provide more sophisticated statistical analysis and modeling

Solutions

- Developed new risk analysis capabilities and deployed on a robust IT infrastructure

Smarter Business Outcomes

- Enables analysis with a high degree of confidence
- Enables each member bank to scale the data to more closely model their own risk
- Provides sophisticated analysis of data and modeling of risk exposure
- Drives greater efficiency in the allocation of capital



We've only just begun to uncover what is possible on a smarter planet.

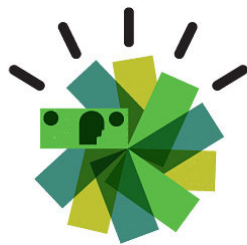


Let's work together to drive real progress in our world.

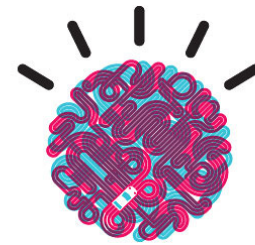
IBM is working across the industries to make our Planet Smarter



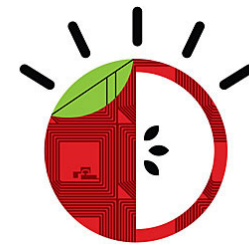
Smarter Healthcare



Smarter Banking



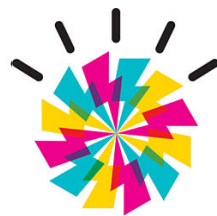
Smarter Traffic



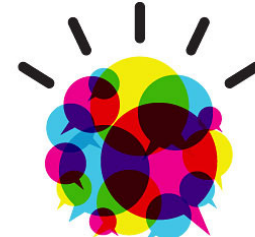
Smarter Food



Smarter Retail



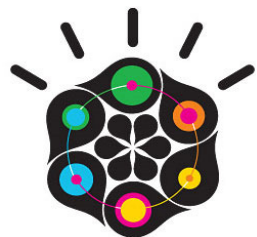
Smarter Grids



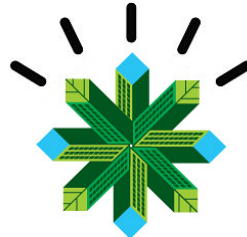
Smarter Communications



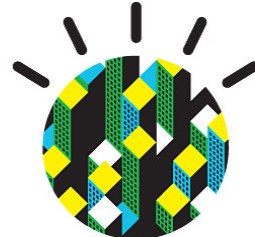
Smarter Water



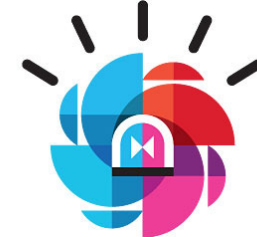
Smarter Oil & Gas



Smarter Buildings



Smarter Cities



Smarter Public Safety

What smart things are happening in your industry today?

