

Delivering the Competitive Advantage

Retail Banking Challenges

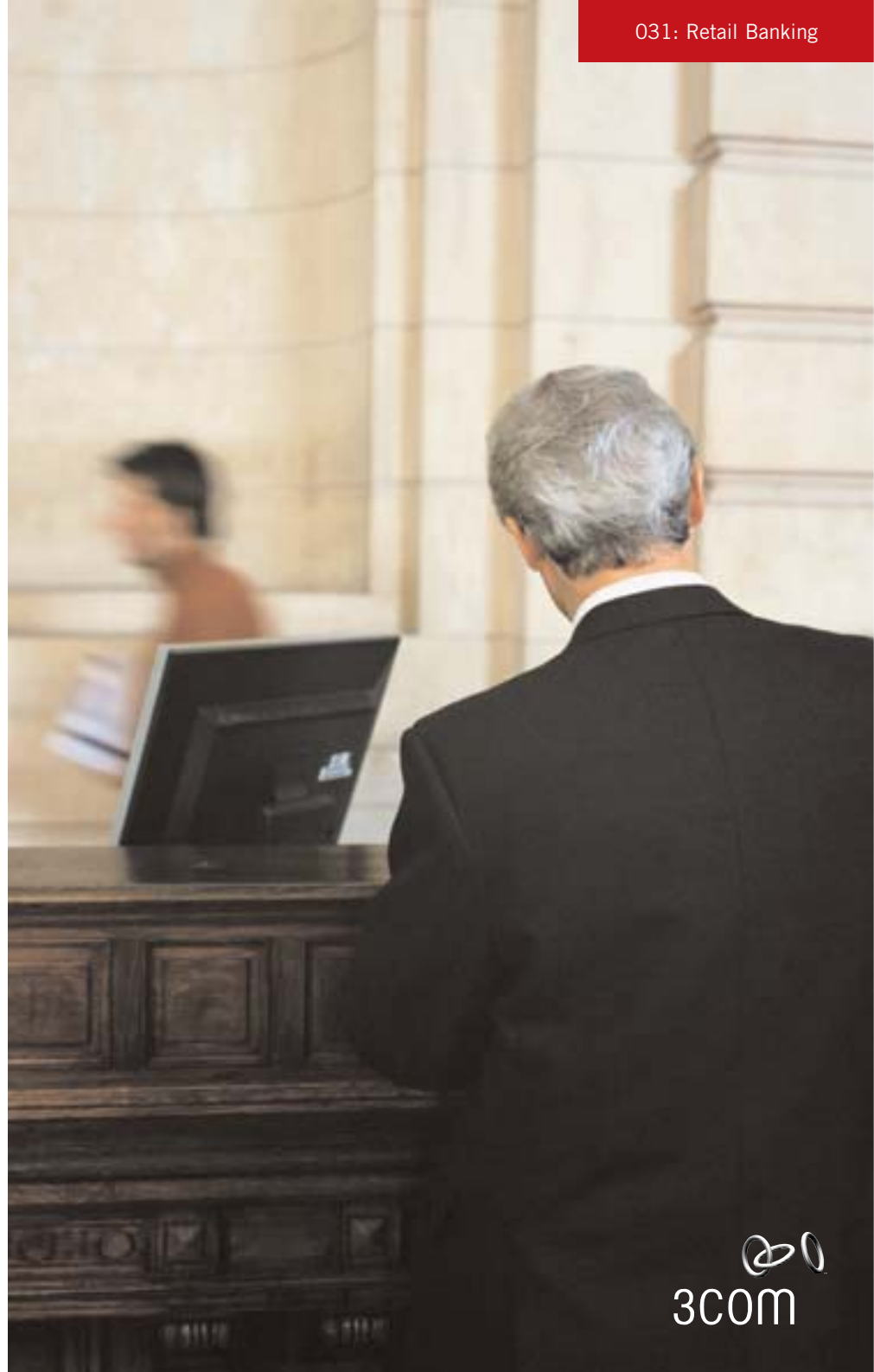
These are demanding times for retail banks. Competition is greater than ever, stringent security mandates require compliance, and the economic climate is uncertain.

Improving the Bottom Line

Retail banks require robust communications infrastructures that cost-effectively support key business processes and deliver reliable, consistent services via multiple delivery channels. They must efficiently share increasing amounts of information among branches, back offices, call centers, data warehouses, and regulators. They need to consolidate information and transactional systems to provide effective data access and integration for customer relationship management (CRM) systems. Additionally, banks need flexible networks to keep pace with growth and emerging markets, new revenue opportunities, and customer needs. These networks should be standards-based to avoid obsolescence and to integrate with both legacy and future systems. They must be resilient to protect online processes from disruptions, ensuring business continuity. They should be easy to maintain to reduce administrative overhead, particularly for banks lacking large IT staffs. And as long-term, capital investments, they must provide banks with strong returns and low total cost of ownership (TCO).

Competing to Win

To grow, retail banks must prevail over an array of financial institutions competing to attract customers and retain existing ones. Customers demand consistent services via all delivery channels—headquarters, branches, ATMs, phones, and the web. They require convenient, 24-hour access to transactions and data, without delays.





Delivering the Competitive Advantage

To address these needs, banks must provision branch offices with voice and data systems that effectively deliver products and services, but are scaled for each site to avoid the cost of over-capacity. They must integrate every facility into the enterprise communications system to market products and meet customer expectations, reliably and quickly.

Ensuring Security

As online banking becomes more popular and new regulations mandate the safety and tracking of financial data, security is more critical than ever. Retail banks must defend against external intrusions as well as internal misuse. Their data and voice systems must deliver pervasive and in-depth protection against any threat to the privacy and integrity of sensitive information and transactions, while ensuring the rapid flow of data to authorized users. Interactions between a bank and its customers must be confidential without exception.

Expediting Communications

To meet customer needs, bank employees require rapid access to all information and applications, regardless of location. They need powerful communications throughout the enterprise to improve operations and market products and services. They require training for using new systems, channels, and product lines. When empowered with advanced networking solutions, staffs can keep pace with an evolving marketplace and serve their institutions more effectively.

By turning to 3Com, an industry-leading provider of practical and innovative networks, banks can overcome the challenges of today's marketplace. A comprehensive roster of 3Com voice and data solutions affordably satisfy critical banking needs, from supporting enterprise-wide data delivery systems and web banking to connecting branch offices. Sound, strategic solutions from 3Com can help banks win and retain customers with new products and services, expanding delivery channels and tapping into fresh revenue opportunities.

3Com® Solutions Helping Bank Management

Enhancing Profitability

As an experienced provider of voice and data solutions to the financial industry, 3Com offers networking systems with exceptional performance, resilience, ease of use, and return on investment.

Powerful information delivery

The robust performance of our routers and core switches ensures that revenue-generating data, services, and applications are quickly available, even during peak network usage. For high-speed connectivity to servers, workgroups, and users, our wide array of edge switches extend the network throughout the enterprise with productivity-enhancing functionality.

Since all 3Com® products are standards-based, banks can enhance efficiencies by integrating disparate or legacy systems, consolidating delivery channels, and breaking down information silos with regulatory agencies and other institutions. Our Quality of Service (QoS) support lets banks prioritize critical, time-sensitive network applications, like voice services, videoconferencing, and training videos— helping capture, process, and distribute data rapidly and efficiently.

Business-enhancing IP telephony

To improve customer relationships, 3Com IP telephony solutions deliver converged communications throughout the banking enterprise, from the largest headquarters to the smallest branch offices and even mobile employees. They support CRM systems and integrate phones at distributed sites into a seamless infrastructure for rapid information sharing among branches, back offices, call centers, and remote employees. With 3Com solutions, banks can enhance their competitive and financial positions by offering uniformly outstanding service throughout all delivery channels.



Delivering the Competitive Advantage

Ensuring Reliable Services

Trust is difficult to forge and easy to break. A disruption in retail banking services can quickly undermine customer confidence. 3Com networked communications deliver switching platforms with fault-tolerant redundancy, comprehensive management applications, and extensive customer support.

High-availability networking

Our switching platforms with redundant modular designs and highly resilient hardware and software features ensure extraordinary network availability. With our XRN™ (eXpandable Resilient Networking) technology, should a core switch be removed from operation for any reason, the system continues functioning unimpeded.

Our standards-based wired and wireless network solutions allow banks to rapidly resume or redeploy communications should disturbances occur, ensuring the continuity of services. Our Gigabit Ethernet server network interface cards (NICs) support link aggregation, load balancing, and automatic link failover so that applications and data are always available.

Additionally, 3Com IP telephony solutions provide banks with highly-flexible methods to recover voice services. If telephony at one site is disrupted, for example, administrators can easily reroute incoming calls to another facility, sustaining operations and customer service. Moreover, unlike other IP-based voice platforms, our solutions function independently of the network operating system so voice communications can continue even if a server malfunctions.

Robust wireless connectivity

To rapidly and inexpensively restore communications in an emergency situation, banks can turn to a range of 3Com wireless solutions – all of which offer the strongest wireless security available and are standards-based for interoperability with other network devices. They can be deployed quickly throughout a facility or even between sites to support critical banking applications.

Dependable management and support

3Com solutions are designed to ensure ongoing communications and limit the impact of disasters or other unforeseen events on banking operations. For efficient network management and to expedite the restoration of network services, banks can remotely configure our voice and data platforms from any location with intuitive browser-based tools. For further continuity assurance, 3Com and our value added resellers offer expert support services to speed the resumption of communications.



3Com gave us the speed and dependability we need, using an architecture we can count on as we continue to grow. Our mission is to provide our customers with fast, efficient service for all of their banking needs. Using 3Com systems, we've expedited every network application, enabling us to fulfil our commitment to our customers and to sustain our growth.

Jeff Stanton,
IT Manager, Bank of Ann Arbor,
Ann Arbor, MI, US



Meeting Today's and Tomorrow's Challenges

Promoting Growth

To prevail over competing institutions, bank managers must steer a path of steady growth and increasing shareholder value. 3Com voice and data solutions offer unequalled scalability and versatility to help banks quickly adapt to evolving market conditions and customer demands.



Delivering the Competitive Advantage

Practical scalability

Our switching platforms expand easily without compromising performance, functionality, or reliability. They allow banks to increase networking capacity only when needed, avoiding the expense of over-capacity while ensuring business requirements are always met. Our innovative XRN technology offers a unique pay-as-you-grow strategy, letting banks increase their core networking capacity simply by adding XRN-enabled switches as needed. 3Com workgroup/desktop switches link easily and stack on top of each other, making system expansion convenient and affordable.

The flexible scaling options of 3Com IP telephony solutions allow banks to easily extend services, whether adding telephones in a single office or linking their voice communications across multiple offices. Banks can grow their telephone systems with practical, incremental, customer-paced software upgrades. Phones can be plugged into existing Ethernet ports and become operational in minutes, not days as often required by conventional voice solutions.

Economical expansion

With 3Com systems, branch offices can be true differentiators among competing financial institutions. Incremental, cost-effective scalability allows bank managers to rapidly provision new branches or bolster existing ones with a full portfolio of products and services. They can economically provide new or enhance existing network connectivity to deliver critical applications, from CRM and data mining systems to videoconferencing, so employees can offer consistent, high-quality service.

3Com systems support Gigabit Ethernet performance over existing (network) copper cabling, avoiding the expense of rewiring legacy facilities. Our innovative Network Jacks provide additional network ports without any new cabling, allowing banks to expand connectivity inexpensively. And our Power over Ethernet (PoE) devices eliminate additional electrical cabling costs and installation time and expense to extend power to Ethernet devices that include Network Jacks, wireless LAN access points, and IP phones.

By converging data and voice traffic on a single Ethernet-based infrastructure, banks can reduce the inefficiencies and cost of maintaining separate systems. The revolutionary flexibility and ease of use of 3Com IP telephony solutions further eliminate dependency on

vendor service technicians, dramatically lowering installation and maintenance expenses. Moreover, when banks link their 3Com telephony platforms via the Internet or other wide area data networks, they can reduce long-distance calling costs.

Being standards-based and highly scalable, 3Com network offerings ensure interoperability with future solutions. Their robust performance and ease of use also reduce their cost of ownership and ensure very strong returns on investment.

Improved communications

With 3Com solutions, bank managers can elevate voice services to a strategic advantage, enhancing messaging, access to expert services, and time-to-market on new initiatives. They can integrate phones across distributed sites into a cohesive voice system, allowing staff at remote facilities to access one another, conference, and forward calls as if they were in same office.

Flexibility and wireless convenience

If installing additional network cabling is impractical or too costly, bank managers can depend on 3Com wireless solutions to expand connectivity easily, quickly, and inexpensively. Based on the Wi-Fi standard to ensure interoperability with other systems, they combine strong performance with robust security to make them ideal for providing untethered networking throughout new or existing facilities.

Solutions for Bank Staff

Securing Information

The covenant between banks and their customers is built on the trust that assets and data are kept private and safe. Yet as more business is conducted online and staff become increasingly distributed at branch offices and remote locations, banks need to safeguard their network from an expanding array of threats—including theft, service disruption, and vandalism. To protect resources and customers from arsenals of sophisticated attack tools, banks need to integrate best-of-breed security measures into their networks.



Delivering the Competitive Advantage

End-to-end protection

3Com offers layered security. From high-performance security switches at the network core to perimeter firewalls at its edge and to embedded firewalls that extend to mobile users, 3Com solutions give enterprises the security they require today in their wired, wireless, and IP telephony systems. 3Com delivers integrated firewall, intrusion detection, virus protection, and content filtering from industry-leading vendors to defend against attacks wherever they may threaten the network. To protect data over the Internet, 3Com solutions also support virtual private networks (VPNs), "private" tunnels that ensure highly-secure information exchanges.

Safeguarded internal resources

In addition to perimeter protection, 3Com embedded firewall solutions defend internal resources against threats initiated by accident or intentionally from mobile users. Centrally managed security policies are enforced in network interface cards (NICs) and PC cards in servers, desktops, and laptops, letting staff access only pre-authorized servers and applications. 3Com Embedded Firewalls provide such a robust level of protection they have earned the technology industry's highest international security standard—the Common Criteria Certification.

Timely alerts

The intelligent vigilance in 3Com security solutions minimizes false alarms. And 3Com network management tools, an often overlooked security component, ensure that all network voice and data systems always operate at peak performance, providing administrators with alarm-forwarding options that help them stay in constant touch with the network.

Increasing Staff Productivity

Accessing Information and Applications Easily

For superior customer-focused service to retain clientele and create new revenue-generating opportunities, bank staffs at main facilities and branch sites require rapid access to all necessary applications and information. They must easily enter the enterprise CRM system and database servers to retrieve records and information.

With the powerful array of 3Com routers and switches, banks gain a cost-effective, high-speed network to support their connectivity needs. 3Com QoS capabilities ensure fast delivery of critical data and applications, even during peak network usage. Our browser-based management lets administrators quickly control systems at all remote sites from a single location so that staff have the tools and information needed to grow sales and profitability.

Boosting Effective Communications

3Com IP telephony platforms make it easier for staff to effectively communicate with customers, partners, vendors, and each other with function-rich, cost-effective solutions for facilities of any size, even single-person offices. Their intuitive controls for using an extensive range of built-in features can increase productivity without time-consuming training and support. Workers can contact colleagues located at other offices easily, by dialing simple extensions. Staff can integrate their voice mail and e-mail into a single in-box for more efficient management of their communications. And they can deploy call center capabilities at any site, regardless of size or location, without the cost or complexities of traditional telephone systems.

3Com converged networks are also far easier to use and maintain than conventional voice systems. Moves-adds-changes (MACs) can be easily handled internally, reducing the need for vendor assistance and associated costs.

Delivering Customer-Centric Banking

Keeping Pace with New Responsibilities

To compete successfully in an increasingly sophisticated and fast-paced market, banks must offer an increasing range of products and services, and they must bring them to market quickly. For these initiatives to be successful, branch and teller personnel must keep abreast of new services and marketing efforts, recognize cross-selling opportunities, and competently use new procedures, processes, and products.





Delivering the Competitive Advantage

3Com data and voice solutions support staff training with the bandwidth and functionality to deliver streaming video to the entire enterprise, even across wireless systems. Employees can keep current with relevant developments, conveniently learn how to use new systems, and market the latest products.

Helping Bank Customers

Delivering Convenient Services

Customers today have a plethora of banking options and, consequently, are more demanding than ever. They value the convenience of multiple delivery channels—branch offices, websites, ATMs, phones, or headquarters—and a uniform experience with each. They require all of their accounts and instruments to be aggregated for easy access, and they expect to be able to retrieve their data and conduct transactions around the clock. Moreover, they are impatient with any delays or disruptions to services.

To meet these needs, 3Com data and voice solutions deliver the performance that banks need to easily support the latest financial applications. Regardless of delivery channel, 3Com systems can rapidly and reliably deliver all transactions or information that customers request. They are standards-based to ease consolidation and deployment. Our telephony platforms provide capabilities, including call center functionalities, that allow customer inquiries to be handled promptly. Our wired and wireless systems scale easily and incrementally to ensure that services always keep pace with growth cost-effectively.

Ensuring Confidentiality

Retail banking customers unequivocally demand the safety and privacy of all financial assets and transactions. In an uncertain world, they want assurances that their banks can preserve the integrity of their resources even during disasters or unforeseen events. When their banks turn to secure, resilient solutions from 3Com, customers are assured of advanced defenses against online theft and tampering. From switches to NICs, our products are built for integrity, confidentiality, and availability—the hallmarks of a strong security posture. 3Com can protect vital servers from unauthorized access from outside the

Why 3Com

Over 20 years' continuous experience from the pioneer of Ethernet networking

Proven, high-value customer-focused data and voice solutions used around the world by organizations of all sizes

Innovative solutions that are practical and affordable

Industry-leading reliability and performance

Exceptional scalability with pay-as-you-grow solutions

Impressive return on investment (ROI) and reduced total cost of ownership (TCO) with intuitive, easily-managed systems

Commitment to standards-based architecture for investment protection

enterprise as well as from inside. We can safeguard all transactions and communications over the Internet from malicious activity.

Promoting Trust

Using 3Com solutions, banks can enhance customer confidence, reduce costs, and create value. Our communications networks and switching platforms provide extraordinary resiliency, ensuring business continuity. And 3Com systems are sound strategic investments that enable retail banks to offer their customers the highest quality of service, supporting their current business goals and future prosperity.



Delivering the Competitive Advantage

Solving Real Problems

3Com Solution Supports Aggressive Growth of First Reliance Bank

First Reliance Bank, a community bank based in Florence, SC, plans to open at least five new branches by 2007. This aggressive strategy is fueled by the bank's commitment to provide a level of customer service usually found only at much larger institutions.

As First Reliance grew, however, its legacy PBX system hindered customer service. With separate phone systems at each facility, customers had to hang up and redial when calling staff located at different sites. In addition, changing, moving, or adding extensions required \$75-per-hour service calls, costing as much as \$10,000 per quarter.

First Reliance needed a scalable, easily-managed, IP-based phone solution to improve its communications and support big-bank customer service. To meet these needs, it turned to a 3Com NBX networked telephony solution because of its exceptional price/performance and ease of use. The 3Com solution dramatically enhanced customer service and saved the bank thousands of dollars a year in maintenance costs, paying for itself within two years.

Today, employees can forward customer inquiries to any extension without requiring the customer to redial another number. They are able to send calls to employees' mobile phones so that staff are always within easy reach. Hunt groups ensure calls are routed to the first available employee in the relevant department, minimizing time spent on hold. Moreover, the NBX solution supports the bank's growth by enabling IT staff to simply plug additional NBX handsets into existing network jacks in minutes.

The 3Com solution's call detail reporting allows the bank to track the number of times a call was transferred, how long the customer spent on hold, and the duration of every call. Within three months, this feature revealed that the receptionist was struggling to keep up with calls, prompting the bank to adapt its hunt groups so she can more effectively route callers. Customer satisfaction improved and complaints dropped dramatically.



Our 3Com solution allows us to cater to our customers at a level they never dreamed a mid-size community bank could offer. With 3Com, we can continue to give our customers an unparalleled banking experience as we grow, while reaping outstanding savings and an extraordinarily low total cost of ownership

Christopher S. Hutchinson,
Vice President of Operations,
First Reliance Bank, Florence, SC, US





Delivering the Competitive Advantage

About 3Com

Corporation3Com is a tier-one provider of innovative, practical, and high-value voice and data networking products, services, and solutions for enterprises of all sizes and public sector organizations.

3Com solutions deliver:

Robust Access

Feature-rich, high-performance WAN access routers ·

Speed and Reliability

Highly available, cost-effective core-to-edge switching solutions, including modular chassis-based systems, unique XRN technology-based solutions, an industry-leading portfolio of Gigabit switches, and practical stackable workgroup switches ·

Advanced Functionality

Networked telephony solutions delivering highly reliable, economical IP telephony performance and productivity-enhancing applications ·

Enhanced Mobility

Secure wireless systems for easy connectivity anywhere, anytime ·

Trustworthy Security

Powerful security choices that include best-in-class applications, perimeter firewalls, and embedded firewalls that deliver integrated layered protection of network resources and data from internal and external threats ·

Flexible, Affordable Connectivity

Low-cost, shared Internet gateways for individuals and small or branch offices ·

Cost-effective Expansion

Simple to use and install "in the wall" switches that easily quadruple connectivity ports without the cost of running new cabling ·

Intuitive Administration

Choice of robust, web-based network management applications · Experienced Service and Support Expert implementation and maintenance support services from 3Com and its authorized partners

For detailed information, please visit www.insight.com/uk.