

Merrill Lynch

Raising the Bar for Statement Production

Merrill Lynch is one of the world's leading financial management and advisory companies with offices in 43 countries and total client assets of close to \$1.5 trillion. As an investment bank, it is one of the top global underwriters and market makers of debt and equity securities and is a leading strategic advisor to corporations, governments, institutions, and individuals worldwide. Through Merrill Lynch Investment Managers, the company is one of the world's largest managers of financial assets. Merrill Lynch's Retirement Group handles 81 billion dollars of assets for 2.2 million plan participants, producing some 2.1 million statements per quarter.

Honored with several awards, including the prestigious DALBAR Seal of Approval, Merrill Lynch's 401(k) statement has long been recognized as one of the best in the industry. Always on the cutting edge, Merrill Lynch took their statements a step beyond the norm, offering more complex customization that included charts, tables and targeted messages. Producing these statements, however, was as complex as the statements themselves—and very expensive. Albeit an award winner, there was recognition that the production of these statements needed to be brought in house in order to better control all facets of the production process.

Searching for a Solution

“We had a critical business need to find a more cost-effective solution for producing our statements,” said Rich Hopkins, director of the Retirement Group Regulatory Reporting department. “We decided that bringing the statement production in house would allow us to gain better leverage over the process and maintain the integrity of the statements, while giving us the added ability to further customize them. But we needed a way to accomplish this.”

With leveraging internal resources as the initial driving factor in Merrill Lynch's decision, they began to search for a software solution that had the functionality and flexibility to handle large volumes of data in an efficient manner. It would have to have the speed, accuracy and ability to handle millions of documents in a single run in order to meet Merrill Lynch's time-sensitive production requirements. In addition, Merrill Lynch planned to make the statements highly personalized and needed a product that would easily handle targeted messages and customized graphics, tables and pie charts. And with more than 1800 plan sponsors, the software had to be able to dynamically integrate sponsor logos for display on the statements.

Merrill Lynch conducted a thorough review of the products on the market and narrowed their list down to a handful of suppliers—among them, Exstream™ Software and their software product, Dialogue™.

The Answer is Clear

To truly test the capabilities of each product, Merrill Lynch asked each supplier to provide a proof of concept. When Exstream returned with a working statement in one week, Merrill Lynch was duly impressed. “Exstream amazed us,” said Hopkins. “The speed and accuracy with which they produced a product that was so close to what we were looking for made it hard to even consider the other competitors. Actually, in thinking about it, there was no competition. Exstream was the only company that provided us with such an easy-to-implement and cost-effective solution—one that we immediately recognized would dramatically reduce our time to market and ultimately save the money needed to continue producing the statement. We were sold.”

Fifteen weeks after Exstream presented the initial proof of concept, Merrill Lynch began production on 1.2 million statements using Dialogue. “Dialogue was the only software on the market that had the design breadth we needed and could meet the time-sensitive statement production requirements,” said Hopkins. “It offered the speed and functionality to handle all of our data files, even given their complexity and the huge volumes of data that had to be processed accurately. And because Dialogue doesn’t require complex programming, we were able to get our redesigned statements into production in an incredibly short timeframe.”

For Merrill Lynch, the 401(k) statement becomes a personal portfolio using Dialogue, with customers choosing their statement’s content and priority, while business functions add the regulatory content. Statements are in descriptive layman’s terms and offer customization for more than 1800 plan sponsors. Not only do the statements incorporate the plan sponsor’s specific logos, but they also provide advanced customer relationship management through the use of dynamic targeted messaging to the sponsor’s plan participants.

Merrill Lynch’s redesigned statements are now highly targeted documents that include outstanding graphics and vibrant color when viewed online. Dialogue’s ease of use for design and enhancements makes it possible for each statement to include tables and pie charts that are specifically customized to each customer. And, thanks to Dialogue’s unique “design once, deliver anywhere” environment, they can now print and electronically deliver the same statement simultaneously. “What you see is what you get with Dialogue,” said Hopkins. “This software offers unparalleled flexibility, and its ability to deliver documents in a variety of outputs, including AFP, Metacode, PCL and PostScript, puts statements in our customers’ hands in record time.”

Future Innovations

With Dialogue, Merrill Lynch projects cost savings that far exceed their goals. Merrill Lynch plans to take advantage of Dialogue’s eFulfillment capabilities in the near future so they can soon offer statement delivery over the Internet, as well as in printed format.

“At Merrill Lynch, our obligation is to maintain the quality and integrity of our customers’ statements,” said Hopkins. “We have been positively impressed with Dialogue’s ability to turn our statements into documents that speak personally to each individual customer.”