

Co-operative Financial Services



14th April 2008

News Release



Co-operative Financial Services (CFS) signs £12 million deal with Xerox to transform its business and document processes to improve customer service and reduce environmental impact

Co-operative Financial Services (CFS) has today (14th April) announced it will work with Xerox to transform its mail-handling operations into a fully automated e-mailroom.

The new automated system, dealing with more than 10,000 postal items per day, will efficiently process, catalogue and route all inbound insurance and retail banking correspondence. Using advanced language recognition technology, developed by Xerox Research & Development, business critical information will be distributed to the relevant recipients electronically. The six year programme will be implemented in five distinct stages, and will radically transform CFS' internal business processes, customer experience and sustainability programmes.

Under the terms of the agreement, Xerox will implement the staged roll-out of the new mail handling and distribution system. 10,000 incoming customer pieces of correspondence will be scanned, identified, categorised and indexed per day. Over time, Xerox will manage all of CFS's General Insurance (GI) and banking documents and will provide a fully integrated enterprise distribution/ work management environment. Based upon Xerox's DocuShare technology, this will enable CFS to handle all information electronically. For the first time, CFS will be able to standardise its inbound communications, create faster customer response times and ensure that more accurate and timely information is both sent and received.

Dick Parkhouse, Executive Director for Strategy and Change said, “CFS is committed to building a sustainable and efficient business. By adhering to the highest ethical standards, reducing our waste wherever possible and curtailing our energy usage we will significantly increase our capability and credentials. With this new approach we will not only reduce operational costs but more importantly we will deliver improved customer service. In Xerox we found what we were looking for in a partner, who are committed to building our long-term growth and social responsibility.”

The process uses a secure and resilient Wide Area Network to ensure rapid information transfer and data integrity and will automate and optimise the downstream business processes through an advanced workflow system. Efficiencies gained by the centralisation of all incoming mail and the management of the workflow process will also ensure CFS meets its environmental commitments by increasing the use of email as an inbound process, thereby reducing the volume of paper used.

Peter Romaine, Director and General Manager for Xerox Global Services, Xerox UK said, “The key to successful business transformation is understanding how to combine industry expertise, workflow processes and advanced technology. Xerox’s extensive experience in the financial services industry and document management will enable CFS to increase its marketplace agility. We are committed to helping CFS implement new and innovative ways of working that deliver excellent customer service, meet sustainability targets and improve the speed and efficiency of its business.”

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About Xerox Europe

Xerox Europe, the European operations of Xerox Corporation, markets a comprehensive range of Xerox products, solutions and services, as well as associated supplies and software. Its offerings are focused on three main areas: offices from small to large, production print and graphic arts environments, and services that include consulting, systems design and management, and document outsourcing.

Xerox Europe also has manufacturing and logistics operations in Ireland, the UK and the Netherlands, and a research and development facility (Xerox Research Centre Europe) in Grenoble, France. For more information visit www.xerox.com.

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About Co-operative Financial Services (CFS)

Co-operative Financial Services (CFS) is an Industrial and Provident Society, which brings together Co-operative Insurance (CIS), The Co-operative Bank and the internet bank **smile** under common leadership. It is owned by the Co-operative Group Limited, which is, in turn, the largest consumer co-operative in the UK, democratically run for the benefit of its members.

Although all three financial services organisations share identical underlying co-operative values and principals, traditionally Co-operative Insurance (CIS), The Co-operative Bank and more recently **smile** have followed their own successful, yet distinctly different, paths.

In 2002 the decision was taken to ensure that all companies began to work more closely together under the umbrella of CFS. The benefits of which are now being seen through more and varied distribution channels being developed through which products can be sold. In addition to the historic home service channel both Co-operative Insurance (CIS) and Bank products can be purchased through a CIS financial adviser, bank branches or direct either by telephone or via the web.

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