How Our Clients
Make Every Decision Count

FICO™

Contents

What makes FICO the leader in Decision Management?

» The fact that we serve thousands of leading companies in 80 countries, including 9 of the top 10 Fortune 500?

» Our industry-leading solutions, such as the FICO® Score, FICO™ Blaze Advisor,® FICO® TRIAD® adaptive control system and FICO™ Falcon® Fraud Manager?

» Our innovations in predictive analytics, business rules management, fraud detection, risk management, optimization and other areas?

Sure, but there's more to it. What really sets FICO apart is our ability to help businesses achieve spectacular results by transforming the way they make decisions.

This booklet explains concisely how we do that—the products and services we sell—and how our clients gain when they **make every decision count**.

Decision Management Portfolio
Main Solutions

FICO™

	ACQUIRE		MANAGE			PROTECT
	Marketing	Originations	Customer Management	Claims Management	Collections & Recovery	Fraud
Decision Management Applications *Customer Lifecycle Solutions*	FICO® Precision Marketing Manager FICO® Retail Action Manager	FICO® Capstone® FICO® LiquidCredit®	FICO® TRIAD®	FICO™ MIRA Claims Advisor for Reserving FICO™ Insurance Fraud Manager	FICO® Debt Manager™ FICO™ Recovery Management System™	FICO™ Falcon® Fraud Manager

Across the Lifecycle and Embedded in Applications

Scoring	FICO® Score | FICO® Insurance Risk Scores | myFICO®
Analytics	Predictive Analytics | Decision Optimization and Strategy Design | Portfolio Analytics
Decision Management Tools	Business Rules Management: FICO™ Blaze Advisor® Model Development: FICO™ Model Builder Optimization: FICO™ Decision Optimizer | FICO™ Xpress Optimization Suite
Services	Analytic Services | Business and Solution Consulting

Marketing

Top 5 Things You Should Know

1. We help powerhouse brands execute Precision Marketing.

Leading retail and consumer goods names like Best Buy, Healthy Choice, Slim Jim and Coca-Cola rely on FICO technology to collect more data, connect with their customers and perfect their communications.

2. We make it easy to identify customers.

Our Customer Data Integration service leverages a massive referential customer database—with over 30 years of name and address history—and patent-pending matching algorithms to persistently identify unique customers, regardless of the source, timing or location of the customer data.

3. Our solutions help businesses pinpoint the "Best Next Action."

Our new FICO Retail Action Manager application predicts not only what customers are going to buy next but when, and can identify product propensities among vast sets of products. This Best Next Action™ technology allows clients to improve planning, marketing and merchandising.

4. With FICO, advanced analytics are *actionable*.

Our marketing solutions facilitate the use of descriptive, predictive and transactional analytics. This runs from layering response and revenue models with a customer segmentation schema to mining customer data for Life Time Value migration analysis.

5. Our team offers world-class expertise in managing large prospect and customer databases.

Our web-enabled, ASP acquisitions and customer management engines integrate FICO's deep expertise in data management, rules management software and marketing analytics. Our full-service data management system includes optimized campaign management and measurement and analysis services.

KEY SOLUTIONS

» FICO® Precision Marketing Manager

» FICO® Retail Action Manager

» FICO® Customer Data Integration

» FICO™ Segmentation Models

» FICO® Predictive Analytics

» Increased same-store sales growth for participating stores by 300%

» Achieved 10% improvement in profit from analytically triggered programs

"FICO's underlying math is really elegant, and the data visualization component is exceptionally strong. Nothing else can process our entire product space at once."

Originations

Top 5 Things You Should Know

1. Our originations solutions help businesses reduce losses and operational costs while providing superior customer service.

Clients using our solutions often see 25–50% reductions in manual reviews, the ability to handle 50–100% increases in application volume without adding staff, and 15–25% reductions in delinquencies while approving more applicants.

2. We offer a comprehensive suite of analytics-powered solutions.

Our portfolio includes end-user software, data acquisition software, hosted solutions, custom models and pre-developed models, with solutions for both consumer and small business lending.

3. FICO is the pioneer in this space.

We sold the first automated application decisions system back in the 1970s, and have continued to introduce innovations ever since.

4. Credit grantors and insurers start relationships right with our solutions.

Card issuers, installment lenders, small business lenders, auto lenders, mortgage lenders, retailers and other credit grantors use our solutions to make smarter originations decisions. We also help insurance underwriters accelerate growth through automated underwriting using our business rules management system.

5. When it comes to small business scoring, we are the industry leader.

FICO's Small Business Scoring Service (SBSS) is the leading solution for small business lending. The latest version includes 66 models for different portfolio types and loan amounts. Our small business solutions are used by 22 of the top 25 US small business credit grantors.

KEY SOLUTIONS

» FICO® Capstone® Decision Manager

» FICO® Capstone® Decision Accelerator

» FICO® Capstone® Intelligent Data Manager

» FICO® LiquidCredit® decision engine

» FICO™ Blaze Advisor®

» FICO® Application Risk Models

» FICO® Small Business Scoring Service

» FICO™ Custom Decision Optimization

» FICO® Scores

TD Canada Trust

» Increased new unsecured credit volume by 60%

» Raised Visa approval rates by 30%

» Boosted approval rates for unsecured lines of credit by 14%

"Working with FICO, we're building a credit infrastructure that allows us to stay competitive and grow our business."

Customer Management

Top 5 Things You Should Know

1. Worldwide, we provide the leading system for credit account management.

Our FICO TRIAD system manages some 65% of the world's card accounts, powering more than 50 billion decisions a year. More than 300 lenders in 40 countries, including 95% of the top 50 credit card lenders, use TRIAD to build competitive advantage.

2. Lenders using FICO solutions build quality receivables while managing risk exposure.

Our TRIAD clients typically see gains of up to 30% in revenues, and reductions in bad debt of as much as 25%, while reducing capital requirements by up to 60%.

3. We help lenders take a customer-centric focus.

Using customer-level scoring and decisions, we help lenders around the world make more proactive offers to customers. With the latest version of TRIAD, our clients are able to treat their customers at any time, including real-time at point-of-sale.

4. Our system provides the greatest analytic engine in customer management.

We can accommodate additional predictive models to better target customer or account decisions. These include risk, attrition, payment projection, bankruptcy, revenue and response models. Plus, our optimization solutions for customer management have been proven to lift account profitability by 15–25%.

5. Lenders of all sizes rely on FICO solutions.

TRIAD serves all types of credit portfolios, from utility portfolios to highly transacting portfolios such as debit and credit cards. While the larger lenders deploy TRIAD on their own systems, many lenders around the world use TRIAD and related FICO customer management services through 12 third-party processors worldwide, including the two largest US processors, TSYS and First Data.

KEY SOLUTIONS

» FICO® TRIAD® adaptive control system   » FICO® Predictive Analytics

» FICO® Transaction Scores   » FICO® Scores

» FICO™ Custom Decision Optimization

Santander

» Increased authorization approval rates by 8% in one year

» Reduced delinquent account rates by 50%

"We've made tremendous performance and customer service improvements. We're extremely satisfied with these results. In fact, they went above our expectations."

Claims Management

Top 5 Things You Should Know

1. Our clients reduce loss-adjustment expenses 20–25%.

With FICO tools and claims expertise, we help insurers lower their operating costs while increasing claim throughput. At the same time, we help increase the number of claims that are auto-adjudicated, and automate the processing of other claims with a system that can replicate the experience of the best adjusters.

2. FICO solutions improve the quality and consistency of claims decisions.

FICO's advanced predictive analytics can help insurers identify high-risk and suspicious claims, and can provide accurate and defendable responses to claim disposition decisions.

3. Our clients have reduced fraud by 20–50% across multiple lines of business.

Our FICO Insurance Fraud Manager solution is the first fraud, abuse and error detection system for healthcare payers that provides both prepayment scoring and post-payment analysis to reduce fraud losses and ensure payment integrity. The workers' compensation edition reduces claim costs and fraud losses by detecting claims that, due to case characteristics or fraud indications, require special attention.

4. Our clients can focus resources on claims with the most opportunity for savings.

Our predictive analytics and case management software ensure that limited adjuster and investigator resources are focused on those claims that have the potential to do the most financial harm to the organization.

5. We help insurers better estimate reserves.

FICO MIRA Claims Advisor for Reserving provides best reserving practices in an automated fashion, so all of an insurer's adjusters can consistently set reserves when claims are opened, and manage them with a high level of efficiency.

KEY SOLUTIONS

» FICO™ Insurance Fraud Manager

» FICO™ MIRA™ Claims Advisor for Reserving

HIGHMARK®

» Uncovered an additional 19% in fraud dollars from existing claims

» Found undetected $3 in past claims for every $1 in current-year fraud

"The average dollar value per case exceeds the total price of the software for a year. This makes the ROI/value realization very appealing to senior management."

Collections & Recovery

Top 5 Things You Should Know

1. Our collections clients save big.

Our clients frequently see a 20% reduction in early-stage delinquencies, a 33% increase in collector productivity, a 30% increase in recoveries and a 15% increase in recovery productivity.

2. We help clients improve results across the distressed debt lifecycle.

Our experts and solutions can improve results in collections, recoveries, asset management, asset disposal, residual balance recovery, litigation and bankruptcy. Clients can choose from quick operational reviews to analytics to integrated applications.

3. Analytics integrate into collections operations easily.

We offer collection scores and custom collection models that can improve segmentation of delinquent accounts and make sure the right collectors work the right accounts. FICO Debt Manager 7 allows clients to "drag and drop" collections scores into strategies.

4. The new version of Debt Manager includes loan workout functionality.

Debt Manager 7 provides a wizard that guides loan workouts and generates customized recommendations for resolving the delinquency on the spot. The wizard is powered by FICO Blaze Advisor system, making Debt Manager the first release as part of FICO's Decision Management suite.

5. We integrate collections operations with a vast network of collection services.

FICO PlacementsPlus gives our clients greater control over outsourced debt. And by connecting to the FICO Network, our solutions provide integrated access to hundreds of leading collection agencies and more than 1,000 data sources and service providers (attorneys, bankruptcy counselors, repossession companies, etc.).

KEY SOLUTIONS

» FICO® Debt Manager™ solution

» FICO® Recovery Management System

» FICO™ PlacementsPlus® solution

» FICO® Collection Scores

» FICO® Custom Collections Models

» FICO® Network

Raiffeisen INTERNATIONAL
Member of RZB Group

» Reached ROI in three months as a result of lower bad debt reserves

» Increased collector productivity 150% for early-stage cases

"Debt Manager's flexibility gave it a major advantage over anything else we could have considered. It is a really great solution."

Fraud

Top 5 Things You Should Know

1. FICO protects more cards than anybody.

FICO Falcon Fraud Manager is the clear industry leader in debit and credit fraud protection, protecting about 65% of accounts worldwide and 90% of US accounts. Falcon monitors 1.8 billion cards and 40 billion transactions a year. We also offer the leading ATM card protection service, FICO Card Alert service, which monitors more than 11,000 ATMs in the US and protects 60% of US debit cards.

2. Falcon 6 spots new fraud schemes faster.

Available in April 2009, FICO Falcon Fraud Manager 6 uses adaptive analytics to increase fraud performance, and extends the patented profiling technology to regions, devices and merchants to improve detection.

3. We are the best provider to help clients achieve enterprise fraud management.

FICO Falcon 6 goes beyond credit and debit cards to DDA fraud detection and enterprise case management. Future releases will bring all our credit fraud applications—for Faster Payments fraud, identify theft, first-party fraud and more—onto the Falcon platform.

4. Businesses have saved billions in fraud using our solutions.

Individual clients often see 40–60% reductions in fraud losses. The US credit card industry alone experienced a two-thirds reduction in fraud losses as a percentage of sales using Falcon Fraud Manager. In addition, we help insurers, retailers and life sciences companies fight fraud.

5. Our fraud consulting team brings tremendous expertise to clients' problems.

This team has undertaken over 100 assignments in more than 20 countries across 5 continents.

KEY SOLUTIONS

» FICO™ Falcon® Fraud Manager

» FICO™ Fraud Predictor with Merchant Profiles

» FICO™ Falcon® ID

» FICO™ Card Alert Services

BBVA Bancomer

» Cut online fraud losses 88% and cut attempts in half

» Slashed debit card fraud losses 70% the first year

» Reduced credit card fraud from 100 to 9 basis points

"Greater fraud control helped us increase profitability in our debit card business and helped affirm us as the most attractive debit card choice for the customer."

Scoring

Top 5 Things You Should Know

1. The FICO® score is the score that matters.

We've delivered more than 110 billion FICO® scores, and we deliver 10 billion more scores every year, making FICO® scores by far the world's most widely used risk score. Approximately 90% of the largest US banks use FICO® scores, and the score is the standard measure of US consumer credit risk.

2. FICO® 08 score does even more to help credit grantors control losses.

The newest FICO® score in the US delivers 5–15% predictive lift for credit shoppers and nonprime consumers, and protects lenders from authorized user abuse, among other benefits. This score is available now for US lenders.

3. FICO® scores are a rapidly expanding global phenomenon.

FICO® scores are currently available at credit bureaus in 10 countries, and have been implemented at lender sites in 10 further countries. They can be rapidly deployed in any environment with available credit bureau data.

4. Our scores tell you more.

New scoring solutions measure the risk of the credit-underserved population, and forecast the ability of consumers to handle additional debt. These join a rich portfolio that includes insurance risk scores, bankruptcy scores and revenue scores.

5. We empower consumers and help our clients do the same.

As the gold standard for consumer financial literacy, our myFICO® site has received the Kiplinger award for the best place where consumers can buy their credit scores. Through the FICO Scores on Statements program and the FICO Mortgage Recovery Initiative, we help lenders serve their customers better and restore trust.

KEY SOLUTIONS

B2B:

» FICO® Scores

» FICO® Insurance Risk Scores

» FICO® Expansion® Score

» FICO® PreScore® service

» FICO® Credit Capacity Index™

» FICO® Scores on Statements

B2C:

» myFICO® service

B2B and B2C:

» FICO® Mortgage Recovery Initiative

Edcon

» Increased profit per active account by 9% in just 11 months, through use in customer management decisions

» Reduced projected write-offs by 7.75% in same period, through use in collections

"The additional costs of the FICO® scores are insignificant when compared to the benefits."

Analytics

Top 5 Things You Should Know

1. We don't just build better models—we make world-class analytics operational.

We go beyond pure model development to offer clients valuable insights into how to deploy analytics, set strategies using analytics, manage data to build analytics, and deal with regulations such as Basel II and the Fair Credit Reporting Act that concern analytic use.

2. No one brings more expertise to clients' problems.

We have 50 years of delivering results, developing new analytic technologies and helping clients in financial services, insurance, retail, life sciences and other industries build an analytic advantage.

3. FICO offers a full portfolio of analytic solutions.

Our analytics include scorecards, models, customer segmentation and optimized decision strategies, all of which can be delivered as standalone solutions or embedded in our Decision Management applications and tools. We provide custom models as well as pooled-data models such as Application Risk Models and FICO Transaction Scores.

4. The most advanced solutions for optimization are found right here.

Not only do we offer the FICO Xpress Optimization Suite—for Operations Research experts who want to solve the largest, most complex optimization problems—we also offer the strategy optimization tool Decision Optimizer and custom optimization engagements, which have improved the profitability of clients' strategies by 5–40%.

5. We can advance any client's success with analytics.

We help all companies evolve their analytics, from getting started with their first custom or semi-custom models, right up to decision optimization partnerships with the world's most sophisticated analytic users, such as HSBC.

KEY SOLUTIONS

Predictive Analytics:

» FICO® Advanced Models

» FICO® Expert Models

» FICO® Express Models

Decision Optimization and Strategy Design:

» FICO™ Custom Decision Optimization

» FICO™ Action Segments

Portfolio Analytics:

» FICO™ Segmentation Models

» FICO™ Basel II Services

» FICO™ Portfolio Stress Testing

The **co-operative** bank

» Improved profit per application by 45% using FICO Custom Decision Optimization

» Project three-year ROI to be 250%

"Break-even on the project was achieved in the first year of usage, with the optimized strategy running on only 50% of applications."

Decision Management Tools

Top 5 Things You Should Know

1. FICO Blaze Advisor is the world's #1 business rules management system.

The most recent validation comes from InfoWorld and Yphise, an independent French research firm that also assessed ILOG and Pegasystems in accordance with ISO 9001:2000-certified methodology.

2. We have the fastest rules engine in the market.

Blaze Advisor makes exclusive use of Rete III, the most advanced commercially available inference engine, which benchmarks more than 300% faster than competitive engines at the highest levels of complexity.

3. The most advanced and collaborative Decision Management solution is from FICO.

Blaze Advisor is a true end-to-end BRMS, providing: rules maintenance applications that present the right interface/context for business users; pre-defined or easy-to-build rules templates for IT; and reusable rule sets, rule flows and object models for collaborative application development for developers.

4. Blaze Advisor is the only business rules management system that enables true cross-platform deployment.

Blaze Advisor can deploy rules across all platforms and architecture from a single rules repository. Decision service definitions can be re-used across J2EE, .NET and COBOL.

5. Our tools provide the only common platform for Decision Management.

We are the only provider that brings business rules creation, rules management, decision simulation, decision optimization and predictive modeling under a common business context.

KEY SOLUTIONS

» FICO™ Blaze Advisor® business rules management system

» FICO™ Decision Optimizer

» FICO™ Decision Simulator module

» FICO™ Xpress Optimization Suite

» FICO™ Model Builder

Kemper
A UNITRIN BUSINESS

» Lowered combined ratio by 8 points using FICO Blaze Advisor system for underwriting

» Increased pricing tiers from 6 to 48 for auto and from 6 to 24 in home lines, to improve risk management and pricing

"The adoption of FICO Decision Management has afforded us the efficiency we were looking for."

Services

Top 5 Things You Should Know

1. We build relationships.

We measure our success through external surveys, where our clients continually report that we provide highly trained people, deliver projects on time and on budget, reduce the time for ROI recognition, and develop lasting relationships.

2. We understand best practices for our clients' industries.

Our deep knowledge across industries includes financial services, insurance, retail, consumer goods, healthcare, pharmaceuticals and others. This deep industry strength enables our consultants to engage our clients in a multi-faceted approach to create the right solution to each unique problem, and perform "health check" engagements to improve a client's operational efficiency.

3. Clients get more value faster from FICO solutions.

Our consultants average at least 5 years of experience with our solutions, and have access to documented, proven best practices. During an implementation engagement, our clients not only gain the knowledge of the consultant, they gain the knowledge of our virtual bench and hundreds of implementations.

4. We bring strategic and tactical thinking to solving clients' problems.

Our consultants have been trained to not only address clients' short-term concerns, but to provide them with a long-term roadmap aimed at improving their position in the marketplace and ensuring successful adoption of Decision Management.

5. Expertise with Fortune 100 companies gives us a unique perspective into the global economy.

With our consulting workforce spanning the globe, and regional technology hubs in each hemisphere, we are able to react quickly to the new demands in the global economy while providing localized understanding for our clients.

KEY SOLUTIONS

» Analytic Services

» Business and Solution Consulting

» Training and Education

» Increased collections productivity 300%

» Moved to industry-leading recovery results

"We went from middle of the pack to industry leader within six months after we implemented the FICO Business Consulting team's recommendations."

FICO™

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www.fico.com

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