

CASE STUDY

London Life Insurance

“WE ARE ALREADY PROJECTING SUBSTANTIAL SAVINGS FOR THE FIRST YEAR WITH THE COLLECTIVE EFFICIENCIES OF THE THREE-PHASED DOC1® PROJECT.”

Jill Butler, Project Manager, Retirement Services, London Life Insurance

LONDON LIFE INSURANCE PROVIDES FINANCIAL STATEMENTS OVER THE WEB WITH DOC1.®



Challenge

London Life Insurance needed to move quickly after it acquired Prudential Insurance Company's entire Canadian business operations near the end of 1996. London Life wanted to welcome its new client base and maintain its reputation for providing outstanding customer service. To do so, they required a new document composition solution to keep pace with its expanding business.

Solution

Pitney Bowes Business Insight's DOC1® solution allowed London Life to have flexibility in making changes to their customer documents, without affecting the look of the document entirely. Doing so allowed improvements in customer service to be realized while remaining focused on expansion.

SUMMARY

Established more than 100 years ago, London Life, a subsidiary of The Great-West Life Assurance Company, is the largest single provider of life insurance to Canadians. Its Retirement Service business area includes over 27 investment funds, which total more than \$15 billion. The company has built its successful reputation throughout Canada and around the world by advancing into new markets and new territories.

London Life required a new document composition solution to keep pace with its expanding business. Jill Butler, London Life's Project Manager of Retirement Services, and her project team found the document composition tool they were looking for in DOC1®, from Pitney Bowes Business Insight.

“Our goal was to create one customer financial statement application, then have the documents available for printing in Metacode (Xerox) and PCL (HP) formats, and, for access over the Internet, in Adobe' PDF format,” said Butler. “DOC1 gave us this unique, three-in-one capability, which has enhanced our competitive advantage, especially in Phase 3 where we now offer 'real time' financial statements that clients can view and print off the Internet.”

Phase 1: Migrating to a New System to Generate Statements

With the acquisition of Prudential, London Life received an RS/6000-based client/server Group Pension Administration System (GPAS). Previously, London Life's statement data resided

on a mainframe and was downloaded to PCs and formatted in MS Word. Phase 1 was to migrate London Life's Retirement Savings Plan (RSP) statement data to the GPAS system in time to meet the next semi-annual customer mailing deadline.

London Life wanted the new statements to mirror the appearance of the original statements produced in MS Word, so as not to surprise those customers already familiar with them. The implementation of Phase 1 was expedited by DOC1's easy-to-use PC-based graphical user interface (GUI) and its ability to import word processing files. This eliminated the need to rekey text. DOC1 also preserved typographic attributes such as bold, italic and justification. This flexibility and ease of implementation enabled Phase 1 to be completed in time to meet the statement mailing deadline date.

Phase 2: Automating the Process

With its NT development and UNIX production platforms, DOC1 fit into London Life's long-term strategy of migrating all retirement statements to the RS/6000-based GPAS. London Life chose to store only the document composition rules electronically and not the statement itself, so no form overlays needed to be stored and managed on the RS/6000 servers. With DOC1 “right sized” documents and the client/server environment, the Retirement Services group removed application update constraints and reduced its dependency on mainframe-based statements.

“DOC1® ENABLES US TO DYNAMICALLY GENERATE THE EXACT SAME STATEMENTS WITH OUR DESIRED ‘BEST IN THE BUSINESS LOOK’, USING ONLY DOC1 AND CUSTOMER HISTORICAL DATA STORED ON THE RS/6000 SERVER. WE HAVE THE FLEXIBILITY TO MAKE CHANGES AFFECTING THE LOOK OF THE DOCUMENT ENTIRELY WITHIN DOC1.”

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“DOC1 enables us to dynamically generate the exact same statements with our desired ‘best in the business’ look, using only DOC1 and customer historical data stored on the RS/6000 server,” said Butler. “We have the flexibility to make changes affecting the look of the document entirely within DOC1.”

Most employer/employee statements are outsourced to ISM Document Management Services in nearby Mississauga, Ontario where they are printed on cut sheet London Life letterhead in duplex on Xerox 4135 printers. Each DOC1 print file is stored in a print spool as a virtual extension of ISM’s Mississauga-based mainframe via a 256K channel extender connection. The mainframe queries the print spool on a nightly basis to fill customer print and mail requirements. During Phase 2, programmers focused on enabling this automated computer transfer to ISM and generating statements that included OMR marks to support automated mail finishing. They successfully completed this phase in time for ISM to begin printing and mailing London Life statements within months of implementation.

Pull vs. Push

DOC1’s open architecture gave London Life the flexibility to produce documents when it wanted, where it wanted. In addition to printing “on the fly” PCL output on departmental printers and batch production runs in Metacode, DOC1 also generates PDF for electronic, real-time distribution via the Internet. This creates a new paradigm where customers now “pull” statement information when they need it. This information is supplemented by semiannual statements that are “pushed” to them, which summarize data over a 6-month period. “We are in a very Internet-oriented market and our clients’ financial decisions require ‘real time’ information, not dated statement information that could have been archived for several months,” said Butler. “Our ability to use DOC1 to enable our clients to review their fund portfolio generated in native

PDF as a ‘just in time’ statement that they can print ‘on the fly’ on their local printers was, to our knowledge, unique to our company.”

Phase 3: Internet Statement

London Life added a new print/view option of current fund performance to its web site to provide members general information, such as fund values and current investments. Customers can view additional pages and select the periods they wish to view. Users without PDF readers are provided a link to the Adobe Acrobat site for a onetime download of this free software, which is then retained permanently. Once the request is generated using the web page interface, the user is informed that it will take approximately one minute to access this information. During that minute, the system sends the request to the web server; the GPAS system gathers the information and completes the calculations; DOC1 composes the document and sends it back to the web server for viewing and/or printing. The fund data is accompanied with most of the same legal and regulatory information found on the mailed statements.

London Life Recognizes Savings and a Competitive Advantage D

London Life estimated that the total project would result in savings beginning year end 1998 of \$1 million per year. The company will see the biggest savings in personnel costs, as the newly automated statement system will require only one person to manage it compared to the 27 required to operate the mainframe-based system. Other savings include reduced postage costs and significant savings associated with mainframe charges.

“We are already projecting substantial savings for the first year with the collective efficiencies of the three-phased DOC1 project,” said Butler. “What’s even more important is the additional new business we expect to gain with our exclusive Internet view and print access that only we now offer our clients.”